



Agenda
City of Beaumont City Council Meeting
Closed Session 5:00 PM
Regular Session 6:00 PM

Beaumont Financing Authority
Beaumont Successor Agency (formerly RDA)
Beaumont Utility Authority
Beaumont Parking Authority
Beaumont Public Improvement Authority
Community Facilities District 93-1

550 E. 6th Street, Beaumont, Ca
Tuesday, October 15, 2019

Materials related to an item on this agenda submitted to the City Council after distribution of the agenda packets are available for public inspection in the City Clerk's office at 550 E. 6th Street during normal business hours.

Any person with a disability who requires accommodations in order to participate in this meeting should telephone the City Clerk's office at (951) 769-8520, at least 48 hours prior to the meeting in order to make a request for a disability related modification or accommodation.

Any one person may address the City Council on any matter not on this agenda. If you wish to speak, please fill out a "Public Comment Form" provided at the back table and give it to the City Clerk. There is a three (3) minute limit on public comments. There will be no sharing or passing of time to another person. State Law prohibits the City Council from discussing or taking actions brought up by your comments.

Page

CLOSED SESSION

A Closed Session of the City Council / Beaumont Financing Authority / Beaumont Utility Authority / Beaumont Successor Agency (formerly RDA)/Beaumont Parking Authority / Beaumont Public Improvement Authority may be held in accordance with state law which may include, but is not limited to, the following types of items: personnel matters, labor negotiations, security matters, providing instructions to real property negotiators and conference with legal counsel regarding pending litigation. Any public comment on Closed Session items will be taken prior to the Closed Session. Any required announcements or discussion of Closed Session items or actions following the Closed Session will be made in the City Council Chambers.

CALL TO ORDER

Mayor Martinez, Mayor Pro Tem Santos, Council Member Carroll, Council Member Lara, and Council Member White

1. Public Comments Regarding Closed Session
2. Public Employee Performance Evaluation Pursuant to Government Code Section 54957(b)(1) - Employee Title: City Manager

3. Conference with Labor Negotiator Pursuant to Government Code Section 54957.6. Agency Designated Representatives: Ray Santos and Nancy Carroll. Unrepresented Employee: City Manager
4. Conference with Real Property Negotiator Pursuant to Government Code Section 54956.8 for Property Known as Vacant Land APN 418-190-004, 005, 006, and 007. Agency Negotiator: City Manager Todd Parton or his Designee. Negotiating Parties: City of Beaumont and MJC Investment Property I, LLC. Under Negotiation: Price and Terms
5. Conference with Legal Counsel - Anticipated Litigation: Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2) and/or (3) (one potential case)

Adjourn to Closed Session

REGULAR SESSION

CALL TO ORDER

Mayor Martinez, Mayor Pro Tem Santos, Council Member Carroll, Council Member Lara, and Council Member White

Report out from Closed Session:

Action on any Closed Session items:

Action on any requests for excused absence:

Pledge of Allegiance:

Approval/Adjustments to Agenda:

Conflict of Interest Disclosure:

ANNOUNCEMENTS/RECOGNITIONS/PROCLAMATIONS/CORRESPONDENCE

PUBLIC COMMENT PERIOD (ITEMS NOT ON THE AGENDA)

Any one person may address the City Council on any matter not on this agenda. If you wish to speak, please fill out a "Public Comment Form" provided at the back table and give it to the City Clerk. There is a three (3) minute time limit on public comments. There will be no sharing or passing of time to another person. State Law prohibits the City Council from discussing or taking actions brought up by your comments.

CONSENT CALENDAR

Items on the consent calendar are taken as one action item unless an item is pulled for further discussion here or at the end of action items.

Approval of all Ordinances and Resolutions to be read by title only.

1. Ratification of Warrants

[Warrants dated 09.26.19](#)

7 - 20

- 2. Approval of Minutes** 21 - 27
[CC Minutes 10.01.19](#)
- 3. Notice of Planning Commission Vacancy** 29
 Recommended Council Action(s):
 1. Direct staff to notice for the vacancy of one (1) Planning Commission seat.
[Staff Report - Html](#)
- 4. Approval and Adoption of Resolution Amending Conflict of Interest Code** 31 - 38
 Recommended Council Action(s):
 1. Waive the full reading and adopt by title only, "A Resolution of the City Council of the City of Beaumont Adopting an Amended Conflict of Interest Code."
[Staff Report - Html](#)
[Attachment A - 2019 Conflict of Interest Code](#)
- 5. Request for Facility and Staff Fee Waiver- Beaumont Cherry Valley Rotary Club Senior Thanksgiving Dinner** 39 - 41
 Recommended Council Action(s):
 1. Consider waiver of facility use and staff fees requested by Beaumont Cherry Valley Rotary Club in the amount of \$370.00
 2. Consider the waiver of a \$500 deposit for the use of the gymnasium at the CRC.
[Staff Report - Html](#)
[Attachment A - Letter to City](#)

PUBLIC HEARINGS

Approval of all Ordinances and Resolutions to be read by title only

- 6. Proposed Amendments to Beaumont Municipal Code Chapter 17.12 Adult Entertainment and Chapter 5.44 Massage Establishments Regulating the Permitting and Operation of Massage Establishments to Comply with State Law** 43 - 71
 Recommended Council Action(s):
 1. Hold a public hearing, and
 2. Waive the first full reading and approve by title only, "An Ordinance of the City of Beaumont Approving Amendments to the City of Beaumont Municipal Code Pertaining to the Regulation of Massage Establishments: Amending Title 5, Chapter 5.44."
[Staff Report - Html](#)
[Attachment A - Draft Massage Ordinance](#)
[Attachment B - Legal Ad Summary of Ordinance Massage](#)

ACTION ITEMS

Approval of all Ordinances and Resolutions to be read by title only.

- 7. Approval by Community Facilities District No. 2016-4 (Four Seasons) of the Issuance of its Special Tax Bond, Series 2019** 73 - 273
- Recommended Council Action(s):
1. Waive the full reading and adopt by title only, "A Resolution of the City Council of the City of Beaumont, Acting as the Legislative Body of the City of Beaumont Community Facilities District No. 2016-4, Authorizing the Issuance of its 2019 Special Tax Bonds in an Aggregate Principal Amount Not to Exceed \$5,000,000 and Approving Certain Documents and Taking Certain Other Actions in Connection Therewith."
- [Staff Report - Html](#)
[Resolution of Issuance](#)
[Bond Indenture](#)
[Bond Purchase Agreement](#)
[Continuing Disclosure Certificate](#)
[Preliminary Official Statement](#)
- 8. Award of Contract to M. Brey Electric, Inc., for City-Wide Electrical Services** 275 - 316
- Recommended Council Action(s):
1. Award a public works repair and maintenance agreement for City-wide electrical services to M. Brey Electric, Inc. for a period not-to-exceed three years, and authorize the Mayor to execute the agreement on behalf of the City of Beaumont.
- [Staff Report - Html](#)
[Attachment A - Contract](#)
- 9. Award a Contract to Moore & Associates, Inc., to Perform a Comprehensive Operations Analysis of the Transit Services in an Amount Not-To-Exceed \$121,563.80** 317 - 388
- Recommended Council Action(s):
1. Award a contract to Moore & Associates, Inc., in an amount not-to-exceed \$121,563.80; and
 2. Authorize the Mayor to execute a professional services agreement with Moore & Associates, Inc.
- [Staff Report - Html](#)
[Attachment A](#)
- 10. Award of Construction Contract to TSR Construction and Inspection in an Amount Not-to-Exceed \$237,700 for the Community Development Block Grant (CDBG) Project - Rangel Park Improvements Project (2018-005A) CDBG 5.BEA.36-18 and Authorize the City Manager to Execute Change Orders in an Amount Not-to-Exceed \$23,770 for a Total Contract Amount Not-to Exceed \$261,470** 389 - 448
- Recommended Council Action(s):
1. Award a construction contract in the amount not-to-exceed

- \$237,700 to TSR Construction and Inspection for the Rangel Park Improvements Project (Project 2018-005A) 5.BEA.36-18,
2. Authorize the Mayor to execute the public works agreement on behalf of the City of Beaumont, and
 3. Authorize the City Manager to approve any recommended change orders in an amount not-to-exceed \$23,770.

[Staff Report - Html](#)

[Attachment A - Rangel Park Improvements Project Contract](#)

- 11. Approval of a Five-Year Purchase Contract with Axon Enterprise, Inc. for Taser 7 Systems in an Amount Not to Exceed \$78,549.76** 449 - 457

Recommended Council Action(s):

1. Approve a five-year purchase contract with Axon Enterprises, Inc., in an amount not to exceed \$78,549.76 and as provided in quote Q-212204-43591.913TC.

[Staff Report - Html](#)

[Attachment A - Quote](#)

- 12. An Interim Urgency Ordinance for a Temporary Moratorium Prohibiting Public Storage Facilities, Moving and Storage Establishments, Automobile Parking Facilities (Including Recreational Vehicles), Truck Stops and Terminals, and Building Storage Yards** 459 - 471

Recommended Council Action(s):

Waive the full reading and adopt by title only, "An Interim Urgency Ordinance of The City of Beaumont, Enacting A Temporary Moratorium Prohibiting Public Storage Facilities, Moving and Storage Establishments, Automobile Parking Facilities (Including Recreational Vehicles), Automobile Parking Facilities, Truck Stops and Terminals and Building Storage Yards, Pursuant to Government Code Section 65858."

[Staff Report - Html](#)

[Attachment A - Interim Urgency Ordinance](#)

[Attachment B - October 1, 2019 City Council Staff Report](#)

[Attachment C - Economic Development Strategic Plan Goals](#)

- 13. Consideration to Cancel December 17, 2019 City Council Meeting** 473

Recommended Council Action(s):

Discussion and direction to staff.

[Staff Report - Html](#)

- 14. City Council Approval of Change Order No. 9 for the Wastewater Treatment Plant Upgrade/Expansion in the Amount Not to Exceed \$138,531.73** 475 - 531

Recommended Council Action(s):

1. Approval of Change Order No. 9 for the Wastewater Treatment Plant Expansion/Renovation Project in the amount not to exceed \$138,531.73.

[Staff Report - Html](#)

[Change Order No. 9](#)

- 15. Approval of City Attorney Invoices for the Month of September 2019** 533 -
Recommended Council Action(s): 551
Approve invoices in the amount of \$110,707.04.

[SBEMP Invoices - September](#)

- 16. Legislative Updates and Discussion** 553 - 574
[CBEAU Legislative Report](#)

COUNCIL REPORTS

- Carroll
- Lara
- Martinez
- Santos
- White

ECONOMIC DEVELOPMENT UPDATE

Economic Development Committee Report Out and City Council Direction

CITY TREASURER REPORT

Finance and Audit Committee Report Out and Council Direction

CITY CLERK REPORT

CITY ATTORNEY REPORT

CITY MANAGER REPORT

FUTURE AGENDA ITEMS

Adjournment of the City Council of the October 15, 2019 Meeting at ___ p.m.

The next regular meeting of the Beaumont City Council, Beaumont Financing Authority, the Beaumont Successor Agency (formerly RDA), the Beaumont Utility Authority, the Beaumont Parking Authority and the Beaumont Public Improvement Agency is scheduled for Tuesday, November 5, 2019, at 5:00 p.m. or thereafter as noted on the posted Agenda for Closed Session items in the City Council Board Room No. 5, followed by the regular meeting at 6:00 p.m. or thereafter as noted on the posted Agenda at City Hall.

Beaumont City Hall – Online www.BeaumontCa.gov



WARRANTS TO BE RATIFIED

Thursday, September 26, 2019

Printed Checks	103387-103436	\$	154,860.95	FY 19/20
EFT	212-216	\$	4,427,221.80	FY 19/20
	A/P Total	\$	<u>4,582,082.75</u>	
Voided Check	103219.	\$	848.76	Redlands-Yucaipa Rentals, Inc.
Bank Drafts	CalPERS	\$	46,562.60	743 Classic
		\$	44,788.16	742 Classic
		\$	12,623.74	27308 PEPRA
		\$	6,202.67	25763 PEPRA

I DO HEREBY CERTIFY THIS WARRANT LIST HAS BEEN COMPILED AND PREPARED TO MEET THE DAILY OPERATIONS FOR THE FISCAL YEAR JULY 1, 2019 - JUNE 30, 2020

SIGNATURE: 
 TITLE: CITY TREASURER

SIGNATURE: 
 TITLE: ADMINISTRATIVE SERVICES DIRECTOR



Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
3503	CITIZENS BUSINESS BANK	09/26/2019	EFT	0.00	123,478.37	212
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
APPLICATION 9	Invoice	09/25/2019	W LYLES RETENTION ESCROW	0.00	123,478.37	
	710-0000-8030-0000		CAPITAL IMPROVEMENT		123,478.37	
			W LYLES RETENTION ESCROW			
2295	SLOVAK BARON EMPEY MURPHY & PINKNEY	09/26/2019	EFT	0.00	88,944.01	213
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
54510	Invoice	09/25/2019	LEGAL SERVICES	0.00	7,483.50	
	120-9663-7300-0000		CONTRACTUAL SERVICES		7,483.50	
54511	Invoice	09/25/2019	LEGAL SERVICES	0.00	20,041.50	
	120-9663-7300-0000		CONTRACTUAL SERVICES		20,041.50	
54512	Invoice	09/25/2019	LEGAL SERVICES	0.00	13,447.50	
	120-9663-7300-0000		CONTRACTUAL SERVICES		13,447.50	
54513	Invoice	09/25/2019	LEGAL SERVICES	0.00	137.50	
	120-9663-7300-0000		CONTRACTUAL SERVICES		137.50	
54514	Invoice	09/25/2019	LEGAL SERVICES	0.00	440.00	
	120-9663-7300-0000		CONTRACTUAL SERVICES		440.00	
54515	Invoice	09/25/2019	LEGAL SERVICES	0.00	4,974.00	
	120-9663-7300-0000		CONTRACTUAL SERVICES		4,974.00	
54516	Invoice	09/25/2019	LEGAL SERVICES	0.00	15,111.00	
	120-9663-7300-0000		CONTRACTUAL SERVICES		15,111.00	
54518	Invoice	09/25/2019	LEGAL SERVICES	0.00	5,562.89	
	120-9663-7300-0000		CONTRACTUAL SERVICES		5,562.89	
54519	Invoice	09/25/2019	LEGAL SERVICES	0.00	907.50	
	120-9663-7300-0000		CONTRACTUAL SERVICES		907.50	
54520	Invoice	09/25/2019	LEGAL SERVICES	0.00	137.50	
	120-9663-7300-0000		CONTRACTUAL SERVICES		137.50	
54521	Invoice	09/25/2019	LEGAL SERVICES	0.00	550.00	
	120-9663-7300-0000		CONTRACTUAL SERVICES		550.00	
54522	Invoice	09/25/2019	LEGAL SERVICES	0.00	932.10	
	120-9663-7300-0000		CONTRACTUAL SERVICES		932.10	
54523	Invoice	09/25/2019	LEGAL SERVICES	0.00	11,707.02	
	120-9663-7300-0000		CONTRACTUAL SERVICES		11,707.02	
54524	Invoice	09/25/2019	LEGAL SERVICES	0.00	7,512.00	
	120-9663-7300-0000		CONTRACTUAL SERVICES		7,512.00	
3400	T.E. ROBERTS, INC	09/26/2019	EFT	0.00	1,082,892.60	214
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
APPLICATION 8	Invoice	09/25/2019	Brine Line Reach 2 - Contractor	0.00	1,082,892.60	
	710-0000-8030-0000		CAPITAL IMPROVEMENT		1,082,892.60	
			Brine Line Reach 2 - Contractor			
3396	W.M. LYLES CO.	09/26/2019	EFT	0.00	2,346,088.99	215

Check Report

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
	Account Number	Account Name	Item Description	Distribution Amount		
<u>APPLICATION 9</u>	Invoice	09/25/2019	WWTP SALT MITIGATION UPGRADE - CON	0.00	2,346,088.99	
	<u>710-0000-8030-0000</u>	CAPITAL IMPROVEMENT	WWTP SALT MITIGATION UPGR		2,262,623.50	
	<u>710-0000-8030-0000</u>	CAPITAL IMPROVEMENT	WWTP SALT MITIGATION		59,167.49	
	<u>710-0000-8030-0000</u>	CAPITAL IMPROVEMENT	WWTP SALT MITIGATION		24,298.00	
3394	WEKA INC	09/26/2019	EFT	0.00	785,817.83	216
<u>Payable #</u>	<u>Payable Type</u>	<u>Post Date</u>	<u>Payable Description</u>	<u>Discount Amount</u>	<u>Payable Amount</u>	
	<u>Account Number</u>	<u>Account Name</u>	<u>Item Description</u>	<u>Distribution Amount</u>		
<u>APPLICATION 9</u>	Invoice	09/25/2019	Brine Line Reach 1 - Contractor	0.00	785,817.83	
	<u>710-0000-8030-0000</u>	CAPITAL IMPROVEMENT	Brine Line Reach 1 - Contractor		1,201,629.00	
	<u>710-0000-8030-0000</u>	CAPITAL IMPROVEMENT	BRINE LINE REACH		139,643.95	
	<u>710-0000-8030-0000</u>	CAPITAL IMPROVEMENT	WIRE		-568,276.99	
	<u>710-0000-8030-0000</u>	CAPITAL IMPROVEMENT	BRINE LINE REACH 1		12,821.87	
3776	GULL NAWAZ	09/26/2019	Regular	0.00	1,904.68	103387
<u>Payable #</u>	<u>Payable Type</u>	<u>Post Date</u>	<u>Payable Description</u>	<u>Discount Amount</u>	<u>Payable Amount</u>	
	<u>Account Number</u>	<u>Account Name</u>	<u>Item Description</u>	<u>Distribution Amount</u>		
<u>FINAL CHECK 2</u>	Invoice	09/26/2019	VACATION HOURS	0.00	1,904.68	
	<u>100-0000-2105-0000</u>	PAYROLL SUSPENSE	VACATION HOURS		1,904.68	
3776	GULL NAWAZ	09/26/2019	Regular	0.00	1,301.22	103388
<u>Payable #</u>	<u>Payable Type</u>	<u>Post Date</u>	<u>Payable Description</u>	<u>Discount Amount</u>	<u>Payable Amount</u>	
	<u>Account Number</u>	<u>Account Name</u>	<u>Item Description</u>	<u>Distribution Amount</u>		
<u>FINAL CHECK</u>	Invoice	09/26/2019	FINAL PAY	0.00	1,301.22	
	<u>100-0000-2105-0000</u>	PAYROLL SUSPENSE	FINAL PAY		1,301.22	
1006	AB LANDSCAPE	09/26/2019	Regular	0.00	4,960.00	103389
<u>Payable #</u>	<u>Payable Type</u>	<u>Post Date</u>	<u>Payable Description</u>	<u>Discount Amount</u>	<u>Payable Amount</u>	
	<u>Account Number</u>	<u>Account Name</u>	<u>Item Description</u>	<u>Distribution Amount</u>		
<u>20190827</u>	Invoice	09/25/2019	weed abatement Berkshire/Seneca Spring	0.00	4,960.00	
	<u>100-6050-7068-06A1</u>	CONTRACTUAL SVC IA 6A	weed abatement Berkshire/Sen		4,960.00	
1014	ACE ALTERNATORS	09/26/2019	Regular	0.00	380.89	103390
<u>Payable #</u>	<u>Payable Type</u>	<u>Post Date</u>	<u>Payable Description</u>	<u>Discount Amount</u>	<u>Payable Amount</u>	
	<u>Account Number</u>	<u>Account Name</u>	<u>Item Description</u>	<u>Distribution Amount</u>		
<u>111620</u>	Invoice	09/25/2019	VEHICLE MAINTENANCE	0.00	190.31	
	<u>750-7400-7037-0000</u>	VEHICLE MAINTENANCE	VEHICLE MAINTENANCE		190.31	
<u>111893</u>	Invoice	09/25/2019	VEHICLE MAINTENANCE	0.00	190.58	
	<u>750-7100-7037-0000</u>	VEHICLE MAINTENANCE	VEHICLE MAINTENANCE		190.58	
3773	ADELINE SIROTNAK	09/26/2019	Regular	0.00	302.40	103391
<u>Payable #</u>	<u>Payable Type</u>	<u>Post Date</u>	<u>Payable Description</u>	<u>Discount Amount</u>	<u>Payable Amount</u>	
	<u>Account Number</u>	<u>Account Name</u>	<u>Item Description</u>	<u>Distribution Amount</u>		
<u>06-005476-01</u>	Invoice	09/25/2019	REIMBURSE OVER PAYMENT ON UTILITY A	0.00	302.40	
	<u>100-0000-1400-0000</u>	A/R - UTILITIES	REIMBURSE OVER PAYMENT ON		302.40	
1050	AMAZON CAPITAL SERVICES	09/26/2019	Regular	0.00	2,674.59	103392
<u>Payable #</u>	<u>Payable Type</u>	<u>Post Date</u>	<u>Payable Description</u>	<u>Discount Amount</u>	<u>Payable Amount</u>	
	<u>Account Number</u>	<u>Account Name</u>	<u>Item Description</u>	<u>Distribution Amount</u>		
<u>196L-LN1X-HQ9G</u>	Invoice	09/25/2019	DEPT SUPPLIES	0.00	16.03	
	<u>100-6050-7070-5500</u>	SPEC DEPT EXP - STEWAR	DEPT SUPPLIES		16.03	
<u>1N6G-3P4L-XVP9</u>	Invoice	09/25/2019	DEPT SUPPLIES	0.00	2,658.56	
	<u>500-0000-8990-0000</u>	CAPITAL OUTLAY	DEPT SUPPLIES		2,658.56	
1053	AMERICAN FORENSIC NURSES	09/26/2019	Regular	0.00	364.00	103393

Check Report

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
	Account Number	Account Name	Item Description	Distribution Amount		
<u>72497</u>	Invoice	09/25/2019	American Forensic Nurses - Services	0.00	224.00	
	<u>100-2050-7068-0000</u>	CONTRACTUAL SERVICES	American Forensic Nurses - Serv		224.00	
<u>72547</u>	Invoice	09/25/2019	American Forensic Nurses - Services	0.00	140.00	
	<u>100-2050-7068-0000</u>	CONTRACTUAL SERVICES	American Forensic Nurses - Serv		140.00	
1100	AUTOZONE	09/26/2019	Regular	0.00	352.99	103394
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
	Account Number	Account Name	Item Description	Distribution Amount		
<u>2882024682</u>	Invoice	09/25/2019	VEHICLE MAINTENANCE	0.00	277.80	
	<u>750-7300-7037-0000</u>	VEHICLE MAINTENANCE	VEHICLE MAINTENANCE		277.80	
<u>2882032129</u>	Invoice	09/26/2019	VEHICLE MAINTENANCE	0.00	54.61	
	<u>100-2030-7037-0000</u>	VEHICLE MAINTENANCE	VEHICLE MAINTENANCE		54.61	
<u>2882945297</u>	Invoice	09/26/2019	VEHICLE MAINTENANCE	0.00	20.58	
	<u>100-2050-7037-0000</u>	VEHICLE MAINTENANCE	VEHICLE MAINTENANCE		20.58	
1127	BEAUMONT DO IT BEST HOME CENTER	09/26/2019	Regular	0.00	194.63	103395
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
	Account Number	Account Name	Item Description	Distribution Amount		
<u>476484</u>	Invoice	09/25/2019	DEPT SUPPLIES	0.00	33.69	
	<u>100-6050-7070-0000</u>	SPECIAL DEPT SUPPLIES	DEPT SUPPLIES		19.39	
	<u>100-6050-7070-5400</u>	SPEC DEPT EXP - SPORTS	DEPT SUPPLIES		14.30	
<u>476870</u>	Invoice	09/25/2019	DEPT SUPPLIES	0.00	39.68	
	<u>100-6050-7070-010A</u>	SPEC DEPT EXP - IA 10A	DEPT SUPPLIES		39.68	
<u>477257</u>	Invoice	09/25/2019	BUILDING SUPPLIES & MAINTENANCE	0.00	55.35	
	<u>100-6000-7085-6025</u>	BLDG MAINT - CITY HALL	BUILDING SUPPLIES & MAINTEN		55.35	
<u>477337</u>	Invoice	09/25/2019	DEPT SUPPLIES	0.00	9.20	
	<u>100-6050-7070-5450</u>	SPEC DEPT EXP - STETSON	DEPT SUPPLIES		9.20	
<u>477495</u>	Invoice	09/25/2019	VEHICLE MAINTENANCE	0.00	23.25	
	<u>750-7300-7037-0000</u>	VEHICLE MAINTENANCE	VEHICLE MAINTENANCE		23.25	
<u>477553</u>	Invoice	09/25/2019	BUILDING SUPPLIES & MAINTENANCE	0.00	33.46	
	<u>100-6000-7085-6045</u>	BLDG MAINT- COMMUNI	BUILDING SUPPLIES & MAINTEN		33.46	
1136	BEAUMONT POWER EQUIPMENT	09/26/2019	Regular	0.00	31.24	103396
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
	Account Number	Account Name	Item Description	Distribution Amount		
<u>2338</u>	Invoice	09/25/2019	EQUIPMENT SUPPLIES & MAINTENANCE	0.00	31.24	
	<u>750-7300-7090-0000</u>	EQUIPMENT SUPPLIES/M	EQUIPMENT SUPPLIES & MAINT		31.24	
3746	BECS PACIFIC LTD	09/26/2019	Regular	0.00	335.76	103397
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
	Account Number	Account Name	Item Description	Distribution Amount		
<u>02007753</u>	Invoice	09/25/2019	VEHICLE MAINTENANCE	0.00	335.76	
	<u>750-7700-7037-0000</u>	VEHICLE MAINTENANCE	VEHICLE MAINTENANCE		335.76	
1161	BIO-TOX LABORATORIES	09/26/2019	Regular	0.00	725.00	103398
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
	Account Number	Account Name	Item Description	Distribution Amount		
<u>38558</u>	Invoice	09/25/2019	Bio Tox Blood Draw Analysis	0.00	234.00	
	<u>100-2050-7068-0000</u>	CONTRACTUAL SERVICES	Bio Tox Blood Draw Analysis		234.00	
<u>38672</u>	Invoice	09/25/2019	Bio Tox Blood Draw Analysis	0.00	491.00	
	<u>100-2050-7068-0000</u>	CONTRACTUAL SERVICES	Bio Tox Blood Draw Analysis		491.00	
1294	CIVICPLUS	09/26/2019	Regular	0.00	1,176.94	103399

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Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
	Account Number	Account Name	Item Description	Distribution Amount		
186579	Invoice	09/25/2019	SOFTWARE	0.00	1,124.81	
	<u>100-1230-7071-0000</u>		SOFTWARE		1,124.81	
187126	Invoice	09/25/2019	FINANCE CHARGE ON INVOICE 182243	0.00	14.74	
	<u>100-1230-7071-0000</u>		SOFTWARE		14.74	
188410	Invoice	09/25/2019	FINANCE CHARGE ON INVOICE 182243	0.00	14.74	
	<u>100-1230-7071-0000</u>		SOFTWARE		14.74	
190036	Invoice	09/25/2019	FINANCE CHARGE ON INVOICE 187126	0.00	5.00	
	<u>100-1230-7071-0000</u>		SOFTWARE		5.00	
191227	Invoice	09/25/2019	FINANCE CHARGE ON OVERDUE BALANCE	0.00	17.65	
	<u>100-1230-7071-0000</u>		SOFTWARE		17.65	
1299	CLEAN TECH ENVIRONMENTAL	09/26/2019	Regular	0.00	319.93	103400
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
	Account Number	Account Name	Item Description	Distribution Amount		
64019	Invoice	09/25/2019	EQUIPMENT RENTAL	0.00	319.93	✓
	<u>750-7300-7075-0000</u>		EQUIPMENT LEASING/RE		319.93	
3499	COLLEEN LANGSTON	09/26/2019	Regular	0.00	509.30	103401
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
	Account Number	Account Name	Item Description	Distribution Amount		
04-011324-02 09	Invoice	09/26/2019	REIMBURSE OF OVER PAYMENT ON UTILIT	0.00	509.30	✓
	<u>100-0000-1400-0000</u>		A/R - UTILITIES		509.30	
3241	CONSOLIDATED POWER SOURCE, INC	09/26/2019	Regular	0.00	5,172.05	103402
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
	Account Number	Account Name	Item Description	Distribution Amount		
82819	Invoice	09/25/2019	Transmission for Bus # 27	0.00	5,172.05	✓
	<u>750-7700-7037-0000</u>		VEHICLE MAINTENANCE		5,172.05	
1344	CREATIVE BUS SALES, INC	09/26/2019	Regular	0.00	187.50	103403
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
	Account Number	Account Name	Item Description	Distribution Amount		
1338909	Invoice	09/25/2019	VEHICLE MAINTENANCE	0.00	187.50	✓
	<u>750-7400-7037-0000</u>		VEHICLE MAINTENANCE		187.50	
3774	CUB SCOUT FAMILY PACK 70	09/26/2019	Regular	0.00	40.00	103404
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
	Account Number	Account Name	Item Description	Distribution Amount		
RCT 904832	Invoice	09/25/2019	DEPOSIT REFUND	0.00	40.00	
	<u>100-0000-4590-0000</u>		BUILDING RENTAL		40.00	
1402	DEPARTMENT OF JUSTICE	09/26/2019	Regular	0.00	490.00	103405
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
	Account Number	Account Name	Item Description	Distribution Amount		
405426	Invoice	09/25/2019	Department of Justice Blood Alcohol Anal	0.00	35.00	
	<u>100-2050-7068-0000</u>		CONTRACTUAL SERVICES		35.00	
405846	Invoice	09/25/2019	Department of Justice Blood Alcohol Anal	0.00	420.00	
	<u>100-2050-7068-0000</u>		CONTRACTUAL SERVICES		420.00	
405870	Invoice	09/25/2019	Department of Justice Blood Alcohol Anal	0.00	35.00	
	<u>100-2050-7068-0000</u>		CONTRACTUAL SERVICES		35.00	
1414	DIAMOND HILLS AUTO GROUP	09/26/2019	Regular	0.00	457.85	103406
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
	Account Number	Account Name	Item Description	Distribution Amount		
654572	Invoice	09/25/2019	VEHICLE MAINTENANCE	0.00	88.40	
	<u>750-7700-7037-0000</u>		VEHICLE MAINTENANCE		88.40	

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Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
<u>655318</u>	Invoice <u>750-7700-7037-0000</u>	09/25/2019	VEHICLE MAINTENANCE VEHICLE MAINTENANCE	0.00	369.45 369.45	
1424	DIRECTV	09/26/2019	Regular	0.00	173.98	103407
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
<u>36705645405</u>	Invoice <u>100-6000-7010-6045</u>	09/25/2019	BUILDING UTILITY UTILITIES - COMMUNITY	0.00	173.98 173.98	
3760	ENRIQUE MEDINA	09/26/2019	Regular	0.00	2,750.00	103408
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
<u>1616</u>	Invoice <u>100-3250-7068-0000</u>	09/25/2019	RELOCATE STREETS TRAILER CONTRACTUAL SERVICES	0.00	2,750.00 2,750.00	
3347	EXECUTIVE FACILITIES SERVICES, INC	09/26/2019	Regular	0.00	10,700.12	103409
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
<u>19909</u>	Invoice <u>100-6000-7068-6025</u> <u>100-6000-7068-6026</u> <u>100-6000-7068-6032</u> <u>100-6000-7068-6040</u> <u>100-6000-7068-6041</u> <u>100-6000-7068-6045</u> <u>100-6000-7068-6060</u> <u>750-7000-7068-0000</u> <u>750-7300-7068-0000</u>	09/25/2019	REMAKE OF PO 600000017 CONTRACTUAL SVC - CITY CONTRACTUAL SVC - CITY CONTRACTUAL SVC - CITY CONTRACTUAL SVC - POLI CONTRACTUAL SVC - POLI CONTRACTUAL SVC - COM CONTRACTUAL SVC - 713 CONTRACTUAL SERVICES CONTRACTUAL SERVICES	0.00	10,700.12 3,915.50 706.23 335.06 947.38 552.38 3,400.00 179.23 539.34 125.00	
1533	FRONTIER COMMUNICATIONS	09/26/2019	Regular	0.00	110.15	103410
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
<u>951-922-6646-04</u>	Invoice <u>700-4050-7015-0000</u>	09/25/2019	PHONE UTILITY TELEPHONE	0.00	110.15 110.15	
3572	HECTOR ALVARADO	09/26/2019	Regular	0.00	4,060.00	103411
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
<u>1056</u>	Invoice <u>750-7100-7068-0000</u> <u>750-7400-7068-0000</u> <u>750-7600-7068-0000</u> <u>750-7700-7068-0000</u> <u>750-7800-7068-0000</u> <u>750-7900-7068-0000</u> <u>750-8000-7068-0000</u> <u>750-8100-7068-0000</u> <u>750-8200-7068-0000</u>	09/25/2019	Bus Washing Service CONTRACTUAL SERVICES CONTRACTUAL EXPENSES CONTRACTUAL SERVICES CONTRACTUAL SERVICES CONTRACTUAL SERVICES CONTRACTUAL SERVICES CONTRACTUAL SERVICES CONTRACTUAL SERVICES CONTRACTUAL SERVICES CONTRACTUAL SERVICES	0.00	2,090.00 230.00 450.00 300.00 330.00 100.00 100.00 100.00 320.00 160.00	
<u>1060</u>	Invoice <u>750-7100-7068-0000</u> <u>750-7400-7068-0000</u> <u>750-7600-7068-0000</u> <u>750-7700-7068-0000</u> <u>750-7800-7068-0000</u> <u>750-7900-7068-0000</u> <u>750-8000-7068-0000</u> <u>750-8100-7068-0000</u> <u>750-8200-7068-0000</u>	09/25/2019	Bus Washing Service CONTRACTUAL SERVICES CONTRACTUAL EXPENSES CONTRACTUAL SERVICES CONTRACTUAL SERVICES CONTRACTUAL SERVICES CONTRACTUAL SERVICES CONTRACTUAL SERVICES CONTRACTUAL SERVICES CONTRACTUAL SERVICES	0.00	1,970.00 200.00 410.00 300.00 280.00 100.00 100.00 100.00 320.00 160.00	
2619	MIKE'S TREE SERVICE	09/26/2019	Regular	0.00	16,500.00	103412

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Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
	Account Number	Account Name	Item Description	Distribution Amount		
<u>2936</u>	Invoice 100-6050-7068-0000	09/25/2019	Goods CONTRACTUAL SERVICES	0.00	16,500.00	
3373	MIRIAM AVALOS Payable Type	09/26/2019	Regular	0.00	425.00	103413
<u>08/26/19</u>	Invoice 100-6050-7037-0000	09/25/2019	VEHICLE MAINTENANCE VEHICLE MAINTENANCE	0.00	425.00	
1967	MORONGO BAND OF MISSION INDIANS Payable Type	09/26/2019	Regular	0.00	23,394.86	103414
<u>2019-069</u>	Invoice 710-0000-7068-0000 710-0000-7068-0000	09/25/2019	MONITORING PROGRAM CONTRACTUAL SERVICE CONTRACTUAL SERVICE	0.00	7,316.06	
<u>2019-070</u>	Invoice 710-0000-7068-0000 710-0000-7068-0000	09/25/2019	MONITORING PROGRAM CONTRACTUAL SERVICE CONTRACTUAL SERVICE	0.00	6,951.34	
<u>2019-071</u>	Invoice 710-0000-7068-0000 710-0000-7068-0000	09/25/2019	MONITORING PROGRAM CONTRACTUAL SERVICE CONTRACTUAL SERVICE	0.00	5,962.85	
<u>2019-072</u>	Invoice 710-0000-7068-0000 710-0000-7068-0000	09/25/2019	MONITORING SERVICE CONTRACTUAL SERVICE CONTRACTUAL SERVICE	0.00	3,164.61	
1980	MYERS TIRE SUPPLY Payable Type	09/26/2019	Regular	0.00	135.99	103415
<u>91414683</u>	Invoice 750-7300-7037-0000	09/25/2019	VEHICLE MAINTENANCE VEHICLE MAINTENANCE	0.00	135.99	
1984	NAPA AUTO PARTS Payable Type	09/26/2019	Regular	0.00	1,006.16	103416
<u>100390</u>	Invoice 750-7300-7037-0000	09/25/2019	VEHICLE MAINTENANCE VEHICLE MAINTENANCE	0.00	323.96	
<u>100427</u>	Invoice 750-7800-7037-0000	09/25/2019	VEHICLE MAINTENANCE VEHICLE MAINTENANCE	0.00	51.71	
<u>100440</u>	Credit Memo 750-7300-7037-0000	09/25/2019	VEHICLE MAINTENANCE VEHICLE MAINTENANCE	0.00	-161.98	
<u>101641</u>	Invoice 750-7300-7037-0000	09/25/2019	VEHICLE MAINTENANCE VEHICLE MAINTENANCE	0.00	17.23	
<u>101717</u>	Invoice 750-8100-7037-0000	09/25/2019	VEHICLE MAINTENANCE VEHICLE MAINTENANCE	0.00	32.26	
<u>101759</u>	Invoice 750-7100-7037-0000	09/25/2019	VEHICLE MAINTENANCE VEHICLE MAINTENANCE	0.00	343.98	
<u>101774</u>	Credit Memo 750-7100-7037-0000	09/25/2019	VEHICLE MAINTENANCE VEHICLE MAINTENANCE	0.00	-141.42	
<u>101839</u>	Invoice 750-7400-7037-0000	09/25/2019	VEHICLE MAINTENANCE VEHICLE MAINTENANCE	0.00	23.69	
<u>101846</u>	Invoice 750-7400-7037-0000	09/25/2019	VEHICLE MAINTENANCE VEHICLE MAINTENANCE	0.00	28.54	
<u>102208</u>	Invoice 750-7300-7037-0000	09/25/2019	VEHICLE MAINTENANCE VEHICLE MAINTENANCE	0.00	14.00	

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Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
<u>102215</u>	Invoice <u>750-7800-7037-0000</u>	09/25/2019	VEHICLE MAINTENANCE	0.00	99.90	
<u>102395</u>	Invoice <u>750-7600-7037-0000</u>	09/25/2019	VEHICLE MAINTENANCE	0.00	169.15	
<u>102470</u>	Invoice <u>750-7600-7037-0000</u>	09/25/2019	VEHICLE MAINTENANCE	0.00	105.52	
<u>102678</u>	Invoice <u>750-7300-7037-0000</u>	09/25/2019	VEHICLE MAINTENANCE	0.00	27.99	
<u>102843</u>	Invoice <u>750-7300-7037-0000</u>	09/25/2019	VEHICLE MAINTENANCE	0.00	21.54	
<u>102940</u>	Invoice <u>750-7800-7037-0000</u>	09/25/2019	VEHICLE MAINTENANCE	0.00	50.09	
	Void	09/26/2019	Regular	0.00	0.00	103417
2009	O'REILLY AUTO PARTS	09/26/2019	Regular	0.00	254.62	103418
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
	Account Number		Account Name		Distribution Amount	
<u>2678-203111</u>	Invoice <u>100-2150-7037-0000</u>	09/26/2019	VEHICLE MAINTENANCE	0.00	44.34	
<u>2678-203221</u>	Invoice <u>100-2150-7037-0000</u>	09/26/2019	VEHICLE MAINTENANCE	0.00	5.38	
<u>2678-203286</u>	Invoice <u>100-2150-7037-0000</u>	09/25/2019	VEHICLE MAINTENANCE	0.00	17.53	
<u>2678-213809</u>	Invoice <u>750-7300-7037-0000</u>	09/25/2019	VEHICLE MAINTENANCE	0.00	19.43	
<u>2678-213817</u>	Invoice <u>750-7300-7037-0000</u>	09/25/2019	VEHICLE MAINTENANCE	0.00	38.85	
<u>2678-214079</u>	Invoice <u>750-7600-7037-0000</u>	09/25/2019	VEHICLE MAINTENANCE	0.00	118.42	
<u>2678-214408</u>	Invoice <u>750-7300-7037-0000</u>	09/25/2019	VEHICLE MAINTENANCE	0.00	6.00	
<u>2678-214420</u>	Invoice <u>750-7300-7037-0000</u>	09/25/2019	VEHICLE MAINTENANCE	0.00	0.51	
<u>2678-214501</u>	Credit Memo <u>750-7300-7037-0000</u>	09/25/2019	VEHICLE MAINTENANCE	0.00	-0.51	
<u>2678-214502</u>	Invoice <u>750-7400-7037-0000</u>	09/25/2019	VEHICLE MAINTENANCE	0.00	2.53	
<u>2678-215440</u>	Invoice <u>750-7300-7037-0000</u>	09/25/2019	VEHICLE MAINTENANCE	0.00	2.14	
2039	PARKHOUSE TIRE, INC.	09/26/2019	Regular	0.00	1,741.14	103419
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
	Account Number		Account Name		Distribution Amount	
<u>2030180659</u>	Invoice <u>100-6050-7037-0000</u>	09/25/2019	VEHICLE MAINTENANCE	0.00	152.13	
<u>2030180725</u>	Invoice <u>750-7900-7037-0000</u>	09/25/2019	VEHICLE MAINTENANCE	0.00	523.67	
<u>2030180726</u>	Invoice <u>750-7400-7037-0000</u>	09/25/2019	VEHICLE MAINTENANCE	0.00	523.67	
<u>2030180727</u>	Invoice <u>750-7700-7037-0000</u>	09/25/2019	VEHICLE MAINTENANCE	0.00	523.67	
<u>2030181044</u>	Invoice <u>750-7300-7037-0000</u>	09/25/2019	VEHICLE MAINTENANCE	0.00	18.00	

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Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
2871	PARTS AUTHORITY METRO LLC	09/26/2019	Regular	0.00	425.97	103420
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
<u>062-841798</u>	Invoice	09/25/2019	VEHICLE MAINTENANCE	0.00	425.97	
	<u>750-7600-7037-0000</u>		VEHICLE MAINTENANCE		425.97	
2082	PROFORCE LAW ENFORCEMENT	09/26/2019	Regular	0.00	5,842.42	103421
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
<u>387997</u>	Invoice	09/25/2019	Purchase of 5 Colt LE M4/A3 Patrol Rifles	0.00	5,842.42	
	<u>100-2050-7070-0000</u>		SPECIAL DEPT SUPPLIES		5,842.42	
3652	PRUDENTIAL OVERALL SUPPLY	09/26/2019	Regular	0.00	331.86	103422
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
<u>22862441</u>	Invoice	09/25/2019	Prudential Uniforms	0.00	132.15	
	<u>750-7100-7065-0000</u>		UNIFORMS		17.12	
	<u>750-7400-7065-0000</u>		UNIFORMS		29.20	
	<u>750-7600-7065-0000</u>		UNIFORMS		27.57	
	<u>750-7700-7065-0000</u>		UNIFORMS		20.30	
	<u>750-7800-7065-0000</u>		UNIFORMS		20.30	
	<u>750-7900-7065-0000</u>		UNIFORMS		17.66	
<u>22862444</u>	Invoice	09/25/2019	Prudential Uniforms	0.00	54.20	
	<u>750-7300-7065-0000</u>		UNIFORMS		54.20	
<u>22862448</u>	Invoice	09/25/2019	Prudential Uniforms	0.00	91.31	
	<u>100-6050-7065-0000</u>		UNIFORMS		91.31	
<u>22866149</u>	Invoice	09/25/2019	Prudential Uniforms	0.00	54.20	
	<u>750-7300-7065-0000</u>		UNIFORMS		54.20	
2098	QUILL CORPORATON	09/26/2019	Regular	0.00	101.85	103423
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
<u>9890965</u>	Invoice	09/25/2019	OFFICE SUPPLIES	0.00	101.85	
	<u>100-1550-7025-0000</u>		OFFICE SUPPLIES		51.01	
	<u>100-6050-7070-0000</u>		SPECIAL DEPT SUPPLIES		50.84	
2126	REDLANDS FORD	09/26/2019	Regular	0.00	62.46	103424
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
<u>5159585</u>	Invoice	09/25/2019	VEHICLE MAINTENANCE	0.00	62.46	
	<u>750-7600-7037-0000</u>		VEHICLE MAINTENANCE		62.46	
3421	REDLANDS-YUCAIPA RENTALS, INC.	09/26/2019	Regular	0.00	848.76	103425
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
<u>348248 CHECK 2</u>	Invoice	09/25/2019	EQUIPMENT RENTAL	0.00	848.76	
	<u>100-6050-7075-003X</u>		EQUIPMENT LEASING/RE		848.76	
3681	RIVERSIDE COUNTY DEPARTMENT OF WASTE R	09/26/2019	Regular	0.00	175.13	103426
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
<u>6972628</u>	Invoice	09/25/2019	WASTE SERVICES	0.00	37.38	
	<u>100-6050-7068-014A</u>		CONTRACTUAL SVC IA 14		37.38	
<u>6973135</u>	Invoice	09/25/2019	WASTE SERVICES	0.00	30.81	
	<u>100-6050-7068-017A</u>		CONTRACTUAL SERVICES		30.81	
<u>6975616</u>	Invoice	09/25/2019	WASTE SERVICES	0.00	41.92	
	<u>100-6000-7068-6025</u>		CONTRACTUAL SVC - CITY		41.92	
<u>6996929</u>	Invoice	09/25/2019	WASTE SERVICES	0.00	51.02	
	<u>100-6050-7068-003X</u>		CONTRACTUAL SVC IA 3		25.00	

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Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
	<u>100-6050-7068-017A</u>		CONTRACTUAL SERVICES		26.02	
<u>7018171</u>	Invoice	09/25/2019	WASTE SERVICES	0.00	14.00	
	<u>100-6050-7068-0000</u>		CONTRACTUAL SERVICES		7.00	
	<u>100-6050-7068-017A</u>		CONTRACTUAL SERVICES		7.00	
3749	RJF & ASSOCIATES INC.	09/26/2019	Regular	0.00	6,000.00	103427
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
	Account Number		Account Name		Distribution Amount	
<u>19-07-035.01</u>	Invoice	09/25/2019	LEGAL SERVICES	0.00	6,000.00	
	<u>120-9663-7300-0000</u>		CONTRACTUAL SERVICES		6,000.00	
2267	SGP DESIGN AND PRINT	09/26/2019	Regular	0.00	194.25	103428
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
	Account Number		Account Name		Distribution Amount	
<u>11363</u>	Invoice	09/25/2019	OFFICE SUPPLIES	0.00	194.25	
	<u>100-1200-7025-0000</u>		OFFICE SUPPLIES		21.58	
	<u>100-1350-7025-0000</u>		OFFICE SUPPLIES		43.18	
	<u>100-1550-7025-0000</u>		OFFICE SUPPLIES		21.58	
	<u>100-2150-7025-0000</u>		OFFICE SUPPLIES		21.58	
	<u>100-3100-7025-0000</u>		OFFICE SUPPLIES		86.33	
2309	SOUTH COAST AQMD	09/26/2019	Regular	0.00	1,672.26	103429
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
	Account Number		Account Name		Distribution Amount	
<u>3512327</u>	Invoice	09/25/2019	ANNUAL RENEWAL & EMISSIONS FEES	0.00	421.02	
	<u>700-4050-7022-003X</u>		LICENSE, PERMITS, FEES		421.02	
<u>3512328</u>	Invoice	09/25/2019	ANNUAL RENEWAL & EMISSIONS FEES	0.00	421.02	
	<u>700-4050-7022-0000</u>		LICENSE, PERMITS, FEES		421.02	
<u>3512977</u>	Invoice	09/25/2019	ANNUAL RENEWAL & EMISSIONS FEES	0.00	421.02	
	<u>700-4050-7022-0000</u>		LICENSE, PERMITS, FEES		421.02	
<u>3515299</u>	Invoice	09/25/2019	ANNUAL RENEWAL & EMISSIONS FEES	0.00	136.40	
	<u>700-4050-7022-003X</u>		LICENSE, PERMITS, FEES		136.40	
<u>3515300</u>	Invoice	09/25/2019	ANNUAL RENEWAL & EMISSIONS FEES	0.00	136.40	
	<u>700-4050-7022-0000</u>		LICENSE, PERMITS, FEES		136.40	
<u>3516780</u>	Invoice	09/25/2019	ANNUAL RENEWAL & EMISSIONS FEES	0.00	136.40	
	<u>700-4050-7022-0000</u>		LICENSE, PERMITS, FEES		136.40	
2442	TOP-LINE INDUSTRIAL SUPPLY	09/26/2019	Regular	0.00	11.48	103430
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
	Account Number		Account Name		Distribution Amount	
<u>416838</u>	Invoice	09/25/2019	VEHICLE MAINTENANCE	0.00	11.48	
	<u>750-7600-7037-0000</u>		VEHICLE MAINTENANCE		11.48	
3604	TREETOP PRODUCTS, INC	09/26/2019	Regular	0.00	6,086.68	103431
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
	Account Number		Account Name		Distribution Amount	
<u>KB00009544</u>	Invoice	09/25/2019	outside furniture C H employee break/lunc	0.00	6,086.68	
	<u>100-6000-8050-6025</u>		FURNITURE AND FIXTURE		6,086.68	
2472	UPS	09/26/2019	Regular	0.00	110.83	103432
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
	Account Number		Account Name		Distribution Amount	
<u>000087R790369</u>	Invoice	09/25/2019	SHIPPING SERVICES	0.00	110.83	
	<u>700-4050-7090-0000</u>		EQUIPMENT SUPPLIES/M		90.43	
	<u>750-7800-7037-0000</u>		VEHICLE MAINTENANCE		20.40	
2484	VERIZON	09/26/2019	Regular	0.00	2,785.04	103433

Check Report

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
	Account Number	Account Name	Item Description	Distribution Amount		
<u>9836727014</u>	Invoice <u>100-1230-7015-0000</u>	09/25/2019	PD AIRCARDS TELEPHONE	0.00	2,785.04	
2520	WALMART	09/26/2019	Regular	0.00	28.58	103434
<u>P92730080013M</u>	Invoice <u>100-1550-7040-0000</u>	09/25/2019	DAYCAMP COOKING CLASS RECREATION PROGRAMS	0.00	28.58	
3422	WAXIE SANITARY SUPPLY	09/26/2019	Regular	0.00	35.39	103435
<u>78522459</u>	Invoice <u>100-6000-7085-6045</u>	09/25/2019	BUILDING SUPPLIES BLDG MAINT- COMMUNI	0.00	35.39	
2546	WILLDAN ENGINEERING	09/26/2019	Regular	0.00	47,015.00	103436
<u>002-21427</u>	Invoice <u>100-2150-7067-0000</u>	09/25/2019	FY 19-20 PO for Insepction Services INSPECTIONS	0.00	40,995.00	
<u>002-21428</u>	Invoice <u>100-2150-7063-0000</u>	09/25/2019	FY19-20 Willdan PO for Plan Check Servic PLAN CHECK FEES	0.00	6,020.00	

Bank Code APBNK Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	113	49	0.00	154,860.95
Manual Checks	0	0	0.00	0.00
Voided Checks	0	1	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	18	5	0.00	4,427,221.80
	131	55	0.00	4,582,082.75

All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	113	49	0.00	154,860.95
Manual Checks	0	0	0.00	0.00
Voided Checks	0	1	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	18	5	0.00	4,427,221.80
	131	55	0.00	4,582,082.75

Fund Summary

Fund	Name	Period	Amount
999	POOLED CASH	9/2019	4,582,082.75
			4,582,082.75

Payment Reversal Register

APPKT01130 - 20190924 JM VOID CHECK 103219



City of Beaumont, CA

Canceled Payables

Vendor Set: 01 - Vendor Set 01

Bank: APBNK - AP Bank

Vendor Number	Vendor Name				Total Vendor Amount
<u>3421</u>	REDLANDS-YUCAIPA RENTALS, INC.				-848.76
Payment Type	Payment Number	Original Payment Date	Reversal Date	Cancel Date	Payment Amount
Check	<u>103219</u>	09/05/2019	09/05/2019	09/04/2019	-848.76
Payable Number:	Description	Payable Date	Due Date	Payable Amount	
<u>348248</u>	EQUIPMENT RENTAL	08/13/2019	09/04/2019	848.76	

Bank Code Summary

Bank Code	Canceled Payables	Payables Left To Pay Again	Total
APBNK	-848.76	0.00	-848.76
Report Total:	-848.76	0.00	-848.76



MINUTES
City Council Meeting
Tuesday, October 1, 2019
Council Chambers
550 E 6th St. Beaumont, Ca
Closed Session: 5:00 PM
Regular Session: 6:00 PM

CLOSED SESSION

A Closed Session of the City Council / Beaumont Financing Authority / Beaumont Utility Authority / Beaumont Successor Agency (formerly RDA)/Beaumont Parking Authority / Beaumont Public Improvement Authority may be held in accordance with state law which may include, but is not limited to, the following types of items: personnel matters, labor negotiations, security matters, providing instructions to real property negotiators and conference with legal counsel regarding pending litigation. Any public comment on Closed Session items will be taken prior to the Closed Session. Any required announcements or discussion of Closed Session items or actions following the Closed Session will be made in the City Council Chambers.

CALL TO ORDER at 5:07 p.m.

Present: Mayor Martinez, Mayor Pro Tem Santos, Council Member Carroll, Council Member Lara, and Council Member White

1. Public Comments Regarding Closed Session

No speakers.

2. Existing Litigation - Pursuant to Government Code Section 54956.9(d)(1): Two Matters: (1) Serrato v. City of Beaumont, Case No. RIC 1810937; (2) Peters v. City of Beaumont et. al., Case No. RIC 1707116

Matter No. 1 - No reportable action.

Matter No. 2 - Unanimous vote to deny the request for legal representation of Joseph Aklufi in the Peters case.

3. Conference with Legal Counsel Regarding Pending Litigation Pursuant to Government Code Section 54956.9(d)(1): - One Case Adverse to Norton Rose: Case Number RIC 1904645

No reportable action.

4. Existing Litigation - Pursuant to Government Code Section 54956.9(d)(1): Urban

Logic v. City of Beaumont et. al., Riverside County Superior Case No. RIC 1707201

No reportable action.

5. Conference with Legal Counsel Pursuant to Government Code Section 54956.9(d)(1):
- One Matter Related to National Opiate Litigation Listing All U.S. Cities as Class Members Including Beaumont, Which Action is Titled 'In Re: National Prescription Opiate Litigation, MDL No. 2804 (N.D. Ohio)'

Unanimous vote to remain a member of the class action.

6. Conference with Legal Counsel Regarding Anticipated/Existing Litigation - Pursuant to Government Code Section 54956.9(d)(1)and/or(2) and/or (3). (Worker's Compensation Case No. PASN-002921, COBM-0051, and COBM-0069)

Unanimous vote to settle the case for \$85,000.

7. Conference with Legal Counsel Regarding Anticipated Litigation Pursuant to Government Code Section 54956.9(d)(4): - One Potential Case

No reportable action.

Adjourn to Closed Session

REGULAR SESSION

CALL TO ORDER at 6:16 p.m.

Present: Mayor Martinez, Mayor Pro Tem Santos, Council Member Carroll, Council Member Lara, and Council Member White

Report out from Closed Session: **see above**

Action on any Closed Session items:

Action on any requests for excused absence: **None**

Pledge of Allegiance

Approval/Adjustments to Agenda: **None**

Conflict of Interest Disclosure: **None**

ANNOUNCEMENTS/RECOGNITIONS/PROCLAMATIONS/CORRESPONDENCE

1. National Code Enforcement Week Recognition

PUBLIC COMMENT PERIOD (ITEMS NOT ON THE AGENDA)

Any one person may address the City Council on any matter not on this agenda. If you wish to speak, please fill out a "Public Comment Form" provided at the back table and give it to the City Clerk. There is a three (3) minute time limit on public comments. There will be no sharing or passing of time to another person. State Law prohibits the City Council from discussing or taking actions brought up by your comments.

No speakers.

CONSENT CALENDAR

Items on the consent calendar are taken as one action item unless an item is pulled for further discussion here or at the end of action items.

Approval of all Ordinances and Resolutions to be read by title only.

2. Ratification of Warrants dated
3. Approval of Minutes
4. Bond Exoneration for Bond No. K08619943, K08619906 and 113447 - K. Hovnanian Homes
5. Approve Lien Release for William Lyon Homes, LLC for Tract Map Numbers 34880 and 27971-5 within the Olivewood Specific Plan Residential Development
6. Approval of the Pretreatment Facilities Agreement with Perricone Juices
7. June 2019 Preliminary Financial Reports and July 2019 Financial Reports

**Motion by Council Member Lara
Second by Mayor Martinez
To approve the consent calendar.
Approved by a unanimous vote.**

PUBLIC HEARINGS

Approval of all Ordinances and Resolutions to be read by title only

ACTION ITEMS

Approval of all Ordinances and Resolutions to be read by title only.

8. Purchase of Three 2020 Ford Explorer Police Interceptors and Lease of Two 2020 Ford Explorer Police Interceptors for the Police Department

**Moved by Council Member Lara
Seconded by Council Member Carroll**

To authorize staff to retire and auction the listed vehicles from the Police Department fleet at a cost of \$870.00;
Authorize staff to purchase three and lease two Police Vehicles in the total amount of \$195,114.35 from National Auto Fleet Group;
and
Authorize staff to purchase emergency equipment and installation for all vehicles, in the amount not to exceed \$81,000.00 from West Coast Lights and Siren.

Ayes: Council Member Lara, Mayor Martinez, Council Member Carroll, Council Member White, and Mayor Pro Tem Santos

Approved by a unanimous vote. 5-0 on a recorded vote

9. Provide Direction to Staff on Establishing a Moratorium Prohibiting Self-Storage, Recreational Vehicle Storage, Vehicle Parking Facilities and Similar Uses

Consensus to direct staff to establish a draft moratorium prohibiting self-storage, recreational vehicle storage, vehicle parking facilities and similar uses and bring back for a Public Hearing.

10. Provide Direction to Staff on the Sign Ordinance as it Pertains to Billboards and Digital Display Conversions

**Moved by Council Member Lara
Seconded by Council Member White**

To provide direction to staff to cease any further research on the sign ordinance as it pertains to billboards and digital display conversions.

Ayes: Council Member Lara, Mayor Martinez, Council Member Carroll, Council Member White, and Mayor Pro Tem Santos

Approved by a unanimous vote. 5-0 on a recorded vote

11. Approval of Contracts for Capital Improvement Project - Council Chamber Renovation; Award of Contract for Design and Installation of Audio and Video Enhancement to Council Chambers and Overflow Areas to Enko Systems, Inc., in the amount of \$125,927.25; Award

of Contract for Council Chamber Renovation Construction to GV Construction, Inc., in the Amount of \$87,501.77; Award of Contract for Design and Build of Council Chamber Furniture to GV Construction, Inc., in the Amount of \$44,520.00

Moved by Council Member Lara
Seconded by Council Member White

To approve the award of contract for design and installation of audio and video enhancement to Council Chambers and overflow areas to Enko Systems, Inc., in the amount of \$125,927.25, with the authorization for the City Manager to approve any change orders up to \$5,000.00;

Approve the award of contract for Council Chamber renovation construction to GV Construction Inc., in the amount of \$87,501.77, with the authorization for the City Manager to approve any change orders up to \$5,000.00; and

Approve the award of contract for design and build of Council Chamber furniture to GV Construction, Inc., in the amount of \$44,520.00 with the authorization for the City Manager to approve any change orders up to \$5,000.00.

Ayes: Council Member Lara, Council Member White, Mayor Martinez, Council Member Carroll, and Mayor Pro Tem Santos

Approved by a unanimous vote. 5-0 on a recorded vote

12. City Council Approval of Change Order No. 10 for the Wastewater Treatment Plant Upgrade/Expansion in the Amount Not to Exceed \$596,031.05

Moved by Council Member Lara
Seconded by Mayor Pro Tem Santos

To Approve of Change Order No. 10 for the Wastewater Treatment Plant Upgrade/Expansion in the Amount Not to Exceed \$596,031.05.

Ayes: Council Member Lara, Mayor Martinez, Council Member Carroll, Council Member White, and Mayor Pro Tem Santos

Approved by a unanimous vote. 5-0 on a recorded vote

13. Wastewater Treatment Plant Expansion/Renovation and Brine Pipeline Installation Project Status Update

Received and filed the project updates.

14. Set Date and Time for a FY2020-21 Budget Workshop

Consensus to set a date of November 21, 2019, at 5:00 p.m. for a workshop to discuss the FY2020-21 budget.

15. Legislative Updates and Discussion

COUNCIL REPORTS

- **Carroll** - *No report.*
- **Lara** - *Attended Oktoberfest.*
- **Martinez** - *Attended the final CHP task force meeting.*
- **Santos** - *attended the Calimesa State of the City and will be attending a SCAG meeting.*
- **White** - *No report.*

ECONOMIC DEVELOPMENT UPDATE

Economic Development Committee meeting will be held next week.

CITY TREASURER REPORT

No report.

CITY CLERK REPORT

Will be attending an upcoming Registrar of Voters meeting regarding the new voter system module.

CITY ATTORNEY REPORT

CITY MANAGER REPORT

Gave a reminder of the Clean Air Day tree planting ceremony on October 2nd.

FUTURE AGENDA ITEMS

- Discuss a memorial for local residents and others that were effected by the Las Vegas shooting as requested by constituents.
- Update on the Cherry Valley, Calimesa Interchange project.

ADJOURNMENT

Adjournment of the City Council of the October 1, 2019 Meeting at 7:35 p.m.

The next regular meeting of the Beaumont City Council, Beaumont Financing Authority, the Beaumont Successor Agency (formerly RDA), the Beaumont Utility Authority, the Beaumont Parking Authority and the Beaumont Public Improvement Agency is scheduled for Tuesday, October 15, 2019, at 5:00 p.m. or thereafter as noted on the posted Agenda for Closed Session items in the City Council Board Room No. 5, followed by the regular meeting at 6:00 p.m. or thereafter as noted on the posted Agenda at City Hall.

Beaumont City Hall – Online www.BeaumontCa.gov



Staff Report

TO: Mayor and City Council Members
FROM: Nicole Wheelwright, Deputy City Clerk
DATE: October 15, 2019
SUBJECT: Notice of Planning Commission Vacancy

Background and Analysis:

Planning Commissioner Jose Barr has submitted a letter of resignation, leaving a current vacancy on the Planning Commission. A notice will be advertised in the newspaper as well as the City's social media outlets for the acceptance of applications for Council consideration. Applications will be presented at the November 5, 2019, City Council meeting, for selection and appointment by the Council.

Fiscal Impact:

No fiscal impact.

Recommendation:

1. Direct staff to notice for the vacancy of one (1) Planning Commission seat.

A handwritten signature in blue ink, appearing to be "TP", is positioned above the City Manager's name.

City Manager Review: Todd Parton
City Manager



Staff Report

TO: Mayor and City Council Members
 FROM: Nicole Wheelwright, Deputy City Clerk
 DATE: October 15, 2019
 SUBJECT: Approval and Adoption of Resolution Amending Conflict of Interest Code

Background and Analysis:

The Political Reform Act (Government Code Section 81000 et seq.) requires local public agencies to adopt and promulgate conflict-of-interest codes, and requires public officials of such agencies to periodically file Statements of Economic Interests (FPPC Form 700) disclosing financial interests. These officials fall into two categories: (1) officials holding positions as specified in Section 87200, who are required to disclose the broadest range of financial interests (Sections 87200-87210) and (2) officials holding positions that involve participation in government decisions that have financial impacts. These positions are designated in a conflict-of-interest code and disclosure for each position is tailored to the scope of the official's job duties (Sections 87300-87313)

Fiscal Impact:

No fiscal impact.

Recommendation:

1. Waive the full reading and adopt by title only, "A Resolution of the City Council of the City of Beaumont Adopting an Amended Conflict of Interest Code."

City Manager Review: Todd Parton
 City Manager

Attachments:

[Attachment A - 2019 Conflict of Interest Code](#)

RESOLUTION NO. 2019-

**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF BEAUMONT
ADOPTING AN AMENDED CONFLICT OF INTEREST CODE**

WHEREAS, the Legislature of the State of California enacted the Political Reform Act of 1974, Government Code Section 81000, et seq. ("Act"), which contains provisions relating to conflicts of interest which potentially affect all officers, employees and consultants of the City of Beaumont ("City"), and which requires all public agencies to adopt and promulgate a conflict of interest code; and

WHEREAS, the Beaumont City Council previously adopted Resolution No. 2017-15 adopting the model Conflict of Interest Code set forth in section 18730 of the California Code of Regulations; and

WHEREAS, subsequent changed circumstances within the City have made it advisable and necessary pursuant to sections 87306 and 87307 of the Act to amend and update the Conflict of Interest Code; and

WHEREAS, by this Resolution, the City is adopting a new updated Conflict of Interest Code; and

WHEREAS, the City Council desires to designate persons holding positions listed in Exhibit A as bodies that are subject to the Code and have provided adequate notice and an opportunity to review the Code to those designated persons and to residents for the fair opportunity to present their views per Government Code section 87311.

NOW, THEREFORE, the City Council hereby resolves as follows:

- 1.** Resolution No 2017-15 is hereby rescinded.
- 2.** In compliance with section 87300 of the Act, the City Council hereby adopts the attached Conflict of Interest Code, Exhibit "A," which incorporates Regulation 2, California Code of Regulations, Sections 18730 – The Standardized Conflict of Interest Code, by reference, as well as Appendices in which members and employees are designated and disclosure categories are set forth.
- 3.** The City Clerk shall certify to the passage and adoption of this Resolution, and it shall take effect and be in force.

///

MOVED, PASSED AND ADOPTED by the City Council of the City of Beaumont at a regularly-scheduled meeting of the City Council held on October 15, 2019, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Mayor, Julio Martinez

ATTEST:

City Clerk, Steven Mehlman

APPROVED AS TO FORM:

John O. Pinkney, City Attorney

EXHIBIT "A"**DESIGNATED POSITIONS**

<u>Designated Positions</u>	<u>Disclosure Categories</u>
Administrative Services Director	1
Administrative Services Manager	4
Administrative Oversight Committee	7
Assistant City Manager	1
Assistant Director Community Services	1
Building Grounds/Maintenance Supervisor	4
Chief Building Official	1
Chief of Police	1
Chief Plant Operator	1
City Attorney	8
City Council Member	8
City Clerk	1
City Manager	8
City Treasurer	8
Community Development Director	1
Community Services Director	1
Community Services Manager	4
Deputy City Clerk	1
Economic Development Committee	7
Finance and Audit Committee	7

<u>Designated Positions</u>	<u>Disclosure Categories</u>
Finance Director	1
Fire Marshall	6
Information Technology Manager	1
Management Analyst	4
Planning Commissioner	8
Police Commander	1
Police Lieutenant I	4
Principle Engineer	
Public Works Director/City Engineer	1
Public Works Manager	4
Senior Planner	1
Special Projects Manager/PIO	4
Street Maintenance Supervisor	4
Solid Waste & Recycling Manager	4
Transit Operations Supervisor	4
Vehicle Maintenance Supervisor	4
Wastewater Plant Supervisor	4

EXHIBIT “B”

DISCLOSURE CATEGORIES

Broad Disclosure

1. Must report investments, business positions, and income from sources located in, planning to do business in, or doing business in the City of Beaumont; and

Interests in real property located in the City of Beaumont and within a two mile radius of any property owned or used by the City of Beaumont which is not within the City limits.

Real Property Disclosure

2. Must report interests in real property located in the City of Beaumont and within a two mile radius of any property owned or used by the City of Beaumont which is not within the City limits.

Financial Interest Disclosure

3. Must report investments, business positions, and income from sources located in, planning to do business in, or doing business in the City of Beaumont.

Disclosure Based on Department

4. Must report investments, business positions, and income from business entities located in, planning to do business in, or doing business with the City of Beaumont subject to the following: no financial interest need be reported unless it is in or from a source which provides services, supplies, material, machinery or equipment of the type utilized by or which is subject to the regulatory permit or licensing authority of the department which filer is employed.

Disclosure Based on Position

5. Must report investments, business positions, and income from business entities located in, planning to do business in, or doing business with the City of Beaumont subject to the following: no financial interest need be reported unless it is in or from a source which provides services, supplies, material, machinery or equipment of the type utilized by or which is subject to the regulatory permit or licensing authority of the position which the filer currently fills.

Consultant Disclosure

6. Must report investments, business positions, and income from business entities located in, planning to do business in, or doing business with the City of Beaumont subject to the following: no financial interest need be reported unless it is in or from a source which provides services, supplies, material, machinery or equipment of the type utilized by or which is subject to the regulatory permit or licensing authority of the department by which the consultant is employed.

Disclosure Based on Board and Commission Membership

7. Must report investments, business positions, and income from business entities located in, planning to do business in, or doing business with the City of Beaumont subject to the following: no financial interest need be reported unless it is in or from a source which provides services, supplies, material, machinery or equipment of the type utilized by or which is subject to the regulatory permit or licensing authority of the department with which filer's board or commission is associated.

State Filers

8. Need not file an additional Statement of Economic Interests under this code as their filing with the Fair Political Practices Commission fulfills reporting requirements. They are included in this code only for disqualification purposes.

*Nothing contained in this conflict of interest code shall be interpreted to require the reporting of gifts from outside the City of Beaumont's jurisdiction if the purpose of disclosure of the source of the gift does not have some connection with or bearing upon the functions or duties of the position for which the reporting is required. Nothing in this language is intended to create an inference that all gifts within the jurisdiction are reportable. (2 California Code of Regulations section 18730.1).



Staff Report

TO: Mayor and City Council Members

FROM: Todd Parton, City Manager

DATE: October 15, 2019

SUBJECT: Request for Facility and Staff Fee Waiver- Beaumont Cherry Valley Rotary Club Senior Thanksgiving Dinner

Background and Analysis:

The Beaumont Cherry Valley Rotary Club has submitted a request for consideration of waiving facility and staff fees for their annual Senior Thanksgiving Dinner held at the Community Recreation Center (CRC) on Saturday, November 16, 2019. This is a three-hour event that is attended by nearly 300 senior citizens.

To use the gymnasium at the CRC it requires a \$500 deposit which is requested to be waived. Additionally, facility use fees, including the use of the kitchen for three hours is \$310. Finally, staff fees are \$60.

Fiscal Impact:

Total amount requested for waiver is \$370.00

Recommendation:

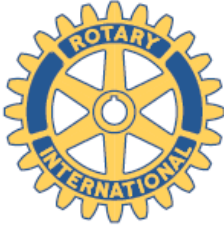
1. Consider waiver of facility use and staff fees requested by Beaumont Cherry Valley Rotary Club in the amount of \$370.00
2. Consider the waiver of a \$500 deposit for the use of the gymnasium at the CRC.

A handwritten signature in blue ink, appearing to be "TP" or similar initials, positioned above the printed name of the City Manager.

City Manager Review: Todd Parton
City Manager

Attachments:

[Attachment A - Letter to City](#)



ROTARY CLUB OF BEAUMONT-CHERRY VALLEY

Beaumont Cherry Valley Rotary Club
PO Box 3006
Beaumont CA 92223

Dear Honorable Beaumont City Councilmembers,

The Beaumont Cherry Valley Rotary Club humbly requests the Beaumont City Council to consider waiving the required fees for the club's 48th annual Senior Thanksgiving Dinner on November 16 at the Chatigny Center. Every year for the past 47 years members of the club and other community members have cooked and served complete Thanksgiving meals to our community's senior citizens. For many of our invited seniors, this may be their only opportunity to enjoy a true home cooked Thanksgiving meal.

All of our guests are invited through referrals from other community members and various senior service agencies. Though our resources and capabilities are limited, we strive to serve as many seniors that need love and appreciation.

Regardless of the Council's decision, we would like to take this opportunity to once again invite council members to be guest servers at our event. Our club looks forward to your service.

Thank You,

David Castaldo, past president
Beaumont Cherry Valley Rotary Club



Staff Report

TO: Mayor and City Council Members

FROM: Christina Taylor, Community Development Director

DATE: October 15, 2019

SUBJECT: Proposed Amendments to Beaumont Municipal Code Chapter 17.12 Adult Entertainment and Chapter 5.44 Massage Establishments Regulating the Permitting and Operation of Massage Establishments to Comply with State Law

Background and Analysis:

On September 18, 2014, the California legislature passed Assembly Bill No. 1147 (“AB 1147”), effective January 1, 2015. The law substantially revises local government’s ability to regulate the massage industry by allowing cities to impose reasonable zoning, business licensing, and health and safety requirements, with some exceptions. This law revises prior legislation, which severely restricted local agencies’ ability to regulate massage businesses, including entitling businesses to special zoning preferences. In 2019, the law was updated with minor changes that took effect January 1, 2019. Because the Beaumont Municipal Code (“Code”) has not been updated for some time, these changes in the law have resulted in certain provisions of the Code being in direct conflict with state law.

The City Council desires to amend the municipal code to ensure that the City regulates massage practitioners and massage establishments in compliance with the provisions of AB 1147 and other applicable laws. The proposed massage ordinance provides comprehensive regulations for the permitting, operation, and enforcement of massage establishments within the City. This memorandum will outline the most significant changes to the code as a result of the ordinance.

Updates to the Municipal Code:

In addition to some procedural changes/additions, the proposed massage establishment ordinance includes the following substantive changes:

- Provides that certification by the California Massage Therapy Council (“CAMTC”) is now required for any individual to practice massage therapy for compensation within the City. (See § 5.44.030.)

- Provides that a Certified Massage Establishment Permit or an operator permit, *and* a City business license must be obtained before employing persons to practice massage therapy. Additionally, a massage establishment operator shall not employ any person to practice massage therapy unless the person is a Certified Massage Professional. (See § 5.44.040.)
- Prescribes rules for the permitting of massage establishments within the City, including denial of permits, suspension and revocation of permits, and hearing and appeals. (See § 5.44.050 (A)-(B).)
- Permits the City Manager to send written notice to the property owner advising of the issuance of the permit and the applicable regulations if the massage establishment operator is not the record owner. (See § 5.44.060.)
- Prescribes rules for amendments to permits. If any information provided in the application for the Certified Massage Establishment Permit or the operator permit changes, the Operator has ten (10) days to file an amendment, accompanied with a fee, with the City Manager. (See § 5.44.070.)
- Provides that a Certified Massage Establishment Permit or operator permit shall be valid for one (1) year from the date of issuance. The permit may be renewed for another year before the current permit expires by submitting a written application and applicable fee. (See § 5.44.080.)
- Prescribes regulations applicable to the operation of massage establishments, such as operational requirements, physical facility and building code requirements, health and safety requirements, and attire and physical hygiene requirements in order to comply with AB 1147. (See § 5.44.090.)
- Permits investigation officials to enter massage establishments during regular business hours to observe and enforce compliance with this Code. (See § 5.44.100.)
- Provides rules and regulations specifying the grounds for revocation and suspension of permits, the notice required prior to revoking or suspending a permit, the hearing and appeal process, and the time period for determining the decision. (See § 5.44.110.)
- Provides that any massage establishment legally operating within the City prior to the execution of this chapter shall have one (1) year to come into compliance with the same. (See § 5.44.120.)
- Provides that no person shall operate under any name not specified in the Certified Massage Establishment Permit or operator permit and City business license. (See § 5.44.130.)

- Provides that permits issued under this chapter are nontransferable. (See § 5.44.140.)
- Includes a list of classes of individuals exempted from this chapter. (See § 5.44.150.)
- Updates the section regarding enforcement and penalties. (See § 5.44.160.)
- The term “massage parlor” is deleted in its entirety from Title 17 (Zoning), Chapter 17.12 (Adult Entertainment), Section 17.12.020 (Definitions), Subsection H “massage parlor” of the City Code in order to comply with Government Code § 51034(c)(2). This section of the Government Code states that cities, counties, or cities and counties may not define or regulate massage establishments as adult entertainment.
- In order to comply with Government Code § 51034(c)(2), Title 7 (Zoning), Chapter 17.12 (Adult Entertainment), Section 17.12.030 “prohibition” of the City code is amended to include, “Under no circumstances shall a “massage establishment” as defined in § 5.44.020 be considered an “adult entertainment business.” Additionally, “massage parlor” is deleted from this section.
- In order to comply with Government Code § 51034(c)(2), Title 7 (Zoning), Chapter 17.12 (Adult Entertainment), Section 17.12.060 “signs” of the City Code is amended to delete “massage parlor” from this section.

In addition, the Ordinance also leaves blank sections for amendments to the applicable zoning code. This decision should be made at the staff level to determine where Massage Establishments, as defined, should be zoned within the City.

Also note that no standalone provision was included in the amendments to the massage ordinance. Under California Business and Professions Code Section 460(a), no city or county shall prohibit a person or group of persons certified by California Massage Therapy Council (“CAMTC”) from engaging in their business, occupation, or profession, or any portion of that business, occupation, or profession. (See Cal. Bus. & Prof. Code § 460(a).) As a result, it is our opinion that an Ordinance prohibiting stand-alone establishments, as least as they apply to certified massage practitioners, would be in direct violation of this provision.

This item was presented to the City’s Planning Commission on September 24, 2019, who voted 4-0, to forward a recommendation of approval of these amendments to the City Council.

CEQA:

The adoption of the proposed Ordinance is covered by the “general rule” that the California Environmental Quality Act (CEQA) applies only to projects which have the potential for causing a significant effect on the environment. Staff’s determination is that it can be seen

with certainty that there is no possibility that the proposed regulations contained in the ordinance will have a significant effect on the environment. Therefore, the adoption of the ordinance is not subject to CEQA.

Findings:

In order to approve a zoning amendment, the Municipal Code Chapter 17.020.080 (I) requires that the City Council make the following findings to be made:

1. That the proposed zoning ordinance text amendment is consistent with the goals, policies, and objectives of the General Plan;
The proposed amendments are consistent with the goals, policies and objectives of the general plan. The proposed changes are intended to promote the health, safety and welfare of the business to which the standards apply and the public which partakes of the services.

2. That the proposed zoning ordinance text amendment will not adversely affect surrounding properties; and
The proposed zoning amendments will not adversely affect the surrounding properties as the proposed changes relate to the administrative aspects of the code. The proposed changes do not modify any land uses.

3. That the proposed zoning ordinance text amendment promotes public health, safety, and general welfare and serves the goals and purposes of this zoning ordinance.
The proposed changes are intended to promote the health, safety and welfare of the business to which the standards apply and for the public which partakes of the services.

As shown, all of these findings can be made in a positive manner.

Fiscal Impact:

Cost of preparing this staff report, ordinance and legal review is estimated to be \$1,000.

Recommendation:

1. Hold a public hearing, and
2. Waive the first full reading and approve by title only, "An Ordinance of the City of Beaumont Approving Amendments to the City of Beaumont Municipal Code Pertaining to the Regulation of Massage Establishments: Amending Title 5, Chapter 5.44."



City Manager Review: Todd Parton
City Manager

Attachments:

[Attachment A - Draft Message Ordinance](#)

[Attachment B - Legal Ad Summary of Ordinance Message](#)

ORDINANCE NO. ____

**AN ORDINANCE OF THE CITY OF BEAUMONT
APPROVING AMENDMENTS TO THE CITY OF BEAUMONT MUNICIPAL CODE
PERTAINING TO THE REGULATION OF MASSAGE ESTABLISHMENTS:
AMENDING TITLE 5, CHAPTER 5.44**

WHEREAS, on September 27, 2008, the Legislature adopted Senate Bill 731, which created the California Massage Therapy Council (“CAMTC”) to provide voluntary statewide certification of massage practitioners and therapists; and

WHEREAS, Senate Bill 731 was widely criticized by local agencies as providing massage businesses with unprecedented protection from local zoning and land use authority, and interfering with local law enforcement efforts to close massage businesses, allowing prostitution and other illegal activities; and

WHEREAS, on September 18, 2014, in response to this criticism, Governor Brown signed Assembly Bill 1147 (“AB 1147”), effective January 1, 2015, which revises existing law regulating certified massage professionals and allows local agencies to impose reasonable zoning, business licensing, and health and safety requirements on massage establishments; and

WHEREAS, the City of Beaumont desires to protect the health, safety, and welfare of its residents by providing for the orderly regulation of Massage Establishments, as defined herein, and to prevent and discourage the misuse of Massage Therapy as a front for prostitution and related activities in violation of state law; and

WHEREAS, the City of Beaumont wishes to amend portions of the Municipal Code to ensure that the City regulates massage practitioners and massage establishments in compliance with the provisions of AB 1147 and other applicable laws.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BEAUMONT DOES ORDAIN AS FOLLOWS:

SECTION 1. CEQA. The City Council finds that the actions contemplated by this Ordinance are exempt from the California Environmental Quality Act (“CEQA”) pursuant to Section 15060 (c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

SECTION 2. Severability. The City Council hereby declares that if any provision, section, paragraph, sentence, or word of this Ordinance is rendered or declared to be invalid or unconstitutional by any final court action in a court of competent jurisdiction, or by reason of any preemptive legislation, such invalidity shall not affect the other provisions, sections, paragraphs, sentences or words of this Ordinance, and to this end the provisions of this Ordinance are severable. The City Council declares that it would have adopted this Ordinance irrespective of the invalidity

of any particular portion thereof and intends that the invalid portions should be severed and the balance of the Ordinance enforced.

SECTION 3. Violation of Prior Ordinances. Neither the adoption of this Ordinance nor the repeal of any other ordinance of this City shall in any manner affect the prosecution of any violation of any City ordinance or provision of the City of Beaumont Municipal Code, committed prior to the effective date hereof, nor be construed as a waiver of any penalty or the penal provisions applicable to any violation thereof.

SECTION 4. The City Council hereby repeals and replaces Title 5 (Business Taxes, Licenses, and Regulations), Division II, Chapter 5.44 “Massage Establishments” as follows:

Chapter 5.44
MESSAGE ESTABLISHMENTS

Sections:

- 5.44.010 Purpose and Intent.
- 5.44.020 Definitions.
- 5.44.030 Certification by CAMTC Required for Practitioners.
- 5.44.040 Operation of Massage Establishments.
- 5.44.050 Permit Applications for Massage Establishments.
- 5.44.060 Notice to Property Owner.
- 5.44.070 Requirement to Amend Permit Application.
- 5.44.080 Permit Renewal.
- 5.44.090 Regulations Applicable to the Operation of Massage Establishments.
- 5.44.100 Massage Establishment Inspection.
- 5.44.110 Revocation and Suspension of Permits.
- 5.44.120 Legal Non-Conforming Uses.
- 5.44.130 Change of Business Name or Location.
- 5.44.140 Permits Non-transferrable.
- 5.44.150 Exemptions.
- 5.44.160 Enforcement.
- 5.44.170 Miscellaneous.

5.44.010 Purpose and Intent. The purpose and intent of this Chapter is to provide for the orderly regulation of Massage Establishments, as defined herein, and to prevent and discourage the misuse of Massage Therapy as a front for prostitution and related activities in violation of state law. It is in the interests of the public health, safety, and welfare to provide certain minimum building, sanitation, and operation standards for such businesses, and by requiring certain minimum qualifications for the operators and practitioners of such businesses.

5.44.020 Definitions. For the purposes of this Chapter, unless the context clearly requires a different meaning, the words, terms and phrases set forth shall have the following definitions:

- (A) “Beauty Salon” shall mean any establishment having a fixed place of business including a Sole Proprietor, firm, association, partnership, limited liability company, corporation, joint venture, or combination thereof, that offers hairdressing, nails, or cosmetic treatments and which offers Massage Therapy as an accessory use, shall be deemed a Massage Establishment under this Chapter.
- (A) “CAMTC” shall mean the California Massage Therapy Council as established by the Massage Therapy Act, Chapter 10.5 of Division 2 of the Business and Professions Code;
- (B) “**Certified Massage Establishment**” shall mean a Massage Establishment where each Massage Establishment Operator and each person employed or retained to practice Massage Therapy for compensation is a Certified Massage Professional;
- (C) “**Certified Massage Establishment Permit**” shall mean a permit required by this Chapter to operate a Certified Massage Establishment;
- (D) “**Certified Massage Professional**” shall mean any individual certified by the CAMTC as a “Certified Massage Therapist” or “Certified Massage Practitioner” as having met or exceeded the minimum educational standards established by California Business and Professions Code sections 4600 *et seq.*, and having passed all background checks required by the CAMTC;
- (E) “**City**” shall mean the City of Beaumont;
- (F) “**Code**” shall mean the City of Beaumont Municipal Code;
- (G) “Health Club” shall mean any establishment having a fixed place of business including a Sole Proprietor, firm, association, partnership, limited liability company, corporation, joint venture, or combination thereof, that offers any combination of Massage Therapy and bath facilities including, but not limited to, showers, baths, wet and dry heat rooms, pools and hot tubs, shall be deemed a Massage Establishment under this Chapter
- (H) “**Massage Establishment**” shall mean any establishment having a fixed place of business, including a Sole Proprietor, firm, association, partnership, limited liability company, corporation, joint venture, or combination thereof, that offers Massage Therapy for compensation within the City. “Massage Establishment” shall include the term “massage and/or bodywork office or establishment.” Any business or establishment that offers any combination of Massage Therapy and bath facilities including, but not limited to, showers, baths, wet and dry heat rooms, pools and hot tubs, shall be deemed a Massage Establishment under this Chapter;
- (I) “**Massage Therapy**” shall mean any method of pressure on, or friction against, or stroking, kneading, rubbing, tapping, pounding, vibrating, or stimulating the external parts of the human body with the hands or with the aid of any mechanical

electrical apparatus, or other appliances or devices, with or without such supplementary aids such as rubbing alcohol, liniment, antiseptic, oil, powder, cream, lotion, ointment, aromatherapy or other similar preparations and techniques. For the purposes of this Chapter, “Massage Therapy,” “massage,” and/or “bodywork” will be used interchangeably;

- (J) “Mobile Massage Establishment” shall mean any business, including a Sole Proprietor, firm, association, partnership, limited liability company, corporation, joint venture, or combination thereof, that offers on-location (i.e. Home, Office, or Special event) Massage Therapy for compensation within the City.
- (K) **“Operator”** and/or **“Massage Establishment Operator”** shall mean any and all owners of a Massage Establishment where the primary use of the business is for Massage Therapy;
- (L) **“Operator Permit”** shall mean a permit required by this Chapter to operate a Massage Establishment that does not qualify as a Certified Massage Establishment;
- (M) **“Patron”** shall mean an individual on the premises of a Massage Establishment for the purpose of receiving Massage Therapy;
- (N) **“Person”** and/or **“Persons”** shall include any individual, firm, association, partnership, corporation, joint venture, limited liability company, or combination of individuals;
- (O) **“Reception and Waiting Area”** shall mean an area immediately inside the main entry door of the Massage Establishment dedicated to the reception and waiting of Patrons and Visitors of the Massage Establishment, and which is not a Massage Therapy room or otherwise used for the provision of Massage Therapy services;
- (P) **“Sole Proprietorship”** and/or **“Sole Proprietor”** shall mean a Massage Establishment where the owner owns 100 percent of the business, is the only person who provides Massage Therapy services for compensation for that business, and has no other employees or independent contractors;
- (Q) **“Visitor”** shall mean any individual not retained or employed by the Massage Establishment and not receiving or waiting to receive Massage Therapy services but excluding law enforcement personnel or governmental officials performing governmental business.

5.44.030 Certification by CAMTC Required for Practitioners. It shall be unlawful for any individual to practice Massage Therapy for compensation within the City unless that individual is currently certified by the CAMTC as a Certified Massage Professional.

5.44.040 Operation of Massage Establishments.

- (A) It shall be unlawful for any person or persons to operate a Massage Establishment, or to employ or retain a person to practice Massage Therapy for compensation, within the City without first obtaining a Certified Massage Establishment Permit or an Operator Permit pursuant to the requirements of this Chapter and a City Business License.
- (B) It shall be unlawful for any Massage Establishment Operator within the City to employ or retain any person to practice Massage Therapy for compensation, or to allow any person to perform Massage Therapy for compensation on the premises of a Massage Establishment, unless the person is a Certified Massage Professional, as defined in this Chapter.

For purposes of this Chapter, an Operator “employs or retains” a person to practice Massage Therapy for compensation if:

- (1) That person is a directly paid employee of the Massage Establishment; or
- (2) That person is an independent contractor who receives compensation for Massage Therapy provided to Patrons of the Massage Establishment; or
- (3) That person receives a referral of Patrons from the Massage Establishment and, at any time before or after the referral, arranges in any way for compensation to flow to the Massage Establishment Operator (whether or not the parties acknowledge the same or record such compensation in their financial records).

5.44.050 Permit Applications for Massage Establishments.

- (A) Certified Massage Establishment Permit.
 - (1) All Operators of a Certified Massage Establishment shall file an application for a Certified Massage Establishment Permit with the City Manager or his/her designee. The application shall include the following information:
 - (a) The name, address, and telephone number of the Massage Establishment;
 - (b) The name, residence address and telephone number of the Massage Establishment Operator(s) applying for the Certified Massage Establishment Permit, along with a copy of a valid government issued photo identification;
 - (c) The form of business under which the Operator(s) will be conducting the Massage Establishment, i.e. corporation, general or

limited partnership, limited liability company or other form. If the Operator is a corporation, the name of the corporation shall be set forth exactly as shown in its articles of incorporation, together with the names and residence address(es) of each of its officers, directors, and each shareholder holding more than ten percent (10%) of the stock of the corporation. If the Operator is a general or limited partnership, the application shall set forth the name and residence address of each of its members. If one (1) or more of the members is a partnership, limited liability company, or corporation, the provisions of this section pertaining to partnership, limited liability company, or corporate Operator shall apply, as applicable;

- (d) The name and address of the owner of the real property upon, in, or from which the Certified Massage Establishment is to be operated. In the event the Operator is not the legal owner of the property, the application shall be accompanied by a copy of a written and signed lease between the Operator and the property owner authorizing use of the premises as a Massage Establishment, or, if no written lease exists, a written, notarized acknowledgement from the property owner that the property owner has been advised that a Massage Establishment will be operated upon, in, or from the property;
 - (e) A description of the proposed Massage Establishment, including the type of treatments to be administered;
 - (f) The name of each person that the Massage Establishment employs or retains to perform Massage Therapy;
 - (g) For each person that the Massage Establishment does or will employ or retain to perform Massage Therapy for compensation, a copy of that person's current CAMTC certification as a Certified Massage Practitioner or Certified Massage Therapist, and a copy of that person's current CAMTC-issued identification card;
 - (h) For each Operator of the Certified Massage Establishment, a copy of that person's current CAMTC certification as a Certified Massage Practitioner or Certified Massage Therapist, and a copy of that person's current CAMTC-issued identification card.
- (2) Any application for a Certified Massage Establishment Permit shall be accompanied by a fee to be set by resolution.
 - (3) Within thirty (30) days following receipt of a completed permit application, the City Manager or his/her designee shall grant a Certified Massage Establishment Permit to an Operator who has satisfied the requirements of this section and all other applicable laws, including but not limited to, the

City's building, zoning, business, and health regulations. The permit shall include, but not be limited to, the name of the Massage Establishment, the address of the Massage Establishment, the name(s) of the Operator(s) of the Massage Establishment, the date of issuance of the permit, the date of expiration of the permit, the permit number, a listing of the Certified Massage Professionals registered and authorized to perform Massage Therapy for the Massage Establishment, and a listing of any other persons employed or retained to work in any other capacity on the premises.

(B) Operator Permit.

- (1) All Operators of a Massage Establishment that does not qualify as a Certified Massage Establishment shall file an application for an Operator Permit with the City Manager or his/her designee. The application shall include the following information:
 - (a) The name, address, and telephone number of the Massage Establishment;
 - (b) The name, residence address and telephone number of the Massage Establishment Operator(s) applying for the Certified Massage Establishment Permit, along with a copy of a valid government issued photo identification;
 - (c) The form of business under which the Operator(s) will be conducting the Massage Establishment, i.e. corporation, general or limited partnership, limited liability company or other form. If the Operator is a corporation, the name of the corporation shall be set forth exactly as shown in its articles of incorporation, together with the names and residence address(es) of each of its officers, directors, and each shareholder holding more than ten percent (10%) of the stock of the corporation. If the Operator is a general or limited partnership, the application shall set forth the name and residence address of each of its members. If one (1) or more of the members is a partnership, limited liability company, or corporation, the provisions of this section pertaining to partnership, limited liability company, or corporate Operator shall apply, as applicable;
 - (d) The name and address of the owner of the real property upon, in, or from which the Massage Establishment is to be operated. In the event the Operator is not the legal owner of the property, the application shall be accompanied by a copy of a written and signed lease between the Operator and the property owner authorizing use of the premises as a Massage Establishment, or, if no written lease exists, a written, notarized acknowledgement from the property

owner that the property owner has been advised that a Massage Establishment will be operated upon, in, or from the property;

- (e) A description of the proposed Massage Establishment, including the type of treatments to be administered;
- (f) The name of each person that the Massage Establishment employs or retains to perform Massage Therapy;
- (g) For each person that the Massage Establishment does or will employ or retain to perform Massage Therapy, a copy of that person's current CAMTC certification as a Certified Massage Practitioner or Certified Massage Therapist, and a copy of that person's current CAMTC-issued identification card;
- (h) Whether any license or permit has ever been issued to the Operator(s) by any jurisdiction under the provisions of any ordinance or statute governing massage or somatic practice, and as to any such license or permit, the name and address of the issuing authority, the effective dates of such license or permit, whether such license or permit was ever suspended, revoked, withdrawn, or denied; and copies of any documentary materials relating to such suspension, revocation, withdrawal, or denial;
- (i) Whether the Operator(s) has within the five (5) years immediately preceding the date of application, been convicted in any state of a felony, or any crime of, or related to, prostitution, along with the jurisdiction of the conviction and charges of which the Operator(s) was convicted;
- (j) Whether the Operator(s) is currently required to register under the provisions of Section 290 of the California Penal Code or any similar mandatory registration law from another state or federal jurisdiction;
- (k) The Operator(s)' business, occupation, and employment history for five (5) years preceding the date of application, and the inclusive dates of same;
- (l) One (1) set of fingerprints for each Operator in a form satisfactory to the City Manager or his/her designee. The fingerprints shall be taken at a place designated by the City Manager or his/her designee, and any required fee for such fingerprinting shall be paid by the Operator;

- (m) Such other information as may be required by the City Manager or his/her designee to determine compliance with any other eligibility requirements for issuance of the permit as specified by federal, state, or local law. The City Manager or his/her designee shall waive requirements of subsections (h) through (m) of this section for an Operator who is also a Certified Massage Professional, provided that they provide a copy of their CAMTC certification as a Certified Massage Practitioner or Certified Massage Therapist, and a copy of their CAMTC-issued identification card.

- (2) Any application for an Operator Permit shall be accompanied by a fee to be set by resolution.

- (3) Within thirty (30) days following receipt of a completed permit application, the City Manager or his/her designee shall grant an Operator Permit for the Massage Establishment if the Massage Establishment Operator(s) have satisfied the requirements of this section and all other applicable laws, including, but not limited to, the City's building, zoning, business, and health regulations, unless the City Manager or his/her designee determines any or more of the following to be true:
 - (a) The Operator, or any shareholder, partner, or member of the Operator, within five (5) years immediately preceding the date of filing the application, has been convicted in a court of competent jurisdiction of any offense that relates directly to the operation of a Massage Establishment, whether as a Massage Establishment owner or operator, or as a person practicing Massage Therapy for compensation, or as an employee of either; or has at any time been convicted in a court of competent jurisdiction of any felony, the commission of which occurred on the premises of the Massage Establishment; or

 - (b) The Operator(s) is currently required to register under the provisions of Section 290 of the California Penal Code law or any similar mandatory registration from another state or federal jurisdiction; or

 - (c) The Operator, or any shareholder, partner, or member of the Operator, within five (5) years of the date of application, has been convicted in a court of competent jurisdiction of any violation of Section 266, 266a, 266e, 266g, 266h, 266i, 266j, 315, 316, 318, 647(b), and/or 653.22 of the California Penal Code, or conspiracy or attempt to commit any such offense, or any offense in a jurisdiction outside of the State of California that is the equivalent of the aforesaid offenses; or

- (d) The Operator, or any shareholder, partner, or member of the Operator, has been subjected to a permanent injunction against the conducting or maintaining of a nuisance pursuant to Section 11225 through 11235 of the California Penal Code, or any similar provisions of law in a jurisdiction outside of the State of California; or
- (e) The Operator(s), if an individual, has not attained the age of eighteen (18) years; or
- (f) The Operator, or any shareholder, partner, or member of the Operator, has knowingly made a false statement or omission of a material fact in the application for the permit; or
- (g) The Operator, or any shareholder, partner, or member of the Operator, within five (5) years immediately preceding the date of filing the application, has had a permit or license to practice Massage Therapy for compensation or to own and/or operate a Massage Establishment revoked or denied in any jurisdiction.

The permit shall include, but not be limited to, the name of the Massage Establishment, the address of the Massage Establishment, the names of the Operator(s) of the Massage Establishment, the date of issuance of the permit, the date of expiration of the permit, the permit number, a listing of the Certified Massage Professionals registered and authorized to perform Massage Therapy for the Massage Establishment, and a listing of any other persons employed or retained to work in any other capacity on the premises.

(C) Denial of Permit Application.

- (1) If a Certified Massage Establishment Permit or an Operator Permit is denied, the City Manager or his/her designee shall serve on the Operator(s) a written notice of denial specifying the grounds for the denial and of the right to request a hearing in regard thereto.
- (2) The Operator(s) shall have the right to appeal from a decision by the City Manager or his/her designee to deny a Certified Massage Establishment Permit or an Operator Permit by filing with the City Clerk a written notice of appeal, specifying the grounds for such appeal, within ten (10) days after the decision has been served on the Operator(s). Such appeal shall be heard by the City Council within ninety (90) days after the notice of appeal is received by the City Clerk. The Operator(s) shall be given not less than fifteen (15) days written notice of the date, time and location of appeal hearing. The City Council shall consider all relevant evidence at the hearing, may continue the hearing, and may require evidence and legal briefing as the Council determines may be helpful in addressing issues

raised by the appeal. Not more than sixty (60) days following the conclusion of the hearing, the City Council shall issue a written decision as to whether the application shall be granted or denied. The written decision shall be served on the Operator(s) as provided in Code of Civil Procedure Section 1094.6, with a copy served on the City Manager or his/her designee. The written decision of the City Council shall be final and shall only be subject to judicial review according to the provisions and time limits set forth in Code of Civil Procedure Section 1094.6.

5.44.060. Notice to Property Owner. Where the Operator for a Certified Massage Establishment Permit or Operator Permit is not the record owner as shown on the latest county recorder’s official records for the property upon, in, or from which the Massage Establishment is to be operated, then upon issuance of the permit, the City Manager or his/her designee may send a written notice to the property owner advising of the issuance of the permit and of the regulations applicable to the Massage Establishment and the property pursuant to this Chapter. Any other notices sent to the Operator pursuant to this Chapter at any time before or after the issuance of the permit may also be sent to the property owner.

5.44.070. Requirement to Amend Permit Application. Whenever the information provided in the application for a Certified Massage Establishment Permit or Operator Permit on file with the City changes (e.g. a change in employees), the Operator shall, within ten (10) business days after such change, file an amendment to the permit application with the City Manager or his/her designee. The amendment shall be accompanied by a fee set by resolution. It shall be a violation of this Chapter for an Operator to allow, and person to perform, Massage Therapy for compensation on the premises of a Massage Establishment unless and until an amended permit has been issued by the City Manager or his/her designee.

5.44.080. Permit Renewal. A Certified Massage Establishment Permit or Operator Permit issued pursuant to the terms of this Chapter shall be valid for a term of one (1) year from the date of issuance. A permit that has not expired and has not been suspended or revoked pursuant to Section 5.44.110 “Revocation and Suspension of Permits” may be renewed for another one-year period, on submittal of a written application and payment of an application fee to be set by resolution.

5.44.090. Regulations Applicable to the Operation of Massage Establishments.

- (A) **Operational Requirements.** Except as otherwise specifically provided in this Chapter, the following operational requirements shall be applicable to all Massage Establishments located within the City:
 - (1) Massage Establishments shall comply with all applicable Code requirements, including, but not limited to, obtaining a business license.
 - (2) No Massage Establishment shall be open for business between the hours of 8:00 p.m. and 9:00 a.m. A massage begun any time before 8:00 p.m. must nevertheless terminate at 8:00 p.m. The hours of operation shall be

displayed in a conspicuous place in the Reception and Waiting Area and in any front window clearly visible from outside of the Massage Establishment. Patrons shall be permitted in the Massage Establishment only during the hours of operation.

- (3) During the hours of operation, Patrons shall be permitted in Massage Therapy rooms only if at least one (1) duly authorized Certified Massage Professional is present on the premises of the Massage Establishment. Patrons shall not be permitted in any employee break room.
- (4) During the hours of operation, Visitors shall not be permitted in any Massage Therapy room except:
 - (a) As a parent or guardian of a Patron who is a minor child;
 - (b) As a minor child of a Patron where necessary for the supervision of the child; or
 - (c) As a conservator, aid, or other caretaker of a Patron who is elderly or disabled.
- (5) Except as otherwise provided herein, Visitors shall not be permitted in Massage Therapy rooms, break rooms, dressing rooms, showers, or any other room or part of the Massage Establishment premises other than the Reception and Waiting Area or the restroom.
- (6) A list of services, the length of services, and the cost of such services shall be posted in an open and conspicuous public place on the premises or provided to Patrons before services are rendered. No Massage Establishment Operator shall permit, and no person employed or retained by the Massage Establishment shall perform or offer to perform, any services or request or demand any fees other than those posted.
- (7) Each Massage Establishment shall require all Patrons to sign in before receiving service with their full name and the date of their visit. Each Massage Establishment shall post in the Reception and Waiting Area a notice containing the following text in upper case two-inch-high letters: "SOLICITATION OF PROSTITUTION IS A CRIME IN THE STATE OF CALIFORNIA AND WILL BE REPORTED TO LAW ENFORCEMENT." Any person practicing Massage Therapy in the Massage Establishment shall be required to notify the Beaumont Police Department of a Patron who solicits or attempts to solicit prostitution at the Massage Establishment.
- (8) Each holder of a Certified Massage Establishment Permit or Operator Permit shall display that permit in an open and conspicuous place on the

premises visible from the entrance and/or Reception and Waiting Area of the Massage Establishment. Any person who practices Massage Therapy shall carry with them their CAMTC issued certification card at all times while on the premises of a Massage Establishment for the purpose of practicing Massage Therapy.

- (B) Physical Facility and Building Code Requirements. Except as otherwise specifically provided in this Chapter, the following physical and building code requirements shall be applicable to all Massage Establishments located within the City:
- (1) One main entry door shall be provided for Patron entry to the Massage Establishment, which shall open to an interior Reception and Waiting Area. All Patrons and any persons other than individuals employed or retained by the Massage Establishment shall be required to enter and exit through the main entry door. Unless the Massage Establishment is a Sole Proprietorship or employs or retains only one employee, the main entry door shall be unlocked at all times during business hours.
 - (2) No Massage Establishment located in a building or structure with exterior windows fronting a public street, highway, walkway, or parking area shall block visibility into the interior Reception and Waiting Area through the use of curtains, closed blinds, tints, or any other material that obstructs, blurs, or unreasonably darkens the view into the premises.
 - (3) Minimum lighting equivalent to at least one (1) 40-watt light shall be provided in each Massage Therapy room or cubicle.
 - (4) A minimum of one ADA compliant and handicap accessible toilet and washbasin shall be provided in every Massage Establishment.
 - (5) A massage table shall be used for all Massage Therapy, with the exception of “Thai,” “Shiatsu,” and similar forms of Massage Therapy, which may be provided on a padded mat on the floor, provided the Patron is fully clothed. Massage Therapy tables shall have a minimum height of eighteen (18) inches.
 - (6) Beds, floor mattresses, and waterbeds are not permitted on the premises of the Massage Establishment, and no Massage Establishment shall be used for residential or sleeping purposes.
 - (7) All locker facilities that are provided for the use of Patrons shall be fully secured for the protection of the Patron’s valuables, and each Patron shall be given control of the key or other means of access.

- (8) Minimum ventilation shall be provided in accordance with the Building Code of the City.
 - (9) All restrooms or washbasins shall be provided with hot and cold running water, soap, and single-service towels in wall-mounted dispensers.
 - (10) The Massage Establishment shall comply with all applicable state and local building standards and requirements, and the fire code.
 - (11) Except as otherwise provided in the Code, all plumbing and electrical installations shall be installed under permit and inspection of the building inspection department and such installations shall be installed in accordance with the California Building Code and the California Plumbing Code.
- (C) Health and Safety Requirements. Except as otherwise specifically provided in this Chapter, the following health and safety requirements shall be applicable to all Massage Establishments located within the City:
- (1) The Massage Establishment shall at all times be equipped with an adequate supply of clean, sanitary towels, coverings, and linens, and all massage tables shall be covered with a clean sheet or other clean covering for each Patron. After a towel, covering, or linen has been used once, it shall be deposited in a closed receptacle, and not used again until properly laundered and sanitized. Clean towels, coverings, and linens shall be stored in closed, clean cabinets when not in use. Heavy white paper may be used in lieu of towels, coverings, or linen, provided that the paper is used once for each Patron and then discarded into a sanitary receptacle.
 - (2) All Massage Therapy rooms or cubicles, wet and dry heat rooms, restrooms, shower compartments, hot tubs, and pools shall be thoroughly cleaned and disinfected as needed, and at least once each business day when the premises have been or will be open and such facilities are in use. All bathtubs shall be thoroughly cleaned and disinfected after each use.
 - (3) The walls in all rooms where water or steam baths are given shall have washable, mold-resistant surfaces.
 - (4) All liquids, creams, or other preparations used on or made available to Patrons shall be kept in clean and closed containers, and according to the instructions for storage and use. Powders may be kept in clean shakers. All bottles and containers shall be distinctly and correctly labeled to disclose their contents. When only a portion of a liquid, cream, or other preparation is to be used on or made available to a Patron, it shall be removed from the container in such a way so as to not contaminate the remaining portion.

- (5) Disinfecting agents and sterilizing equipment shall be provided for any instruments used in performing acts of Massage Therapy and said instruments shall be disinfected and sterilized after each use.
 - (6) Pads used on massage tables shall be covered with durable, washable plastic or other acceptable waterproof material.
 - (7) All bathrobes, bathing suits, and/or other garments that are provided for the use of Patrons shall be either fully disposable and not used by more than one (1) Patron or shall be laundered after each use.
 - (8) All combs, brushes, and/or other personal items of grooming or hygiene that are provided for the use of Patrons shall be either fully disposable and not used by more than one (1) Patron or shall be fully disinfected after each use.
 - (9) No Patrons shall be allowed to use any shower facilities of the Massage Establishment unless such Patrons are wearing slip-resistant sandals or flip-flops while in the shower compartment. All footwear such as sandals or flip-flops that are provided for the use of Patrons shall be either fully disposable and not used by more than one (1) Patron or shall be fully disinfected after each use.
 - (10) The Patron's genitals, pubic area, anus, and areola must be fully covered at all times while any individual employed or retained by the Massage Establishment to practice Massage Therapy for compensation, or any other employee or Operator of the Massage Establishment, is in the Massage Therapy room or cubicle with the Patron. No Massage Therapy shall be provided to a Patron that results in contact with genitals, pubic area, anus, or areola of the Patron.
 - (11) No alcoholic beverages shall be sold, served, or furnished to any Patron; nor shall any alcoholic beverages be kept, possessed, or consumed on the premises of the Massage Establishment.
- (D) Attire and Physical Hygiene Requirements. The following attire and physical hygiene requirements shall be applicable to all employees and any other persons who work permanently or temporarily on the premises of the Massage Establishment within the City, including, but not limited to, all persons who are employed or retained to practice Massage Therapy or bodywork for the Massage Establishment:
- (1) No person shall dress in:
 - (a) attire that is transparent, see-through, or substantially exposes the person's undergarments;

- (b) swim attire, unless providing a water-based massage modality approved by the CAMTC;
 - (c) a manner that exposes the person’s breasts, buttocks, or genitals;
 - (d) a manner that constitutes a violation of Section 314 of the California Penal Code.
- (2) No Massage Establishment Operator, employee, or Visitor shall, while on the premises of a Massage Establishment and while in the presence of any Patron, customer, employee or Visitor, expose his or her pubic areas, areola, breasts, buttocks, or genitals.
 - (3) All persons shall thoroughly wash their hands with anti-bacterial soap and water or any equally effective cleansing agent immediately before providing Massage Therapy to a Patron. No Massage Therapy shall be provided upon a surface of the skin or scalp of a Patron where such skin is inflamed, broken (e.g. abraded or cut), or where a skin infection or eruption is present.

5.44.100. Massage Establishment Inspection.

- (A) Any and all investigating officials of the City shall have the right to enter Massage Establishments from time to time during regular business hours to make reasonable inspections and observe and enforce compliance with building, fire, electrical, plumbing or health regulations, and this Code. A warrant shall be obtained whenever required by law.
- (B) The Massage Establishment Operator shall take immediate action to correct each violation noted by the investigating official. A re-inspection will be performed within thirty (30) days to ensure that each violation noted by the investigating official has been corrected.

5.44.110. Revocation and Suspension of Permits. In addition to any other remedy available to the City under this Code or state law, a Certified Massage Establishment Permit or Operator Permit may be suspended or revoked by the City Manager or his/her designee. Upon suspension or revocation, the Massage Establishment shall immediately cease operation. If so ordered by the City Manager or his/her designee, no other Massage Establishment shall be permitted to operate at that location by any person for a period of not less than one (1) year. If the Operator is not also the legal owner of the real property on which the Massage Establishment is situated, notice of such suspension or revocation and the one-year prohibition, if any, shall be provided by the City Manager or his/her designee to the owner of record of the property as shown on the latest county recorder’s official records.

Notwithstanding any other provision of this Chapter, where a notice of revocation or suspension has been issued to the Operator of a Massage Establishment, the City Manager or his/her designee shall not process or grant an application for a Certified Massage Establishment Permit or Operator Permit for a new Massage Establishment at the same premises unless and until

such notice is dismissed, or a final determination is made that the permit is not or should not be revoked or suspended, or any prohibition period has expired.

(A) Grounds for Revocation and Suspension.

All Massage Establishment Operators shall be deemed to know and understand the requirements and prohibitions of this Chapter. The Massage Establishment Operator shall be responsible for the conduct of all Massage Establishment employees, agents, independent contractors, and other representatives, while on the premises of the Massage Establishment.

Any Certified Massage Establishment Permit or Operator Permit may be suspended or revoked by the City Manager or his/her designee after a hearing, where it is found by a preponderance of the evidence that any of the following have occurred, on even a single occasion:

- (1) The person(s) to whom the Certified Massage Establishment Permit or Operator Permit was issued, or any person employed or retained by the Massage Establishment, has been found to have violated any provision of this Chapter; or
- (2) Any owner of a Massage Establishment which is operating pursuant to a Certified Massage Establishment Permit is no longer qualified as a Certified Massage Professional; or
- (3) The permittee or any person employed or retained by the Massage Establishment has been convicted in a court of competent jurisdiction of having violated, or has engaged in conduct constituting a violation of California Penal Code Section 266, 266a, 266e, 266f, 266g, 266h, 266i, 266j, 315, 316, 647(b), or 653.22, or conspiracy or attempt to commit any such offense, or any offense in a jurisdiction outside of the State of California that is the equivalent of any of the aforesaid offenses; or
- (4) The permittee or any person employed or retained by the Massage Establishment is required to register under Section 290 of the California Penal Code; or
- (5) The permittee has been subject to a permanent injunction against the conducting or maintaining of a nuisance pursuant to this Code, or Section 11225 through 11235 of the California Penal Code, or any similar provision of law in any jurisdiction outside of the State of California; or
- (6) The permittee or any person employed or retained by the Massage Establishment has engaged in fraud or misrepresentation or has knowingly made a misstatement of material fact while working in or for the Massage Establishment; or

- (7) The permittee has continued to operate the Massage Establishment after the Certified Massage Establishment Permit or Operator Permit has been suspended; or
- (8) Massage Therapy is or has been performed on the premises of the Massage Establishment, with or without the permittee's actual knowledge, by any person who is not a duly authorized Certified Massage Professional; or
- (9) There have been one or more acts prohibited under California Penal Code Sections 266, 266a, 266e, 266f, 266g, 266h, 266i, 266j, 315, 316, 318, 647(b), or 653.22 taking place on the premises of the Massage Establishment, whether or not any criminal prosecution has been pursued or conviction obtained for such acts, and whether or not they occurred with or without the actual knowledge of the permittee; or
- (10) Any person employed or retained by the Massage Establishment engages in conduct prohibited by the CAMTC in section 4609 of the California Business and Professions Code; or
- (11) The permittee or any person employed or retained by the Massage Establishment, or any other person on the premises of the Massage Establishment, has engaged in conduct or committed acts that a reasonable person in the Patron's position would understand as an offer to perform on or engage in with the Patron acts that are sexual in nature or that involve touching of the patron's genitals, pubic area, anus, and/or areola.

(B) Notice of Revocation or Suspension.

The City Manager or his/her designee, before revoking or suspending any Certified Massage Establishment Permit or Operator Permit, shall provide the Operator with written notice of the alleged grounds for suspension or revocation and of a right to request a hearing in regards thereto.

(C) Hearing and Appeal.

The Operator(s) shall have the right to appeal from a decision by the City Manager or his/her designee to suspend or revoke a Certified Massage Establishment Permit or an Operator Permit by filing with the City Clerk a written notice of appeal, specifying the grounds for such appeal, within ten (10) days after the decision has been served on the Operator(s). Such appeal shall be heard by the City Council within ninety (90) days and with not less than fifteen (15) days written notice to the Operator(s) of the date, time and location of the hearing. The City Council shall consider all relevant evidence at the hearing, may continue the hearing, and may require such evidence and legal briefing as may be helpful in addressing issues raised by the appeal.

(D) Notice of Decision.

Within a reasonable time, but not more than sixty (60) days following the conclusion of the hearing, the City Council shall issue a written decision as to whether the permit shall be revoked or suspended. The written decision shall be served on the permit holder as provided in Code of Civil Procedure section 1094.6, with a copy submitted to the City Clerk and City Attorney. The written decision shall be final and subject to judicial review according to the provisions and time limits set forth in Code of Civil Procedure section 1094.6.

5.44.120. Legal Non-Conforming Uses. Notwithstanding any provision to the contrary in this Code, including Title 17, Chapter 17.08 “Non-Conforming Uses,” any Massage Establishment legally operating within the City prior to execution of this Chapter shall have one (1) year to come into compliance with the same.

5.44.130. Change of Business Name or Location. No person permitted to operate a Massage Establishment under this Chapter shall operate under any name or conduct business under any designation not specified in the Certified Massage Establishment Permit or Operator Permit and City business license. Upon change of location of a Massage Establishment where there is no change in Massage Establishment Operator(s), an application for an amended Certified Massage Establishment Permit or Operator Permit shall be filed with the City Manager or his/her designee, and such application shall be granted, provided all applicable provisions of this Chapter are complied with as to the new location.

5.44.140. Permits Non-transferrable. Certified Massage Establishment Permits and Operator Permits are non-transferable. Upon a sale or transfer of any Massage Establishment, or upon the sale or transfer of some or all of the interest of any Massage Establishment Operator to a person who is not already an Operator of the Massage Establishment, a new Certified Massage Establishment Permit or Operator Permit shall be required.

5.44.150. Exemptions. This Chapter shall not apply to the following classes of individuals while engaged in the performance of the duties of their respective professions:

- (A) Physicians, surgeons, chiropractors, osteopaths, podiatrists, physical therapists, nurses, or any other person licensed to practice any healing art under the provisions of Division 2 of the Business and Professions Code when engaging in such practice within the scope of his or her license.
- (B) Trainers of any amateur, semi-professional, or professional athlete or athletic team, so long as such persons do not practice Massage Therapy as their primary occupation at any location where they provide such services within the City.
- (C) Barbers, estheticians, and cosmetologists who are duly licensed under the laws of the State of California, while engaging in practices within the scope of their licenses.
- (D) Individuals in the City temporarily for educational events or disaster relief.

- (E) Somatic practitioners who use no physical touch of any kind at any time in their practice.
- (F) Enrolled students of a CAMTC approved school of massage when they are performing massage within the City as part of a formal supervised internship or training program operated by the school, without compensation other than school credit, on the premises of a Massage Establishment duly authorized to operate pursuant to the terms of this Chapter; and provided that the Massage Establishment Operator has first notified the City Manager or his/her designee in writing of the name, residence address, and school of the students, and dates of the training.

5.44.160. Enforcement.

- (A) Any Massage Establishment operated, conducted, or maintained contrary to the provisions of this Chapter shall be, and is hereby declared to be, unlawful and a public nuisance, and the City may, in addition to or in lieu of prosecution in a criminal action under this Chapter, commence an action or actions, proceeding or proceedings for the abatement, removal, and enjoinder thereof, in the manner provided by law, and shall take such other steps, and shall apply to such courts or court as may have jurisdiction to grant such relief as will abate or remove such Massage Establishment, and restrain and enjoin any person from operating, conducting, or maintaining a Massage Establishment contrary to the provisions of this Chapter. Such remedies shall be in addition to any other judicial or administrative remedies available to the City under the City Code or state law.
- (B) Unless otherwise exempted by the provisions of this Chapter, every person, whether acting as an individual, Operator, employee of or person retained by the Operator, or whether acting as a mere helper for the Operator, or whether acting as a participant or worker in any way, who practices Massage Therapy or Operates a Massage Establishment in violation of this Chapter, shall be guilty of a misdemeanor, punishable by up to six (6) months in county jail and/or a fine of up to \$1,000.00; however, the City attorney may reduce the penalty to an infraction as follows:
 - (1) \$100.00 for the first offense;
 - (2) \$200.00 for the second offense; and
 - (3) \$1,000.00 for each offense thereafter.
- (C) Each violation of this Chapter shall constitute a separate violation and each violation may be charged as a separate count in the event of administrative or criminal enforcement action.

5.44.170. Miscellaneous. See Title 17, Table 17.03-3, for zoning allowances.

SECTION 5. Title 17 (Zoning), Chapter 17.12 (Adult Entertainment), Section 17.12.020 (Definitions), Subsection H “Massage Parlor” of the City Code is deleted in its entirety.

SECTION 6. Title 17 (Zoning), Chapter 17.12 (Adult Entertainment), Section 17.12.030 “Prohibition” of the City Code is amended to read as follows:

No person shall cause or permit the establishment, substantial expansion of an Adult Arcade, Adult Bookstore, Adult Cabaret, Adult Motel, Adult Motion Picture Theater, Adult Theater, ~~Massage Parlor~~ or sexual Encounter Establishment within one thousand (1,000) feet of another such business, or within one thousand (1,000) feet of any religious institution, school or public park within the City of Beaumont, or within six hundred (600) feet of any property zoned for residential use or used for residential property, or within three-hundred (300) feet of any property zoned for commercial purposes. Under no circumstances shall a “Massage Establishment” as defined in 5.44.020 be considered an “Adult Entertainment Business.”

SECTION 7. The first paragraph of Title 17 (Zoning), Chapter 17.12 (Adult Entertainment), Section 17.12.060 “Signs” is amended to read as follows:

In addition to the sign regulation contained elsewhere in Title 17, the following restrictions shall apply to all premises used for an adult arcade, adult bookstore, adult cabaret, adult motel, adult motion picture theater, ~~massage parlor~~ or sexual encounter establishment:

SECTION 8. Effective Date and Publication. The Mayor shall sign and the City Clerk shall certify to the passage of this Ordinance and cause the same or a summary thereof to be published within 15 days after adoption in accordance with Government Code Section 36933. This Ordinance shall take effect 30 days after adoption in accordance with Government Code Section 36937.

NOW, THEREFORE, BE IT ORDAINED that the City Council of the City of Beaumont, California, approves an amendment to the City Code.

INTRODUCED AND READ for the first time and ordered posted at a regular meeting of the City Council of the City of Beaumont, California, held on the ____ day of September, 2019, by the following roll call vote:

- AYES:
- NOES
- ABSENT
- ABSTAIN

Julio Martinez, Mayor

Attest: _____
Steven Mehlman, City Clerk

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Beaumont, California, held on the ____ day of _____, 2019.

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

Julio Martinez, Mayor

(Seal)

Attest: _____
Steven Mehlman, City Clerk

Approved as to form:

John O. Pinkney, City Attorney



CITY OF BEAUMONT

550 E. 6th Street, Beaumont, CA 92223
Phone (951) 769-8520 Fax (951) 769-8526
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Legal Advertisement

NOTICE IS HEREBY GIVEN that the Beaumont City Council will conduct a public hearing to consider the matter described below. The City Council's Public Hearing will be held at 6:00 p.m. on Tuesday, October 15, 2019 at 550 E. 6th Street, Beaumont, California 92223, to receive testimony and comments from all interested persons regarding the adoption of the following matter(s):

**AN ORDINANCE OF THE CITY COUNCIL OF THE
CITY OF BEAUMONT, CALIFORNIA
AMENDING CHAPTER 17.12 "ADULT ENTERTAINMENT"
AND
AMENDING CHAPTER 5.44 "MASSAGE ESTABLISHMENTS" OF
THE BEAUMONT MUNICIPAL CODE**

It is the purpose and intent of the Ordinance is to amend the municipal code Chapter 17.12 and Chapter 5.44 regulating the permitting and operation of massage establishments to comply with State law.

Christina Taylor
Community Development Director



Staff Report

TO: Mayor and City Council Members

FROM: Todd Parton, City Manager

DATE: October 15, 2019

SUBJECT: Approval by Community Facilities District No. 2016-4 (Four Seasons) of the Issuance of its Special Tax Bond, Series 2019

Background and Analysis:

The City formed the Community Facilities District 2016-4 (the “District”) on February 7, 2017. Subsequent to a noticed public hearing the City Council adopted resolutions which established the District, authorized the levy of a special tax within the District, determined the necessity to incur bonded indebtedness within the District, and called an election within the District on the proposition of incurring bonded indebtedness, levying a special tax and setting an appropriations limit within the District.

On February 7, 2017, an election was held within the District at which the landowners eligible to vote approved the issuance of bonds for the District in an amount not to exceed \$5,000,000 and approved a rate and method of apportionment of special tax for the District.

The District is located in the southeast portion of the City and is bounded by Breckenridge Avenue to the south, Eagles Nest Drive to the north and Highland Springs Avenue to the east. K. Hovnanian’s Four Seasons at Beaumont, LLC., is developing the land within the District into a residential development of 346 single family detached homes within the master planned community known as “K. Hovnanian’s Four Seasons.” The Master Development is a gated community planned for approximately 1,857 dwelling units for active adults of age 55 and older.

As of September 1, 2019, the date of value of the appraisal report, of the 346 single family units planned within the District, 312 had been completed and conveyed to individual homeowners, 12 units had been completed and were owned by the developer, and 22 units were in various stages of construction. As of September 1, 2019, all 346 lots had building permits pulled and will be classified and levied against as developed property beginning in Fiscal Year 2020-21. No parcel has prepaid its special tax obligation to date; accordingly, all residential parcels will be subject to the special tax levy going forward, subject to future special tax prepayments, if any.

As of September 1, 2019, the appraiser estimates that the value of all of the taxable parcels (based on appraised and assessed value) within the District subject to the special tax was \$106,877,487, resulting in an estimated assessed/appraised value-to-lien ratio of approximately 24.94-to-1* for the property subject to the special tax levy based on the principal amount of the bonds and 14.53-to-1* based on all overlapping debt.

The proposed special tax bonds, Series 2019 (“2019 Bonds”) are expected to be issued in a par amount of approximately \$4,285,000 with a final maturity of 2049. Proceeds from the 2019 bonds will be primarily used to reimburse K. Hovnanian for the cost of public facilities completed by K. Hovnanian. A description of such facilities is contained in Exhibit A to the acquisition agreement and in the Preliminary Official Statement.

The attached resolution approves the issuance of the 2019 bonds and the forms of an Indenture, Bond Purchase Agreement, Continuing Disclosure Certificate and Preliminary Official Statement. The Preliminary Official Statement contains the SEC mandated disclosure related to the Cease and Desist Order and the Beaumont Financing Authority’s compliance history with its continuing disclosure undertakings. As part of its obligations under federal securities laws, the Council should review the Preliminary Official Statement.

The table below highlights a few estimated financing statistics of the 2019 bonds (based on current market conditions).

Summary of Financing Statistics*

Par Amount	\$4,285,000
Average Coupon	3.90%
Total Interest Cost	3.55%
Average Annual Debt Service (over 30-Years)	\$243,843
Average Annual Debt Service Per Parcel FY 2020-21*	\$705

* Preliminary, subject to change.

As required under Section 5852.1 of the California Government Code (Code), below are the good faith estimates as provided by the Municipal Advisor and Underwriter:

1. The true interest cost of the bonds is estimated at 3.55%, calculated as provided in Section 5852.1(a)(1)(A) of the Code.
2. The finance charge of the 2019 bonds, including underwriter’s discount and all other fees and charges paid to third parties, is estimated at \$216,849.
3. Proceeds of the 2019 bonds received by the District for the sale of the 2019 bonds, including the estimated principal amount of the proposed 2019 bonds of \$4,285,000 plus the net premium of \$254,741, finance charges, and an estimated amount of \$246,150 to be deposited into the reserve account under the indenture, is equal to \$4,076,743, which will be available to finance the project.
4. The total payment amount calculated as provided in Section 5852.1(a)(1)(D) of the Code is estimated at \$7,315,276.

The foregoing are estimates and the final costs will depend on market conditions and can be expected to vary from the estimated amounts set forth above.

Fiscal Impact:

The bonds are paid from special taxes levied in the District. There is no fiscal impact to the City's General Fund. The City will, however, be required to provide administration for the District, which will be funded as part of the annual special tax levy.

The average annual special tax attributable to each parcel will be approximately \$705 over the life of the bonds. These figures are preliminary and subject to prevailing market conditions at the time of sale.

Recommendation:

1. Waive the full reading and adopt by title only, "A Resolution of the City Council of the City of Beaumont, Acting as the Legislative Body of the City of Beaumont Community Facilities District No. 2016-4, Authorizing the Issuance of its 2019 Special Tax Bonds in an Aggregate Principal Amount Not to Exceed \$5,000,000 and Approving Certain Documents and Taking Certain Other Actions in Connection Therewith."



City Manager Review: Todd Parton
City Manager

Attachments:

[Resolution of Issuance](#)
[Bond Indenture](#)
[Bond Purchase Agreement](#)
[Continuing Disclosure Certificate](#)
[Preliminary Official Statement](#)

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
BEAUMONT, ACTING AS THE LEGISLATIVE BODY OF THE
CITY OF BEAUMONT COMMUNITY FACILITIES DISTRICT
NO. 2016-4, AUTHORIZING THE ISSUANCE OF ITS 2019
SPECIAL TAX BONDS IN AN AGGREGATE PRINCIPAL
AMOUNT NOT TO EXCEED \$5,000,000 AND APPROVING
CERTAIN DOCUMENTS AND TAKING CERTAIN OTHER
ACTIONS IN CONNECTION THEREWITH**

WHEREAS, the City Council (the “City Council,” and sometimes referred to as the “legislative body of the District”) of the City of Beaumont, California (the “City”), located in Riverside County, California, has heretofore undertaken proceedings and declared the necessity to issue bonds by the City of Beaumont Community Facilities District No. 2016-4 (the “District”) pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the “Act”); and

WHEREAS, pursuant to resolutions adopted by the City Council on February 7, 2017 and the Act, the City formed the District; and

WHEREAS, pursuant to a resolution adopted by the City Council on February 7, 2017, a bond proposition was submitted to the qualified electors within the District and was approved by more than two-thirds of the votes cast at the elections held within the District on such date; and

WHEREAS, based upon the aforesaid resolutions and election, the District is authorized pursuant to the Act to issue bonds in an aggregate principal amount not to exceed \$5,000,000; and

WHEREAS, in order to effect the issuance of bonds in an aggregate principal amount not to exceed \$5,000,000 to be designated as the “City of Beaumont Community Facilities District No. 2016-4 2019 Special Tax Bonds” (the “Bonds”), the legislative body of the District desires to approve the forms, and authorize the execution and delivery, of a Bond Indenture, a Continuing Disclosure Agreement and a Bond Purchase Agreement for the Bonds; and

WHEREAS, in accordance with Government Code Section 53360.4, the legislative body of the District determines that a negotiated sale of the Bonds to Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) in accordance with the terms of the Bond Purchase Agreement for the Bonds to be entered into by the District and the Underwriter (the “Bond Purchase Agreement”) will result in a lower overall cost to the District than a public sale; and

WHEREAS, the legislative body of the District determines that it is prudent in the management of its fiscal affairs to issue the Bonds; and

WHEREAS, the legislative body of the District further wishes to approve the form of the Preliminary Official Statement with respect to the Bonds (the “Preliminary Official Statement”), presented at this meeting; and

NOW, THEREFORE, the City Council of the City of Beaumont acting as the legislative body of City of Beaumont Community Facilities District No. 2016-4 does hereby resolve as follows:

SECTION 1. Each of the above recitals is true and correct, as is each of the findings and determinations set forth therein, and each of said recitals, findings and determinations is adopted by the legislative body of the District.

SECTION 2. The issuance of the Bonds in an aggregate principal amount not to exceed \$5,000,000 is hereby authorized; and the exact principal amount to be issued shall be determined by the officer signing the Bond Purchase Agreement in accordance with Section 5 below. The Bonds shall mature on the dates and bear interest at the rates set forth in the Bond Purchase Agreement to be executed on behalf of the District in accordance with Section 5 hereof. The Bonds shall be governed by the terms and conditions of the Bond Indenture between the District and Wilmington Trust, National Association, as trustee, presented at this meeting (the “Bond Indenture”). The Bond Indenture shall be executed by one or more of the Mayor, City Manager, the Assistant City Manager, or the Finance Director of the City or the written designee of one of the foregoing (collectively, the “Authorized Officers”) and attested to by the City Clerk, substantially in the form presented at this meeting, with such additions thereto and changes therein as the officer or officers executing the same deem necessary (a) to cure any ambiguity or defect therein, if such addition or change does not materially alter the substance or content thereof, (b) to insert the offering price(s), interest rate(s), selling compensation, principal amount per maturity, redemption dates and prices and such other related terms and provisions as limited by Section 5 hereof, or (c) to conform any provisions therein to the Bond Purchase Agreement or the Official Statement delivered to the purchasers of the Bonds. Approval of such changes shall be conclusively evidenced by the execution and delivery of the Bond Indenture by one or more Authorized Officers. Capitalized terms used in this Resolution which are not defined herein have the meanings ascribed to them in the Bond Indenture.

SECTION 3. The Bonds shall be executed on behalf of the District by the manual or facsimile signature of the Mayor and attested with the manual or facsimile signature of the City Clerk, and by the trustee to be selected by the City (the “Trustee”) to act as Trustee for the Bonds.

SECTION 4. The covenants set forth in the Bond Indenture above are hereby approved and shall be deemed to be covenants of the City Council, in its capacity as the legislative body of the District, and shall be complied with by the District and its officers.

SECTION 5. The form of the Bond Purchase Agreement presented at this meeting and the sale of the Bonds pursuant thereto are hereby approved, provided that the true interest cost on the Bonds does not exceed 5.0% and the discount at which the Underwriter purchases the Bonds (exclusive of original issue discount) does not exceed 1.21% of the principal amount thereof. Any one of the Authorized Officers is hereby authorized to execute the Bond Purchase

Agreement, with such additions thereto and changes therein as the officer executing it may approve, such approval to be conclusively evidenced by the execution and delivery of the Bond Purchase Agreement. Each of the Mayor, or her designee, the City Manager, or his designee, the Assistant City Manager, or her designee, and the Finance Director, or her designee, is authorized to determine the day on which the Bonds are to be priced in order to attempt to produce the lowest borrowing cost for the District and may reject any terms presented by the Underwriter if determined not to be in the best interest of the District.

SECTION 6. The form of the Continuing Disclosure Certificate presented at this meeting is hereby approved; and any one of the Authorized Officers is hereby authorized and directed to execute the Continuing Disclosure Certificate in the form hereby approved, with such additions therein and changes thereto as the Authorized Officer or Authorized Officers executing the same deem necessary to cure any defect or ambiguity therein if such change does not materially alter the substance or content thereof, with such approval to be conclusively evidenced by the execution and delivery of such Continuing Disclosure Certificate.

SECTION 7. In accordance with the requirements of Section 53345.8 of the Act, the legislative body of the District hereby determines that the value of the real property in the District subject to the special tax to pay debt service on the Bonds is not less than three (3) times the principal amount of the Bonds and the principal amount of all other bonds outstanding that are secured by a special tax levied pursuant to the Act or a special assessment levied on property within the District. This determination is based on the assessed value of the real property within the District as set forth in the fiscal year 2019-20 County Assessor's roll.

SECTION 8. The Preliminary Official Statement, in substantially the form presented to this meeting and made a part hereof is hereby approved, with such changes, insertions and omissions therein as may be approved by any of the Authorized Officers, acting alone, and the use of the Preliminary Official Statement in connection with the offering and sale of the Bonds is hereby authorized and approved. The Authorized Officers are each hereby authorized to certify on behalf of the District that the Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 (except for the omission of certain final pricing, rating and related information as permitted by Rule 15c2-12).

SECTION 9. The preparation and delivery of the Official Statement, and its use in connection with the offering and sale of the Bonds is hereby authorized and approved. The Official Statement shall be in substantially the form of the Preliminary Official Statement, with such changes, insertions and omissions as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. Each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the District, to execute the final Official Statement and any amendment or supplement thereto.

SECTION 10. Each of the Authorized Officers is authorized to provide for all services necessary to effect the issuance of the Bonds. Such services shall include, but not be limited to, obtaining legal services, municipal advisor services, special tax consultant services, trustee services and any other services deemed appropriate by an Authorized Officer. Any one of the

Authorized Officers is authorized to pay for the cost of such services, together with other costs of issuance for the Bonds from the proceeds of the Bonds.

SECTION 11. The City Council hereby finds and declares that the issuance of the Bonds complies with the Debt Issuance and Management Policy adopted by the City with respect to debt financings (the “Debt Policy”).

SECTION 12. The City Council acknowledges that the good faith estimates required by Section 5852.1 of the California Government Code are disclosed in the staff report and are available to the public at the meeting at which this Resolution is approved.

SECTION 13. Each of the Authorized Officers and the other officers and staff of the City of Beaumont and the District responsible for the fiscal affairs of the District are hereby authorized and directed to take any actions and to execute and deliver any and all documents as are necessary to accomplish the issuance, sale and delivery of the Bonds in accordance with the provisions of this Resolution and the fulfillment of the purposes of the Bonds as described in the Bond Indenture. Any document authorized herein to be signed by the City Clerk may be signed by a duly-appointed deputy city clerk or assistant city clerk.

PASSED AND ADOPTED by the City Council of the City of Beaumont, California, this 15th day of October, 2019, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

MAYOR OF THE CITY OF BEAUMONT

ATTEST:

CITY CLERK

BOND INDENTURE

between

**CITY OF BEAUMONT
COMMUNITY FACILITIES DISTRICT NO. 2016-4**

and

**WILMINGTON TRUST, NATIONAL ASSOCIATION,
as Trustee**

**\$ _____
CITY OF BEAUMONT
COMMUNITY FACILITIES DISTRICT NO. 2016-4
2019 SPECIAL TAX BONDS**

Dated as of November 1, 2019

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BOND INDENTURE

THIS BOND INDENTURE dated as of November 1, 2019, by and between CITY OF BEAUMONT COMMUNITY FACILITIES DISTRICT NO. 2016-4 (the “District”) and WILMINGTON TRUST, NATIONAL ASSOCIATION, as Trustee (the “Trustee”), governs the terms of the City of Beaumont Community Facilities District No. 2016-4 2019 Special Tax Bonds issued in accordance herewith.

RECITALS:

WHEREAS, the City Council of the City of Beaumont, located in Riverside County, California (hereinafter sometimes referred to as the “legislative body of the District” or the “City”), has heretofore undertaken proceedings and declared the necessity to issue bonds on behalf of the District pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5, of the Government Code of the State of California (the “Act”); and

WHEREAS, the legislative body of the District adopted a Resolution on February 7, 2017, and held elections within the District on February 7, 2017 to authorize the levy of a special tax and the issuance of bonds by the District, in an aggregate principal amount not to exceed \$5,000,000; and

WHEREAS, the legislative body of the District desires to finance certain public improvements (the “Facilities”) eligible for financing by the District through the issuance of bonds in an aggregate principal amount of \$_____ designated as the “City of Beaumont Community Facilities District No. 2016-4 2019 Special Tax Bonds” (the “Bonds”), to fund a deposit to the Reserve Account, and to pay certain costs related to the issuance of the Bonds; and

WHEREAS, the Bonds are to be issued and sold in accordance with a Resolution adopted on October 15, 2019 by the City Council of the City, acting in its capacity as the legislative body of the District, and with this Indenture; and

WHEREAS, the District has determined that all requirements of the Act and the applicable provisions of the policies of the City for the issuance of the Bonds under the Act have been satisfied; and

WHEREAS, upon their issuance, the Bonds will be the only outstanding bonds of the District, and the District may issue Parity Bonds or Subordinated Bonds in the future in accordance herewith but shall not issue any bonds or indebtedness that have a lien, charge, pledge or encumbrance on the Net Taxes that is senior or superior to the lien, charge, pledge and encumbrance thereon for the Bonds;

NOW, THEREFORE, in order to establish the terms and conditions upon and subject to which the Bonds are to be issued, and in consideration of the premises and of the mutual covenants contained herein and of the purchase and acceptance of the Bonds by the Owners thereof, and for other valuable consideration, the receipt of which is hereby acknowledged, the District does hereby covenant and agree, for the benefit of the Owners of the Bonds which may be issued hereunder from time to time, as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. Unless the context otherwise requires, the following terms shall have the following meanings:

“Account” means any account created pursuant to this Indenture.

“Acquisition Agreement” means that certain Acquisition Agreement relating to the District, by and among the City, the District and K. Hovnanian’s Four Seasons at Beaumont, LLC, together with any amendments thereto.

“Acquisition and Construction Fund” means the fund by that name established pursuant to Section 3.1 hereof.

“Act” means the Mello-Roos Community Facilities Act of 1982, as amended, being Sections 53311 *et seq.* of the California Government Code.

“Administrative Expenses” means the following actual or reasonably estimated costs directly related to the administration of the District: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Special Taxes (whether by the City or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, the District or any designee thereof of complying with arbitrage rebate requirements; the costs to the City, the District or any designee thereof of complying with disclosure requirements of the City, the District or obligated persons associated with applicable federal and state securities laws and the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the City, the District or any designee thereof related to an appeal of any Special Tax levy; the costs associated with the release of funds from an escrow account; and the City’s annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated by the CFD Administrator or advanced by the City or the District for any other administrative purposes of the District, including attorney’s fees and other costs related to commencing and pursuing to completion any foreclosure action to collect delinquent Special Taxes.

“Administrative Expense Fund” means the fund by that name established pursuant to Section 3.1 hereof.

“Administrative Expenses Cap” means \$_____.

“Annual Debt Service” means the principal amount of any Outstanding Bonds or Parity Bonds payable in a Bond Year either at maturity or pursuant to a Sinking Fund Payment and any interest payable on any Outstanding Bonds or Parity Bonds in such Bond Year, if the Bonds and any Parity Bonds are retired as scheduled.

“Authorized Representative of the District” means the Mayor of the legislative body of the District, the City Manager, the Assistant City Manager, the Director of Finance or any other person or persons designated by the Mayor of the legislative body of the District, the City Manager, the

Assistant City Manager or the Director of Finance by a written certificate signed by one of such officers of the City and containing the specimen signature of each such person.

“Bond Counsel” means an attorney at law or a firm of attorneys selected by the District of nationally recognized standing in matters pertaining to the tax-exempt nature of interest on bonds issued by states and their political subdivisions duly admitted to the practice of law before the highest court of any state of the United States of America or the District of Columbia.

“Bond Register” means the books which the Trustee shall keep or cause to be kept on which the registration and transfer of the Bonds and any Parity Bonds shall be recorded.

“Bondowner” or “Owner” means the person or persons in whose name or names any Bond or Parity Bond is registered.

“Bonds” means the District’s 2019 Special Tax Bonds issued on November __, 2019 in the aggregate principal amount of \$_____.

“Bond Year” means the twelve-month period ending on September 1 of each year; provided, however, that the first Bond Year shall begin on the Delivery Date and end on September 1, 2020.

“Business Day” means a day which is not a Saturday or Sunday or a day of the year on which banks in New York, New York, Los Angeles, California, or the city where the corporate trust office of the Trustee is located, are not required or authorized to remain closed.

“Certificate of an Authorized Representative” means a written certificate or warrant request executed by an Authorized Representative of the District.

“Certificate of the Special Tax Consultant” means a certificate of Webb Municipal Finance, LLP, or any successor entity appointed by the District, to administer the calculation and collection of the Special Taxes.

“City” means the City of Beaumont, California.

“Code” means the Internal Revenue Code of 1986, as amended, and any Regulations, rulings, judicial decisions, and notices, announcements, and other releases of the United States Treasury Department or Internal Revenue Service interpreting and construing it.

“Continuing Disclosure Certificate” means that certain Continuing Disclosure Certificate dated November __, 2019, executed and delivered by the District, together with any amendments thereto.

“Costs of Issuance” means the costs and expenses incurred in connection with the issuance and sale of the Bonds or any Parity Bonds, including the acceptance and initial annual fees and expenses of the Trustee, legal fees and expenses, costs of printing the Bonds and Parity Bonds and the preliminary and final official statements for the Bonds and Parity Bonds, fees of financial consultants, fees of special tax consultants and all other related fees and expenses, as set forth in a Certificate of an Authorized Representative of the District.

“Costs of Issuance Fund” means the fund by that name established pursuant to Section 3.1 hereof.

“Delivery Date” means, with respect to the Bonds and each issue of Parity Bonds, the date on which the bonds of such issue were issued and delivered to the initial purchasers thereof.

“Depository” means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors as securities depository for the Bonds, including any such successor appointed pursuant to Section 2.16 hereof.

“Developed Property” has the meaning ascribed to it in the RMA.

“District” means City of Beaumont Community Facilities District No. 2016-4 established pursuant to the Act and the Resolution of Formation.

“Event of Default” shall mean the “event of default” described in Section 8.1 hereof.

“Federal Securities” means any of the following: (a) non-callable direct obligations of the United States of America (“Treasuries”) or obligations for which the full faith and credit of the United States of America are unconditionally pledged for the payment of interest and principal, (b) evidence of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, and (c) pre-refunded municipal obligations rated “AAA” and “Aaa” by Standard & Poor’s and Moody’s, respectively (or any combination thereof).

“Fiscal Year” means the period beginning on July 1 of each year and ending on the next following June 30.

“Fitch” means Fitch Ratings, New York, New York, or its successors, and if such organization shall for any reason no longer perform the functions of a securities rating agency, “Fitch” shall be deemed to refer to any other nationally recognized securities rating agency designated by the City.

“Gross Taxes” means the amount of all Special Taxes received by the District from the Treasurer, together with all payments made with respect to tax-defaulted parcels (including all delinquent and redemption penalties, fees and costs) and the proceeds collected from the sale of property pursuant to the foreclosure provisions of this Indenture.

“Indenture” means this Bond Indenture, together with any Supplemental Indenture approved pursuant to Article VI hereof.

“Independent Financial Consultant” means a financial consultant or firm of such consultants generally recognized to be well qualified in the financial consulting field, appointed and paid by the District, who, or each of whom:

- (1) is in fact independent and not under the domination of the District or the City;
- (2) does not have any substantial interest, direct or indirect, in the District or the City; and

(3) is not connected with the District or the City as a member, officer or employee of the District or the City, but who may be regularly retained to make annual or other reports to the District or the City.

“Information Services” means the Electronic Municipal Market Access System (referred to as “EMMA”), a facility of the Municipal Securities Rulemaking Board, at www.emma.msrb.org; provided, however, in accordance with then current guidelines of the Securities and Exchange Commission, Information Services shall mean such other organizations providing information with respect to called bonds as the District may designate to the Trustee in writing.

“Interest Account” means the account by that name created and established in the Special Tax Fund pursuant to Section 3.1 hereof.

“Interest Payment Date” means each March 1 and September 1, commencing March 1, 2020; provided, however, that, if any such day is not a Business Day, interest up to the Interest Payment Date will be paid on the Business Day next succeeding such date.

“Investment Agreement” means one or more agreements for the investment of funds of the District complying with the criteria therefor as set forth in Subsection (11) of the definition of Permitted Investments herein.

“Maximum Annual Debt Service” means the maximum sum obtained for any Bond Year prior to the final maturity of the Bonds and any Parity Bonds by adding the following for each Bond Year:

- (1) the principal amount of all Outstanding Bonds and Parity Bonds payable in such Bond Year either at maturity or pursuant to a Sinking Fund Payment; and
- (2) the interest payable on the aggregate principal amount of all Bonds and Parity Bonds Outstanding in such Bond Year if the Bonds and Parity Bonds are retired as scheduled.

“Moody’s” means Moody’s Investors Service, New York, New York, or its successors, and if such organization shall for any reason no longer perform the functions of a securities rating agency, “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency designated by the City.

“Net Taxes” means Gross Taxes minus amounts set aside to pay Administrative Expenses up to the Administrative Expenses Cap.

“Nominee” shall mean the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 2.16 hereof.

“Outstanding” or “Outstanding Bonds and Parity Bonds” means all Bonds and Parity Bonds theretofore issued by the District, except:

- (1) Bonds and Parity Bonds theretofore cancelled or surrendered for cancellation in accordance with Section 10.1 hereof;
- (2) Bonds and Parity Bonds for payment or redemption of which monies shall have been theretofore deposited in trust (whether upon or prior to the maturity or the redemption date

of such Bonds or Parity Bonds), provided that, if such Bonds or Parity Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as provided in this Indenture or any applicable Supplemental Indenture for Parity Bonds; and

(3) Bonds and Parity Bonds which have been surrendered to the Trustee for transfer or exchange pursuant to Section 2.9 hereof or for which a replacement has been issued pursuant to Section 2.10 hereof.

“Parity Bonds” means all bonds, notes or other similar evidences of indebtedness hereafter issued, payable out of the Net Taxes and which, as provided in this Indenture or any Supplemental Indenture, rank on a parity with the Bonds, pursuant to Section 9.2 hereof.

“Participants” shall mean those broker-dealers, banks and other financial institutions from time to time for which the Depository holds Bonds or Parity Bonds as a securities depository.

“Permitted Investments” means any of the following that at the time of investment are legal investments under the laws of the State for the moneys proposed to be invested therein (provided that the Trustee may rely upon investment direction of the District as a determination that such investment is a legal investment):

1. (a) Direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America (“United States Treasury Obligations”), (b) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America, (c) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America, or (d) evidences of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated.

2. Federal Housing Administration debentures.

3. The listed obligations of government-sponsored agencies which are not backed by the full faith and credit of the United States of America:

(a) Federal Home Loan Mortgage Corporation (FHLMC)

(i) Participation certificates (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts)

(ii) Senior Debt obligations

(b) Farm Credit Banks (formerly: Federal Land Banks, Federal

(i) Intermediate Credit Banks and Banks for Cooperatives)

(ii) Consolidated system-wide bonds and notes

- (c) Federal Home Loan Banks (FHL Banks)
 - (i) Consolidated debt obligations
- (d) Federal National Mortgage Association (FNMA)
 - (i) Senior debt obligations
 - (ii) Mortgage-backed securities (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts)
- (e) Financing Corporation (FICO)
 - (i) Debt obligations
- (f) Resolution Funding Corporation (REFCORP)
 - (i) Debt obligations

4. Bank deposit products, unsecured certificates of deposit (including those placed by a third party pursuant to an agreement between the District and the Trustee), trust funds, trust accounts, overnight banking deposits, interest bearing deposits, interest bearing money market accounts, time deposits, demand deposits, and bankers' acceptances (having maturities of not more than 30 days) of any bank (including the Trustee and any affiliate) the short-term obligations of which are rated "A-1" or "A-2" without regard to qualifier by a nationally recognized rating agency service.

5. Deposits (including bank deposit products) the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), or collateralized by Permitted Investments described in (1) above, in banks (including the Trustee and any affiliate) which have capital and surplus of at least \$5 million.

6. Commercial paper (having original maturities of not more than 270 days rated "A-1+" by Standard & Poor's or "Prime-1" by Moody's.

7. Money market mutual funds rated "AAm" or "AAm-G" by a nationally recognized rating agency service, or better (including those for which the Trustee or its affiliates receives and retains a fee for services provided to the fund, whether as a custodian, transfer agent, investment advisor or otherwise) but excluding such funds with a floating net asset value.

8. "State Obligations," which means:

- (a) Direct general obligations of any state of the United States of America or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated "A3" by Moody's and "A" by Standard & Poor's, or better, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated.

(b) Direct general short-term obligations of any state agency or subdivision or agency thereof described in (A) above and rated “A-1+” by Standard & Poor’s or “Prime-1” by Moody’s.

(c) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in (A) above and rated “AA” or better by Standard & Poor’s or “Aa” or better by Moody’s.

9. Pre-refunded municipal obligations rated “AAA” by Standard & Poor’s or “Aaa” by Moody’s meeting the following requirements:

(a) the municipal obligations are (1) not subject to redemption prior to maturity or (2) the paying agent for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions;

(b) the municipal obligations are secured by cash or United States Treasury Obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations;

(c) the principal of and interest on the United States Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations (“Verification”);

(d) the cash or United States Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or paying agent in trust for owners of the municipal obligations;

(e) no substitution of a United States Treasury Obligation shall be permitted except with another United States Treasury Obligation and upon delivery of a new Verification; and

(f) the cash or United States Treasury Obligations are not available to satisfy any other claims, including those by or against the paying agent or escrow agent.

10. Repurchase or reverse repurchase agreements:

With (1) any domestic bank, or domestic branch of a foreign bank, the long term debt of which is rated at least “A” by Standard & Poor’s or Moody’s (including the Trustee or any of its affiliates); or (2) any broker-dealer with “retail customers” or a related affiliate thereof which broker-dealer has, or the parent company (which guarantees the provider) of which has, long-term debt rated at least “A” by Standard & Poor’s or Moody’s, which broker-dealer falls under the jurisdiction of the Securities Investors Protection Corporation; or (3) any other entity rated “A” or better by Standard & Poor’s or Moody’s, provided that:

(a) The collateral shall be securities described in clause 1(a), (b) or (c) of this subsection, and the market value of the collateral is maintained at levels equal to 104% of the amount of cash transferred by the Trustee or the District to the provider of the repurchase agreement plus accrued interest with the collateral being valued weekly and marked-to-market at one current market price plus accrued interest;

(b) The Trustee or a third party acting solely as agent therefor or for the District (the “Holder of the Collateral”) has possession of the collateral or the collateral has been transferred to the Holder of the Collateral in accordance with applicable state and federal laws (other than by means of entries on the transferor’s books);

(c) The repurchase or reverse repurchase agreement shall state and an opinion of counsel shall be rendered at the time such collateral is delivered that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

(d) The repurchase or reverse repurchase agreement shall provide that if during its term the provider’s rating by either Moody’s or Standard & Poor’s is withdrawn or suspended or falls below “A ” by Standard & Poor’s or “A3” by Moody’s, as appropriate, the provider must, at the direction of Trustee, within 10 days of receipt of such direction, repurchase all collateral and terminate the agreement, with no penalty or premium to the Trustee or the District.

Notwithstanding the above, if a repurchase agreement has a term of 270 days or less (with no evergreen provision), collateral levels need not be as specified in (a) above, so long as such collateral levels are 103% or better and the provider is rated at least “A” by Standard & Poor’s or Moody’s, respectively.

11. Investment agreements with a domestic or foreign bank or corporation (other than a life or property casualty insurance company) the long-term debt of which or, in the case of a guaranteed corporation the long-term debt, or, in the case of a monoline financial guaranty insurance company, claims paying ability, of the guarantor is rated at least “AA” by Standard & Poor’s or “Aa” by Moody’s; provided that, by the terms of the investment agreement:

(a) interest payments are to be made to the Trustee or the District at times and in amounts as necessary to pay debt service (or, if the investment agreement is for the Improvement Fund, construction draws) on the Bonds;

(b) the invested funds are available for withdrawal without penalty or premium, at any time upon not more than seven days’ prior notice; the Trustee or the District hereby agrees to give or cause to be given notice in accordance with the terms of the investment agreement so as to receive funds thereunder with no penalty or premium paid;

(c) the investment agreement shall state that is the unconditional and general obligation of, and is not subordinated to any other obligation of, the provider thereof, or, in the case of a bank, that the obligation of the bank to make payments

under the agreement ranks pari passu with the obligations of the bank to its other depositors and its other unsecured and unsubordinated creditors;

(d) the Trustee and the District receives the opinion of domestic counsel (which opinion shall be addressed to Trustee and the District that such investment agreement is legal, valid, binding and enforceable upon the provider in accordance with its terms and of foreign counsel (if applicable) in form and substance acceptable, and addressed to, the Trustee and the District;

(e) the investment agreement shall provide that if during its term

(i) the provider's rating by either Standard & Poor's or Moody's falls below "AA-" or "Aa3", respectively, the provider shall, at its option, within 10 days of receipt of publication of such downgrade, either (y) collateralize the investment agreement by delivering or transferring in accordance with applicable state and federal laws (other than by means of entries on the provider's books) to the District, the Trustee or a third party acting solely as agent therefor (the "Holder of the Collateral") collateral free and clear of any third-party liens or claims the market value of which collateral is maintained at levels and upon such conditions as would be acceptable to Standard & Poor's and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach); or (z) repay the principal of and accrued but unpaid interest on the investment; and

(ii) the provider's rating by either Standard & Poor's or Moody's is withdrawn or suspended or falls below "A-" or "A3", respectively, the provider must, at the direction of the Trustee, within 10 days of receipt of such direction, repay the principal of and accrued but unpaid interest on the investment, in either case with no penalty or premium to the Trustee or District; and

(f) the investment agreement shall state and an opinion of counsel shall be rendered, in the event collateral is required to be pledged by the provider under the terms of the investment agreement at the time such collateral is delivered, that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

(g) the investment agreement must provide that if during its term

(i) the provider shall default in its payment obligations, the provider's obligations under the investment agreement shall, at the direction of the Trustee, be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Trustee or the District, and

(ii) the provider shall become insolvent, not pay its debts as they become due, be declared or petition to be declared bankrupt, etc. ("event of insolvency"), the provider's obligations shall automatically be accelerated

and amounts invested and accrued but unpaid interest thereon shall be repaid to the Trustee or the District.

12. The State of California Local Agency Investment Fund.

“Person” means natural persons, firms, corporations, partnerships, associations, trusts, public bodies and other entities.

“Prepayments” means any amounts paid by the District to the Trustee and designated by the District as a prepayment of Special Taxes for one or more parcels in the District made in accordance with the RMA.

“Principal Account” means the account by that name created and established in the Special Tax Fund pursuant to Section 3.1 hereof.

“Principal Office of the Trustee” means the office of the Trustee located in Costa Mesa, California, or such other office or offices as the Trustee may designate from time to time, or the office of any successor Trustee where it principally conducts its business of serving as Trustee under indentures pursuant to which municipal or governmental obligations are issued.

“Proceeds Fund” means the fund by that name created and established pursuant to Section 3.1 hereof.

“Project” means those public facilities described in the Acquisition Agreement which are to be acquired or constructed within and outside of the District, including all engineering, planning and design services and other incidental expenses related to such facilities.

“Project Costs” means the amounts necessary to finance the Project, to create and replenish any necessary reserve funds, to pay the initial and annual costs associated with the Bonds or any Parity Bonds, including, but not limited to, remarketing, credit enhancement, Trustee and other fees and expenses relating to the issuance of the Bonds or any Parity Bonds, and to pay any other “incidental expenses” of the District, as such term is defined in the Act.

“Rating Agency” means Fitch, Moody’s and Standard & Poor’s, or any one of such entities, as the context requires.

“Rebate Fund” means the fund by that name established pursuant to Section 3.1 hereof.

“Record Date” means the fifteenth day of the month preceding an Interest Payment Date, regardless of whether such day is a Business Day.

“Redemption Account” means the account by that name created and established in the Special Tax Fund pursuant to Section 3.1 hereof.

“Regulations” means the regulations adopted or proposed by the Department of Treasury from time to time with respect to obligations issued pursuant to Section 103 of the Code.

“Representation Letter” shall mean the Blanket Letter of Representations from the District to the Depository as described in Section 2.13 hereof.

“Reserve Account” means the account by that name created and established in the Special Tax Fund pursuant to Section 3.1 hereof.

“Reserve Requirement” means that amount as of any date of calculation equal to the lesser of (i) 10% of the initial principal amount of the Bonds and Parity Bonds, if any, (ii) Maximum Annual Debt Service on the then Outstanding Bonds and Parity Bonds, if any; and (iii) 125% of average Annual Debt Service on the then Outstanding Bonds and Parity Bonds. Notwithstanding the foregoing, in no event shall the Reserve Requirement exceed \$_____, the initial Reserve Requirement.

“Resolution of Formation” means the Resolution adopted by the City Council on February 7, 2017 pursuant to which the City formed the District, and authorized the levy of Special Taxes.

“RMA” means that certain Rate and Method of Apportionment for the District approved pursuant to the Resolution of Formation, as it may be amended in accordance with the Act.

“Sinking Fund Payment” means the annual payment to be deposited in the Principal Account to redeem a portion of the Term Bonds in accordance with the schedules set forth in Section 4.1(b) hereof and any annual sinking fund payment schedule to retire any Parity Bonds which are designated as Term Bonds.

“Special Tax Fund” means the fund by that name created and established pursuant to Section 3.1 hereof.

“Special Taxes” means the taxes authorized to be levied by the legislative body of the District on property within the District as a Special Tax for Facilities in accordance with the Resolution of Formation, the Act, the RMA and the voter approval obtained at the February 7, 2017 election in the District.

“Standard & Poor’s” or “S&P” means S&P Global Ratings, a Standard & Poor’s Financial Services LLC business or its successors and if such organization shall no longer perform the functions of a securities rating agency, “Standard & Poor’s” shall be deemed to refer to any other nationally recognized securities rating agency designated by the City.

“Subordinated Bonds” means any bonds or indebtedness of the District that have a lien, charge, pledge or encumbrance on the Net Taxes junior and subordinated to the lien, charge, pledge and encumbrance thereon for the Bonds and any Parity Bonds.

“Supplemental Indenture” means any supplemental indenture amending or supplementing this Indenture.

“Surplus Fund” means the fund by that name created and established pursuant to Section 3.1 hereof.

“Tax Certificate” means the certificate by that name to be executed by the District on a Delivery Date to establish certain facts and expectations and which contains certain covenants relevant to compliance with the Code.

“Taxable Property” has the meaning ascribed to it in the RMA.

“Term Bonds” means the Bonds maturing on September 1, 20__ [and on September 1, 20__], and any term maturities of an issue of Parity Bonds as specified in a Supplemental Indenture.

“Treasurer” means the Treasurer-Tax Collector of the County of Riverside, or his or her written designee.

“Trustee” means Wilmington Trust, National Association, a national banking association duly organized and existing under the laws of the United States, at its principal corporate trust office in Los Angeles, California, and its successors or assigns, or any other bank or trust company which may at any time be substituted in its place as provided in Sections 7.2 or 7.3 and any successor thereto.

“Underwriter” means Stifel, Nicolaus & Company, Incorporated, with respect to the Bonds and, with respect to each issue of Parity Bonds, the institution or institutions, if any, with whom the District enters into a purchase contract for the sale of such issue.

ARTICLE II

GENERAL AUTHORIZATION AND BOND TERMS

Section 2.1 Amount, Issuance, Purpose and Nature of Bonds and Parity Bonds. Under and pursuant to the Act, the Bonds in the aggregate principal amount of \$_____, together with any Parity Bonds authorized by the legislative body in accordance with Section 9.2 hereof, shall be issued for the purpose of financing the Project, paying Costs of Issuance and funding a Reserve Account. The Bonds and any Parity Bonds shall be and are limited obligations of the District and shall be payable as to the principal thereof and interest thereon and any premiums upon the redemption thereof solely from the Net Taxes and the other amounts in the Special Tax Fund.

Section 2.2 Type and Nature of Bonds and Parity Bonds. Neither the faith and credit nor the taxing power of the City, the State of California, or any political subdivision thereof other than the District is pledged to the payment of the Bonds or any Parity Bonds. Except for the Special Taxes, no other taxes are pledged to the payment of the Bonds or any Parity Bonds. The Bonds and any Parity Bonds are not general or special obligations of the City nor general obligations of the District, but are limited obligations of the District payable solely from certain amounts deposited by the District in the Special Tax Fund, as more fully described herein. The District’s limited obligation to pay the principal of, premium, if any, and interest on the Bonds and any Parity Bonds from amounts in the Special Tax Fund is absolute and unconditional, free of deductions and without any abatement, offset, recoupment, diminution or set-off whatsoever. No Owner of the Bonds or any Parity Bonds may compel the exercise of the taxing power by the District (except as pertains to the Special Taxes) or the City or the forfeiture of any of their property. The principal of and interest on the Bonds and any Parity Bonds and premiums upon the redemption thereof, if any, are not a debt of the City, the State of California or any of its political subdivisions within the meaning of any constitutional or statutory limitation or restriction. The Bonds and any Parity Bonds are not a legal or equitable pledge, charge, lien, or encumbrance upon any of the District’s property, or upon any of its income, receipts or revenues, except the Net Taxes and other amounts in the Special Tax Fund which are, under the terms of this Indenture and the Act, set aside for the payment of the Bonds, any Parity Bonds and interest thereon and neither the members of the legislative body of the District or the City Council of the City nor any persons executing the Bonds or any Parity Bonds, are liable personally on the Bonds or any Parity Bonds, by reason of their issuance.

Notwithstanding anything to the contrary contained in this Indenture, the District shall not be required to advance any money derived from any source of income other than the Net Taxes for the payment of the interest on or the principal of the Bonds or any Parity Bonds, or for the performance of any covenants contained herein. The District may, however, advance funds for any such purpose, provided that such funds are derived from a source legally available for such purpose.

Section 2.3 Equality of Bonds and Parity Bonds and Pledge of Net Taxes. Pursuant to the Act and this Indenture, the Bonds and any Parity Bonds shall be secured by a pledge, charge, lien and encumbrance upon and equally payable from the Net Taxes and other amounts in the Special Tax Fund, without priority for number, date of the Bonds or Parity Bonds, date of sale, date of execution, or date of delivery, and the payment of the interest on and principal of the Bonds and any Parity Bonds and any premiums upon the redemption thereof, shall be exclusively paid from the Net Taxes and other amounts in the Special Tax Fund, which are hereby set aside for the payment of the Bonds and any Parity Bonds. Amounts in the Special Tax Fund shall constitute a trust fund held for the benefit of the Owners to be applied to the payment of the interest on and principal of the Bonds and any Parity Bonds and so long as any of the Bonds and any Parity Bonds or interest thereon remain Outstanding shall not be used for any other purpose, except as permitted by this Indenture or any Supplemental Indenture. Notwithstanding any provision contained in this Indenture to the contrary, Net Taxes deposited in the Rebate Fund and the Surplus Fund shall no longer be considered to be pledged to the Bonds or any Parity Bonds, and none of the Rebate Fund, the Surplus Fund, the Acquisition and Construction Fund, the Costs of Issuance Fund or the Administrative Expense Fund shall be construed as a trust fund held for the benefit of the Owners.

Nothing in this Indenture or any Supplemental Indenture shall preclude: (i) subject to the limitations contained hereunder, the redemption prior to maturity of any Bonds or Parity Bonds subject to call and redemption and payment of said Bonds or Parity Bonds from proceeds of refunding bonds issued under the Act as the same now exists or as hereafter amended, or under any other law of the State of California; or (ii) the issuance, subject to the limitations contained herein, of Parity Bonds which shall be payable from Net Taxes.

Section 2.4 Description of Bonds; Interest Rates. The Bonds and any Parity Bonds shall be issued in fully registered form in denominations of \$5,000 or any integral multiple thereof. The Bonds and any Parity Bonds of each issue shall be numbered as desired by the Trustee.

The Bonds shall be designated “CITY OF BEAUMONT COMMUNITY FACILITIES DISTRICT NO. 2016-4 2019 SPECIAL TAX BONDS.” The Bonds shall be dated as of their Delivery Date and shall mature and be payable on September 1 in the years and in the aggregate principal amounts and shall be subject to and shall bear interest at the rates set forth in the table below payable on March 1, 2020 and each Interest Payment Date thereafter:

<i>Maturity Date (September 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>
2020	\$	%
2021		
2022		
2023		
2024		
2025		
2026		

2027
 2028
 2029
 2030
 2031
 2032
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 2047
 2048
 2049

Interest shall be payable on each Bond and Parity Bond from the date established in accordance with Section 2.5 below on each Interest Payment Date thereafter until the principal sum of that Bond or Parity Bond has been paid; provided, however, that if at the maturity date of any Bond or Parity Bond (or if the same is redeemable and shall be duly called for redemption, then at the date fixed for redemption) funds are available for the payment or redemption thereof in full, in accordance with the terms of this Indenture, such Bonds and Parity Bonds shall then cease to bear interest. Interest due on the Bonds and Parity Bonds shall be calculated on the basis of a 360-day year comprised of twelve 30-day months.

Section 2.5 Place and Form of Payment. The Bonds and Parity Bonds shall be payable both as to principal and interest, and as to any premiums upon the redemption thereof, in lawful money of the United States of America. The principal of the Bonds and Parity Bonds and any premiums due upon the redemption thereof shall be payable upon presentation and surrender thereof at the Principal Office of the Trustee, or at the designated office of any successor Trustee. Interest on any Bond or Parity Bond shall be payable from the Interest Payment Date next preceding the date of authentication of that Bond or Parity Bond, unless (i) such date of authentication is an Interest Payment Date in which event interest shall be payable from such date of authentication; (ii) the date of authentication is after a Record Date but prior to the immediately succeeding Interest Payment Date, in which event interest shall be payable from the Interest Payment Date immediately succeeding the date of authentication; or (iii) the date of authentication is prior to the close of business on the first Record Date occurring after the issuance of such Bond or Parity Bond, in which event interest shall be payable from the dated date of such Bond or Parity Bond, as applicable; provided, however, that if at the time of authentication of such Bond or Parity Bond, interest is in default, interest on that Bond or Parity Bond shall be payable from the last Interest Payment Date to which the interest has been paid or made available for payment or, if no interest has been paid or

made available for payment on that Bond or Parity Bond, interest on that Bond or Parity Bond shall be payable from its dated date. Interest on any Bond or Parity Bond shall be paid to the person whose name shall appear in the Bond Register as the Owner of such Bond or Parity Bond as of the close of business on the Record Date. Such interest shall be paid by check of the Trustee mailed by first class mail, postage prepaid, to such Bondowner at his or her address as it appears on the Bond Register. In addition, upon a request in writing received by the Trustee on or before the applicable Record Date from an Owner of \$1,000,000 or more in principal amount of the Bonds or of any issue of Parity Bonds, payment shall be made on the Interest Payment Date by wire transfer in immediately available funds to an account designated by such Owner.

Section 2.6 Form of Bonds and Parity Bonds. The definitive Bonds may be printed from steel engraved or lithographic plates or may be typewritten. The Bonds and the certificate of authentication shall be substantially in the form attached hereto as Exhibit A, which form is hereby approved and adopted as the form of such Bonds and of the certificate of authentication. Each issue of Parity Bonds and the certificate of authentication therefor shall be in the form provided in the Supplemental Indenture for such issue of Parity Bonds.

Until definitive Bonds or Parity Bonds, as applicable, shall be prepared, the District may cause to be executed and delivered in lieu of such definitive Bonds or Parity Bonds temporary bonds in typed, printed, lithographed or engraved form and in fully registered form, subject to the same provisions, limitations and conditions as are applicable in the case of definitive Bonds or Parity Bonds, except that they may be in any denominations authorized by the District. Until exchanged for definitive Bonds or Parity Bonds, as applicable, any temporary bond shall be entitled and subject to the same benefits and provisions of this Indenture as definitive Bonds and Parity Bonds. If the District issues temporary Bonds or Parity Bonds, it shall execute and furnish definitive Bonds or Parity Bonds, as applicable, without unnecessary delay and thereupon any temporary Bond or Parity Bond may be surrendered to the Trustee at its office, without expense to the Owner, in exchange for a definitive Bond or Parity Bond of the same issue, maturity, interest rate and principal amount in any authorized denomination. All temporary Bonds or Parity Bonds so surrendered shall be cancelled by the Trustee and shall not be reissued.

Section 2.7 Execution and Authentication. The Bonds and Parity Bonds shall be signed on behalf of the District by the manual or facsimile signature of the Mayor of the City and countersigned by the manual or facsimile signature of the City Clerk, or any duly appointed deputy City Clerk, in their capacity as officers of the District. In case any one or more of the officers who shall have signed any of the Bonds or Parity Bonds shall cease to be such officer before the Bonds or Parity Bonds so signed have been authenticated and delivered by the Trustee (including new Bonds or Parity Bonds delivered pursuant to the provisions hereof with reference to the transfer and exchange of Bonds or Parity Bonds or to lost, stolen, destroyed or mutilated Bonds or Parity Bonds), such Bonds and Parity Bonds shall nevertheless be valid and may be authenticated and delivered as herein provided, and may be issued as if the person who signed such Bonds or Parity Bonds had not ceased to hold such office.

Only the Bonds as shall bear thereon such certificate of authentication in the form set forth in Exhibit A attached hereto shall be entitled to any right or benefit under this Indenture, and no Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee.

Section 2.8 Bond Register. The Trustee will keep or cause to be kept, at its office, sufficient books for the registration and transfer of the Bonds and any Parity Bonds which shall upon reasonable prior notice be open to inspection by the District during all regular business hours, and, subject to the limitations set forth in Section 2.9 below, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be transferred on said Bond Register, Bonds and any Parity Bonds as herein provided.

The District and the Trustee may treat the Owner of any Bond or Parity Bond whose name appears on the Bond Register as the absolute Owner of that Bond or Parity Bond for any and all purposes, and the District and the Trustee shall not be affected by any notice to the contrary. The District and the Trustee may rely on the address of the Bondowner as it appears in the Bond Register for any and all purposes. It shall be the duty of the Bondowner to give written notice to the Trustee of any change in the Bondowner's address so that the Bond Register may be revised accordingly.

Section 2.9 Registration of Exchange or Transfer. Subject to the limitations set forth in the following paragraph, the registration of any Bond or Parity Bond may, in accordance with its terms, be transferred upon the Bond Register by the person in whose name it is registered, in person or by his or her duly authorized attorney, upon surrender of such Bond or Parity Bond for cancellation at the office of the Trustee, accompanied by delivery of written instrument of transfer in a form acceptable to the Trustee and duly executed by the Bondowner or his or her duly authorized attorney.

Bonds or Parity Bonds may be exchanged at the office of the Trustee for a like aggregate principal amount of Bonds or Parity Bonds for other authorized denominations of the same maturity and issue. The Trustee shall not collect from the Owner any charge for any new Bond or Parity Bond issued upon any exchange or transfer, but shall require the Bondowner requesting such exchange or transfer to pay any tax or other governmental charge required to be paid with respect to such exchange or transfer. Whenever any Bonds or Parity Bonds shall be surrendered for registration of transfer or exchange, the District shall execute and the Trustee shall authenticate and deliver a new Bond or Bonds or a new Parity Bond or Parity Bonds, as applicable, of the same issue and maturity, for a like aggregate principal amount; provided that the Trustee shall not be required to register transfers or make exchanges of (i) Bonds or Parity Bonds for a period of 15 days next preceding any selection of the Bonds or Parity Bonds to be redeemed; or (ii) any Bonds or Parity Bonds chosen for redemption.

Section 2.10 Mutilated, Lost, Destroyed or Stolen Bonds or Parity Bonds. If any Bond or Parity Bond shall become mutilated, the District shall execute, and the Trustee shall authenticate and deliver, a new Bond or Parity Bond of like tenor, date, issue and maturity in exchange and substitution for the Bond or Parity Bond so mutilated, but only upon surrender to the Trustee of the Bond or Parity Bond so mutilated. Every mutilated Bond or Parity Bond so surrendered to the Trustee shall be cancelled by the Trustee pursuant to Section 10.1 hereof. If any Bond or Parity Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence is satisfactory to the Trustee and, if any indemnity satisfactory to the Trustee shall be given, the District shall execute and the Trustee shall authenticate and deliver, a new Bond or Parity Bond, as applicable, of like tenor, maturity and issue, numbered and dated as the Trustee shall determine in lieu of and in substitution for the Bond or Parity Bond so lost, destroyed or stolen. Any Bond or Parity Bond issued in lieu of any Bond or Parity Bond alleged to be mutilated, lost, destroyed or stolen, shall be equally and proportionately entitled to the benefits hereof with all other Bonds and Parity Bonds issued hereunder. The Trustee shall not treat both the original Bond or

Parity Bond and any replacement Bond or Parity Bond as being Outstanding for the purpose of determining the principal amount of Bonds or Parity Bonds which may be executed, authenticated and delivered hereunder or for the purpose of determining any percentage of Bonds or Parity Bonds Outstanding hereunder, but both the original and replacement Bond or Parity Bond shall be treated as one and the same. Notwithstanding any other provision of this Section, in lieu of delivering a new Bond or Parity Bond which has been mutilated, lost, destroyed or stolen, and which has matured, the Trustee may make payment with respect to such Bonds or Parity Bonds.

Section 2.11 Validity of Bonds and Parity Bonds. The validity of the authorization and issuance of the Bonds and any Parity Bonds shall not be affected in any way by any defect in any proceedings taken by the District and the recital contained in the Bonds or any Parity Bonds that the same are issued pursuant to the Act and other applicable laws of the State shall be conclusive evidence of their validity and of the regularity of their issuance.

Section 2.12 Book-Entry System. The Bonds shall be initially delivered in the form of a separate single fully registered Bond (which may be typewritten) for each of the maturities of the Bonds. Upon initial delivery, the ownership of each such Bond shall be registered in the registration books kept by the Trustee in the name of the Nominee as nominee of the Depository. Except as provided in Section 2.14 hereof, all of the Outstanding Bonds shall be registered in the registration books kept by the Trustee in the name of the Nominee. At the election of the District, any Parity Bonds may also be issued as book-entry bonds registered in the name of the Nominee as provided herein, in which case the references in Sections 2.12 through 2.15 to “Bonds” shall be applicable to such Parity Bonds.

With respect to Bonds registered in the registration books kept by the Trustee in the name of the Nominee, the District and the Trustee shall have no responsibility or obligation to any such Participant or to any Person on behalf of which such a Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the District and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee, or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any other Person, other than an Owner as shown in the registration books kept by the Trustee, of any notice with respect to the Bonds, including any notice of redemption, (iii) the selection by the Depository and its Participants of the beneficial interests in the Bonds to be redeemed in the event the Bonds are redeemed in part, or (iv) the payment to any Participant or any other Person, other than an Owner as shown in the registration books kept by the Trustee, of any amount with respect to principal of, premium, if any, or interest due with respect to the Bonds. The District and the Trustee may treat and consider the Person in whose name each Bond is registered in the registration books kept by the Trustee as the holder and absolute owner of such Bond for the purpose of payment of the principal of, premium, if any, and interest on such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Trustee shall pay all principal of, premium, if any, and interest due on the Bonds only to or upon the order of the respective Owner, as shown in the registration books kept by the Trustee, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to satisfy and discharge fully the District’s obligations with respect to payment of the principal, premium, if any, and interest due on the Bonds to the extent of the sum or sums so paid. No Person other than an Owner, as shown in the registration books kept by the Trustee, shall receive a Bond evidencing the obligation of the District to make payments of principal, premium, if any, and interest pursuant to this Indenture. Upon delivery by the Depository to the Trustee and the District of written notice to

the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions herein with respect to Record Dates, the word Nominee in this Indenture shall refer to such new nominee of the Depository.

Section 2.13 Representation Letter. In order to qualify the Bonds and any Parity Bonds which the District elects to register in the name of the Nominee for the Depository’s book-entry system, an authorized representative of the District is hereby authorized to execute from time to time and deliver to such Depository the Representation Letter. The execution and delivery of the Representation Letter shall not in any way limit the provisions of Section 2.12 or in any other way impose upon the District or the Trustee any obligation whatsoever with respect to persons having interests in the Bonds other than the Owners, as shown on the registration books kept by the Trustee. The Trustee agrees to take all action necessary to continuously comply with all representations made with respect to the Trustee in the Representation Letter. In addition to the execution and delivery of the Representation Letter, each Authorized Representative of the District is hereby authorized to take any other actions, not inconsistent with this Indenture, to qualify the Bonds for the Depository’s book-entry program.

Section 2.14 Transfers Outside Book-Entry System. In the event (i) the Depository determines not to continue to act as securities depository for the Bonds, or (ii) the District determines that the Depository shall no longer so act, then the District will discontinue the book-entry system with the Depository. If the District fails to identify another qualified securities depository to replace the Depository then the Bonds so designated shall no longer be restricted to being registered in the registration books kept by the Trustee in the name of the Nominee, but shall be registered in whatever name or names Persons transferring or exchanging Bonds shall designate, in accordance with the provisions of Section 2.9 hereof.

Section 2.15 Payments to the Nominee. Notwithstanding any other provisions of this Indenture to the contrary, so long as any Bond is registered in the name of the Nominee, all payments with respect to principal, premium, if any, and interest due with respect to such Bond and all notices with respect to such Bond shall be made and given, respectively, as provided in the Representation Letter or as otherwise instructed by the Depository.

Section 2.16 Initial Depository and Nominee. The initial Depository under this Article II shall be The Depository Trust Company, New York, New York. The initial Nominee shall be Cede & Co., as Nominee of The Depository Trust Company, New York, New York.

ARTICLE III

CREATION OF FUNDS AND APPLICATION OF PROCEEDS

Section 3.1 Creation of Funds; Application of Proceeds.

(a) There is hereby created and established and shall be maintained by the Trustee the following funds and accounts in accordance with the terms of this Article:

(1) The City of Beaumont Community Facilities District No. 2016-4 Proceeds Fund (the “Proceeds Fund”).

(2) The City of Beaumont Community Facilities District No. 2016-4 Special Tax Fund (the “Special Tax Fund”) (in which there shall be established and created an Interest Account, a Principal Account, a Redemption Account and a Reserve Account).

(3) The City of Beaumont Community Facilities District No. 2016-4 Rebate Fund (the “Rebate Fund”).

(4) The City of Beaumont Community Facilities District No. 2016-4 Acquisition and Construction Fund (the “Acquisition and Construction Fund”).

(5) The City of Beaumont Community Facilities District No. 2016-4 Costs of Issuance Fund (the “Costs of Issuance Fund”).

(6) The City of Beaumont Community Facilities District No. 2016-4 Surplus Fund (the “Surplus Fund”).

(7) The City of Beaumont Community Facilities District No. 2016-4 Administrative Expense Fund (the “Administrative Expense Fund”).

The amounts on deposit in the foregoing funds, accounts and subaccounts shall be held by the Trustee and the Trustee shall invest and disburse the amounts in such funds, accounts and subaccounts in accordance with the provisions of this Article III and shall disburse investment earnings thereon in accordance with the provisions of Sections 3.11 hereof.

In connection with the issuance of any Parity Bonds, the Trustee, at the direction of an Authorized Representative of the District, may create new funds, accounts or subaccounts, or may create additional accounts and subaccounts within any of the foregoing funds and accounts for the purpose of separately accounting for the proceeds of the Bonds and any Parity Bonds.

(b) The proceeds of the sale of the Bonds shall be received by the Trustee on behalf of the District and deposited in the Proceeds Fund, which proceeds shall be deposited and transferred as follows:

(1) \$_____ shall be deposited to the Costs of Issuance Fund to pay the Costs of Issuance of the Bonds;

(2) \$_____ shall be deposited to the Acquisition and Construction Fund to pay Project Costs; and

(3) \$_____ shall be deposited to the Reserve Account of the Special Tax Fund to fund the Reserve Requirement.

Upon making the deposits and transfers set forth in this subsection (b), the Trustee shall close the Proceeds Fund. The Trustee may, in its discretion, establish a temporary fund or account in its books and records to facilitate such transfers.

Section 3.2 Deposits to and Disbursements from Special Tax Fund.

(a) Except for Prepayments which shall be deposited to the Redemption Account as specified in a Certificate of an Authorized Representative, the Trustee shall, on each date on which

the Special Taxes are received from the District, deposit the Special Taxes in the Special Tax Fund to be held in trust for the Owners. The Trustee shall transfer the Special Taxes on deposit in the Special Tax Fund on the dates and in the amounts set forth in the following Sections, in the following order of priority, to:

- (1) the Administrative Expense Fund;
- (2) the Interest Account of the Special Tax Fund;
- (3) the Principal Account of the Special Tax Fund;
- (4) the Redemption Account of the Special Tax Fund;
- (5) the Reserve Account of the Special Tax Fund;
- (6) the Rebate Fund; and
- (7) the Surplus Fund.

(b) At maturity of all of the Bonds and Parity Bonds and, after all principal and interest then due on the Bonds and Parity Bonds then Outstanding has been paid or provided for and any amounts owed to the Trustee have been paid in full, moneys in the Special Tax Fund and any accounts therein may be used by the District for any lawful purpose.

Section 3.3 Administrative Expense Fund. The Trustee shall deposit in the Administrative Expense Fund from time to time amounts necessary to make timely payment of Administrative Expenses; provided, however, that, the total amount transferred in a Bond Year shall not exceed the Administrative Expenses Cap until such time as there has been deposited to the Interest Account and the Principal Account an amount, together with any amounts already on deposit therein, that is sufficient to pay the interest and principal on all Bonds and Parity Bonds due in such Bond Year and to restore the Reserve Account to the Reserve Requirement.

Section 3.4 Interest Account and Principal Account of the Special Tax Fund. The principal of and interest due on the Bonds and any Parity Bonds until maturity, other than principal due upon optional or extraordinary redemption, shall be paid by the Trustee from the Principal Account and the Interest Account of the Special Tax Fund, respectively. For the purpose of assuring that the payment of principal of and interest on the Bonds and any Parity Bonds will be made when due, after making the transfer required by Section 3.3, at least five Business Days prior to each March 1 and September 1, the Trustee shall make the following transfers from the Special Tax Fund first to the Interest Account and then to the Principal Account; provided, however, that, if amounts in the Special Tax Fund (exclusive of the Reserve Account) are inadequate to make the foregoing transfers, then any deficiency shall be made up by transfers from the Reserve Account:

(a) To the Interest Account, an amount such that the balance in the Interest Account five Business Days prior to each Interest Payment Date shall be equal to the installment of interest due on the Bonds and any Parity Bonds on said Interest Payment Date and any installment of interest due on a previous Interest Payment Date which remains unpaid. Moneys in the Interest Account shall be used for the payment of interest on the Bonds and any Parity Bonds as the same become due.

(b) To the Principal Account, an amount such that the balance in the Principal Account five Business Days prior to September 1 of each year, commencing September 1, 2020, shall equal the principal payment due on the Bonds and any Parity Bonds on such September 1, whether at maturity or by Sinking Fund Payment, and any principal payment due on a previous September 1 which remains unpaid. Moneys in the Principal Account shall be used for the payment of the principal of such Bonds and any Parity Bonds as the same become due at maturity or by Sinking Fund Payment.

Section 3.5 Redemption Account of the Special Tax Fund.

(a) After making the transfer to the Administrative Expense Fund, the Interest Account and the Principal Account of the Special Tax Fund pursuant to Sections 3.3 and 3.4 above, and in accordance with the District's election to call Bonds for optional redemption as set forth in Section 4.1(a) hereof, or to call Parity Bonds for optional redemption as set forth in any Supplemental Indenture for Parity Bonds, the Trustee shall establish the Redemption Account and transfer from the Special Tax Fund and deposit in the Redemption Account moneys available for the purpose and sufficient to pay the principal and the premiums, if any, payable on the Bonds or Parity Bonds called for optional redemption; provided, however, that amounts in the Special Tax Fund may be applied to optionally redeem Bonds and Parity Bonds only if immediately following such redemption the amount in the Reserve Account will equal the Reserve Requirement.

(b) Prepayments deposited to the Redemption Account, along with any amounts that an Authorized Officer of the District directs to be transferred from the Reserve Account to the Redemption Account in connection with any Prepayments, shall be applied on the redemption date established pursuant to Section 4.1(c) hereof for the use of such Prepayments to the payment of the principal of, premium, and interest on the Bonds and Parity Bonds to be redeemed with such Prepayments; provided that amounts shall be transferred from the Reserve Account only if immediately following such redemption the amount in the Reserve Account will meet the Reserve Requirement.

(c) Moneys set aside in the Redemption Account shall be used solely for the purpose of redeeming Bonds and Parity Bonds and shall be applied on or after the redemption date to the payment of principal of and premium, if any, on the Bonds or Parity Bonds to be redeemed upon presentation and surrender of such Bonds or Parity Bonds and in the case of an optional redemption or an extraordinary redemption from Prepayments to pay the interest thereon; provided, however, that in lieu or partially in lieu of such call and redemption, moneys deposited in the Redemption Account may be used to purchase Outstanding Bonds or Parity Bonds in the manner hereinafter provided. Purchases of Outstanding Bonds or Parity Bonds may be made by the District at public or private sale as and when and at such prices as the District may in its discretion determine but only at prices (including brokerage or other expenses) not more than par plus accrued interest, plus, in the case of moneys set aside for an optional redemption or an extraordinary redemption, the premium applicable at the next following call date according to the premium schedule established pursuant to Section 4.1(a) or 4.1(c) hereof, as applicable, or in the case of Parity Bonds the premium established in any Supplemental Indenture. Any accrued interest payable upon the purchase of Bonds or Parity Bonds may be paid from the amount reserved in the Interest Account of the Special Tax Fund for the payment of interest on the next following Interest Payment Date.

Section 3.6 Reserve Account of the Special Tax Fund. There shall be maintained in the Reserve Account of the Special Tax Fund an amount equal to the Reserve Requirement. The amounts in the Reserve Account shall be applied as follows:

(a) Moneys in the Reserve Account shall be used solely for the purpose of paying the principal of, including Sinking Fund Payments, and interest on the Bonds and any Parity Bonds when due in the event that the moneys in the Interest Account and the Principal Account of the Special Tax Fund are insufficient therefor and for the purpose of making any required transfer to the Rebate Fund pursuant to Section 3.7 hereof upon written direction from the District. If the amounts in the Interest Account or the Principal Account of the Special Tax Fund are insufficient to pay the principal of, including Sinking Fund Payments, or interest on the Bonds or any Parity Bonds when due, or amounts in the Special Tax Fund are insufficient to make transfers to the Rebate Fund when required, the Trustee shall withdraw from the Reserve Account for deposit in the Interest Account or the Principal Account of the Special Tax Fund or the Rebate Fund, as applicable, moneys necessary for such purposes.

(b) Whenever moneys are withdrawn from the Reserve Account, after making the required transfers referred to in Sections 3.3, 3.4 and 3.5 above, the Trustee shall transfer to the Reserve Account from available moneys in the Special Tax Fund, or from any other legally available funds which the District elects to apply to such purpose, the amount needed to restore the amount of such Reserve Account to the Reserve Requirement. Moneys in the Special Tax Fund shall be deemed available for transfer to the Reserve Account only if the Trustee determines that such amounts will not be needed to make the deposits required to be made to the Interest Account, the Principal Account or the Redemption Account of the Special Tax Fund on or before the next September 1. If amounts in the Special Tax Fund together with any other amounts transferred to replenish the Reserve Account are inadequate to restore the Reserve Account to the Reserve Requirement, then the District, subject to any limitations in the Act, shall include the amount necessary to restore the Reserve Account to the Reserve Requirement in the next annual Special Tax levy to the extent of the maximum permitted Special Tax rates and the limitations of the Act.

(c) In connection with a redemption of Bonds pursuant to Section 4.1(a) or (c) or Parity Bonds in accordance with any Supplemental Indenture, or a partial defeasance of Bonds or Parity Bonds in accordance with Section 9.1 hereof, amounts in the Reserve Account may be applied to such redemption or partial defeasance so long as the amount on deposit in the Reserve Account following such redemption or partial defeasance equals the Reserve Requirement. The District shall set forth in a Certificate of an Authorized Representative the amount in the Reserve Account to be transferred to the Redemption Account on a redemption date or to be transferred pursuant to the Indenture to partially defease Bonds, and the Trustee shall make such transfer on the applicable redemption or defeasance date, subject to the limitation in the preceding sentence.

(d) To the extent that the Reserve Account is at the Reserve Requirement as of the first day of the final Bond Year for the Bonds or an issue of Parity Bonds, amounts in the Reserve Account may be applied to pay the principal of and interest due on the Bonds and Parity Bonds, as applicable, in the final Bond Year for such issue. Moneys in the Reserve Account in excess of the Reserve Requirement not transferred in accordance with the preceding provisions of this section shall be withdrawn from the Reserve Account on the Business Day before each March 1 and September 1 and shall be transferred to the Interest Account of the Special Tax Fund.

Section 3.7 Rebate Fund.

(a) The Trustee shall establish and maintain, when needed, a fund separate from any other fund established and maintained hereunder designated as the Rebate Fund. The District shall cause to be deposited in the Rebate Fund such amounts as required under the Tax Certificate. All money at any time deposited in the Rebate Fund shall be held by the Trustee in trust, for payment to the United States Treasury. All amounts on deposit in the Rebate Fund shall be governed by this Section 3.7 and the Tax Certificate.

Without limiting the generality of the foregoing, the District agrees that there shall be paid from time to time all amounts required to be rebated to the United States pursuant to Section 148(f) of the Code and any temporary, proposed or final treasury regulations as may be applicable to the Bonds from time to time, which the District covenants to pay or cause to be paid to the United States at the times and in the amounts determined under the Tax Certificate. The Trustee agrees to comply with all instructions given to it by the District in accordance with this covenant. The Trustee shall conclusively be deemed to have complied with the provisions of this Section 3.7 and the Tax Certificate if it follows the instructions of the District and shall not be required to take any actions hereunder in the absence of instructions from the District.

(b) Disposition of Unexpended Funds. Any funds remaining in the Rebate Fund with respect to the Bonds and each series of Parity Bonds after payment in full of such issue and after making the payments required to comply with this Section 3.7 and the applicable Tax Certificate for such issue may be withdrawn by the Trustee at the written direction of the District and utilized in any manner by the District.

(c) Survival of Defeasance and Final Payment. Notwithstanding anything in this Section or this Indenture to the contrary, the obligation to comply with the requirements of this Section shall survive the defeasance and final payment of the Bonds and any Parity Bonds.

(d) Amendment Without Consent of Owners. This Section 3.7 may be deleted or amended in any manner without the consent of the Owners, provided that prior to such event there is delivered to the District an opinion of Bond Counsel to the effect that such deletion or amendment will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds and any Parity Bonds issued on a tax-exempt basis. Notwithstanding any provision of this Section, if the District shall provide to the Trustee an opinion of a nationally recognized bond or tax counsel that any specified action required under this Section 3.7 is no longer required or that some further or different action is required to maintain the tax-exempt status of interest on the Bonds and any Parity Bonds issued on a tax-exempt basis, the Trustee and the District may conclusively rely on such opinion in complying with the requirements of this Section, and the covenants hereunder shall be deemed to be modified to that extent.

Section 3.8 Surplus Fund. After making the transfers required by Sections 3.3, 3.4, 3.5, 3.6 and 3.7 hereof, as soon as practicable after each September 1, and in any event prior to each September 15, the Trustee shall transfer all remaining amounts in the Special Tax Fund to the Surplus Fund, unless on or prior to such date, it has received a Certificate of an Authorized Representative directing (i) that certain amounts be retained in the Special Tax Fund because the District has included such amounts as being available in the Special Tax Fund in calculating the amount of the levy of Special Taxes for such Fiscal Year pursuant to Section 5.2(b) hereof, or (ii) that certain amounts be transferred to the Acquisition and Construction Fund because such

amounts were included in the levy of Special Taxes for the previous Fiscal Year to pay for the acquisition or construction of the Project; provided, however, that, if a transfer is made to the Acquisition and Construction Fund and unexpended proceeds of the Bonds or an issue of Parity Bonds remain in the Acquisition and Construction Fund, the Trustee shall establish an account within the Acquisition and Construction Fund for amounts transferred from the Surplus Fund. Moneys deposited in the Surplus Fund will be transferred by the Trustee at the direction of an Authorized Representative of the District (i) to the Interest Account, the Principal Account or the Redemption Account of the Special Tax Fund to pay the principal of, including Sinking Fund Payments, premium, if any, and interest on the Bonds and any Parity Bonds when due in the event that moneys in the Special Tax Fund and the Reserve Account of the Special Tax Fund are insufficient therefor; (ii) to the Reserve Account in order to replenish the Reserve Account to the Reserve Requirement; (iii) to the Administrative Expense Fund to pay Administrative Expenses to the extent that the amounts on deposit in the Administrative Expense Fund are insufficient to pay Administrative Expenses; (iv) to the Acquisition and Construction Fund to pay Project Costs; or (v) for any other lawful purpose of the District.

The amounts in the Surplus Fund are not pledged to the repayment of the Bonds or the Parity Bonds and may be used by the District for any lawful purpose. In the event that the District reasonably expects to use any portion of the moneys in the Surplus Fund to pay debt service on any Outstanding Bonds or Parity Bonds, the District will notify the Trustee in a Certificate of an Authorized Representative and the Trustee will segregate such amount into a separate subaccount and the moneys on deposit in such subaccount of the Surplus Fund shall be invested at the written direction of the District in Permitted Investments the interest on which is excludable from gross income under Section 103 of the Code (other than bonds the interest on which is a tax preference item for purposes of computing the alternative minimum tax of individuals and corporations under the Code) or in Permitted Investments at a yield not in excess of the yield on the issue of Bonds or Parity Bonds to which such amounts are to be applied, unless, in the opinion of Bond Counsel, investment at a higher yield will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds or any Parity Bonds which were issued on a tax-exempt basis for federal income tax purposes.

Section 3.9 Costs of Issuance Fund.

(a) The moneys in the Costs of Issuance Fund shall be disbursed by the Trustee pursuant to a Certificate of an Authorized Representative of the District to pay Costs of Issuance, substantially in the form attached as Exhibit B, and all payments shall be made by check or wire transfer in accordance with the payment instructions set forth in such Certificate, and the Trustee may rely on such payment instructions with no duty to investigate or inquire as to their authenticity or the authority under which they were given.

(b) Upon the receipt of a Certificate of an Authorized Representative of the District stating that all or a specified portion of the amount remaining in the Costs of Issuance Fund is no longer needed to pay Costs of Issuance, the Trustee shall transfer all or such specified portion, as applicable, of the moneys remaining on deposit in the Costs of Issuance Fund to the Acquisition and Construction Fund. On the date which is six months after the date of issuance of each series of Bonds and Parity Bonds, all amounts remaining in the Costs of Issuance Fund shall be transferred to the Acquisition and Construction Fund and the Costs of Issuance Fund shall be closed.

Section 3.10 Acquisition and Construction Fund.

(a) The Trustee shall hold the moneys in the Acquisition and Construction Fund and apply such moneys to pay Project Costs. Amounts for Project Costs shall be disbursed by the Trustee on behalf of the District from the Acquisition and Construction Fund as specified in a Request for Disbursement of Project Costs, substantially in the form of Exhibit C attached hereto, which must be submitted by an Authorized Representative of the District to the Trustee in connection with each requested disbursement.

(b) Upon receipt of a Certificate of an Authorized Representative of the District stating that all or a specified portion of the amount remaining in the Acquisition and Construction Fund or in any of the accounts therein is no longer needed to pay Project Costs, the Trustee shall transfer all or such specified portion, as applicable, of the moneys remaining on deposit in the Acquisition and Construction Fund and the accounts therein to the Principal Account or Redemption Account of the Special Tax Fund or to the Surplus Fund, as directed in the Certificate, provided that in connection with any direction to transfer amounts to the Surplus Fund there shall have been delivered to the Trustee with such Certificate an opinion of Bond Counsel to the effect that such transfer to the Surplus Fund will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds or any Parity Bonds which were issued on a tax-exempt basis for federal income tax purposes.

Section 3.11 Investments. Moneys held in any of the Funds, Accounts and Subaccounts under this Indenture shall be invested at the written direction of the District in accordance with the limitations set forth below only in Permitted Investments which shall be deemed at all times to be a part of such Funds, Accounts and Subaccounts. Any loss resulting from such Permitted Investments shall be credited or charged to the Fund, Account or Subaccount from which such investment was made, and any investment earnings on a Fund, Account or Subaccount shall be applied as follows: (i) investment earnings on all amounts deposited in the Costs of Issuance Fund, the Acquisition and Construction Fund, the Special Tax Fund, the Surplus Fund and the Rebate Fund and each Account therein (other than the Reserve Account of the Special Tax Fund) shall be deposited in those respective Funds and Accounts, and (ii) investment earnings on all amounts deposited in the Reserve Account shall be deposited therein to be applied as set forth in Section 3.6. Moneys in the Funds, Accounts and Subaccounts held under this Indenture shall be invested by the Trustee as directed in writing by the District, from time to time, in Permitted Investments subject to the following restrictions:

(a) Moneys in the Costs of Issuance Fund and the Acquisition and Construction Fund shall be invested in Permitted Investments which will by their terms mature, or in the case of an Investment Agreement are available without penalty, as close as practicable to the date the District estimates the moneys represented by the particular investment will be needed for withdrawal from the Costs of Issuance Fund and the Acquisition and Construction Fund.

(b) Moneys in the Interest Account, the Principal Account and the Redemption Account of the Special Tax Fund shall be invested only in Permitted Investments which will by their terms mature, or in the case of an Investment Agreement are available for withdrawal without penalty, on such dates so as to ensure the payment of principal of, premium, if any, and interest on the Bonds and any Parity Bonds as the same become due.

(c) Moneys in the Reserve Account of the Special Tax Fund may be invested only in Permitted Investments; provided that no such Permitted Investment of amounts in the Reserve Account shall mature later than the earlier of the final maturity date of the Bonds or any Parity Bonds.

(d) Moneys in the Rebate Fund shall be invested only in Permitted Investments of the type described in clause (1) of the definition thereof which by their terms will mature, as nearly as practicable, on the dates such amounts are needed to be paid to the United States Government pursuant to Section 3.7 hereof or in Permitted Investments of the type described in clause (10) of the definition thereof as the District shall designate on forms provided by the Trustee.

(e) In the absence of written investment directions from the District, the Trustee shall invest solely in Permitted Investments specified in clause (7) of the definition thereof; and, if no such written direction is so received, the Trustee shall hold such moneys uninvested.

The Trustee shall sell, or present for redemption, any Permitted Investment whenever it may be necessary to do so in order to provide moneys to meet any payment or transfer to such Funds and Accounts or from such Funds and Accounts. For the purpose of determining at any given time the balance in any such Funds and Accounts, any such investments constituting a part of such Funds and Accounts shall be valued at their cost, except that amounts in the Reserve Account shall be valued at the market value thereof at least annually within 5 Business Days prior to each September 1. In making any valuations hereunder, the Trustee may utilize such computerized securities pricing services as may be available to it, including, without limitation, those available through its regular accounting system, and conclusively rely thereon. Notwithstanding anything herein to the contrary, the Trustee shall not be responsible for any loss from investments, sales or transfers undertaken in accordance with the provisions of this Indenture.

The Trustee may act as principal or agent in the making or disposing of any investment and shall be entitled to its customary fee for making such investment. The Trustee may sell at the best market price obtainable, or present for redemption, any Permitted Investment so purchased whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such Permitted Investment is credited, and, subject to the provisions of Section 7.4, the Trustee shall not be liable or responsible for any loss resulting from such investment. For investment purposes, the Trustee may commingle the funds and accounts established hereunder, but shall account for each separately.

The Trustee shall furnish the District periodic cash transaction statements which include detail for all investment transactions effected by the Trustee or brokers selected by the District. Upon the District's election, such statements will be delivered via the Trustee's online service and, upon electing such service, paper statements will be provided only upon request. The District acknowledges that, to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the District the right to receive brokerage confirmations of security transactions effected by the Trustee as they occur, the District specifically waives receipt of such confirmations to the extent permitted by law. The District further understands that trade confirmations for securities transactions effected by the Trustee will be available upon request and at no additional cost, and other trade confirmations may be obtained from the applicable broker.

ARTICLE IV

REDEMPTION OF BONDS AND PARITY BONDS

Section 4.1 Redemption of Bonds.

(a) Optional Redemption. The Bonds may be redeemed, at the option of the District from any source of funds, other than Prepayments, on any date on or after September 1, 20__, in whole, or in part by lot, at a redemption price equal to the principal amount to be redeemed, together with accrued interest to the date of redemption, at the following redemption prices (expressed a percentages of the principal amount of the Bonds to be redeemed):

<i>Redemption Dates</i>	<i>Redemption Price</i>
September 1, 20__ through August 31, 20__	103%
September 1, 20__ through August 31, 20__	102
September 1, 20__ through August 31, 20__	101
September 1, 20__ and any date thereafter	100

In the event the District elects to redeem Bonds as provided above, the District shall give written notice to the Trustee of its election to so redeem, the redemption date and the principal amount of the Bonds of each maturity to be redeemed. The notice to the Trustee shall be given at least 45 but no more than 60 days prior to the redemption date, or by such later date as is acceptable to the Trustee, in its sole discretion.

(b) Mandatory Sinking Fund Redemption. The Term Bonds maturing on September 1, 20__ shall be called before maturity and redeemed, from the Sinking Fund Payments that have been deposited into the Principal Account, on September 1, 20__, and on each September 1 thereafter prior to maturity, in accordance with the schedule of Sinking Fund Payments set forth below. The Term Bonds so called for redemption shall be selected by the Trustee by lot and shall be redeemed at a redemption price for each redeemed Term Bond equal to the principal amount thereof, plus accrued interest to the redemption date, without premium, as follows:

BONDS MATURING SEPTEMBER 1, 20__

<i>Redemption Date (September 1)</i>	<i>Principal Amount</i>
	\$

(maturity)

The Term Bonds maturing on September 1, 20__ shall be called before maturity and redeemed, from the Sinking Fund Payments that have been deposited into the Principal Account, on September 1, 20__, and on each September 1 thereafter prior to maturity, in accordance with the schedule of Sinking Fund Payments set forth below. The Term Bonds so called for redemption shall be selected by the Trustee by lot and shall be redeemed at a redemption price for each redeemed Term Bond equal to the principal amount thereof, plus accrued interest to the redemption date, without premium, as follows:

BONDS MATURING SEPTEMBER 1, 20__

<i>Redemption Date (September 1)</i>	<i>Principal Amount</i>
	\$

(maturity)

If the District purchases Term Bonds during the Fiscal Year immediately preceding one of the sinking fund redemption dates specified above, the District is required to notify the Trustee at least 45 days prior to the redemption date as to the principal amount purchased, and the amount purchased will be credited at the time of purchase to the next Sinking Fund Payment for the Term Bond so purchased, to the extent of the full principal amount of the purchase. All Bonds purchased pursuant to this subsection shall be cancelled pursuant to Section 10.1 hereof.

In the event of a partial optional redemption or extraordinary mandatory redemption of the Term Bonds, each of the remaining Sinking Fund Payments for such Term Bonds will be reduced, as nearly as practicable, on a pro rata basis in the amount of \$5,000 or any integral multiple thereof as directed by an Authorized Representative of the District.

(c) Extraordinary Redemption. The Bonds are subject to extraordinary redemption as a whole or in part, on any Interest Payment Date, and shall be redeemed by the Trustee, from Prepayments deposited to the Redemption Account pursuant to Section 3.2, plus amounts transferred from the Reserve Account pursuant to Section 3.6(c), at the following redemption prices, expressed as a percentage of the principal amount to be redeemed, together with accrued interest to the redemption date:

<i>Redemption Dates</i>	<i>Redemption Price</i>
Interest Payment Dates to and including March 1, 20__	103%
September 1, 20__ and March 1, 20__	102
September 1, 20__ and March 1, 20__	101
September 1, 20__ and each Interest Payment Date thereafter	100

Prepayments and amounts released from the Reserve Account in connection with Prepayments will be allocated to the redemption of the Bonds and any Parity Bonds as nearly as practicable on a proportionate basis based on the outstanding principal amount of the Bonds and any Parity Bonds and shall be applied to redeem Bonds and Parity Bonds as nearly as practicable on a pro rata basis among maturities in increments of \$5,000; provided, however, that, for Prepayments of less than \$50,000, the District may specify in a Certificate of an Authorized Representative that Prepayments be applied to one or more maturities of the Bonds or Parity Bonds so long as there is delivered to the Trustee a Certificate of the Special Tax Consultant that, following such redemption from Prepayments, the maximum Special Taxes that may be levied in each Fiscal Year on Developed Property is not less than 110% of Maximum Annual Debt Service net of the Administrative Expenses Cap.

(d) The redemption provisions for Parity Bonds shall be set forth in a Supplemental Indenture.

Section 4.2 Selection of Bonds and Parity Bonds for Redemption. If less than all of the Bonds or Parity Bonds Outstanding are to be redeemed, the portion of any Bond or Parity Bond of a denomination of more than \$5,000 to be redeemed shall be in the principal amount of \$5,000 or an integral multiple thereof. The procedure for the selection of Parity Bonds for redemption may be modified as set forth in the Supplemental Indenture for such Parity Bonds. So long as the Bonds are registered in the name of the Nominee, such Bonds or any portion thereof shall be selected by the Depository in accordance with its operating procedures.

Section 4.3 Notice of Redemption. When Bonds or Parity Bonds are due for redemption under Section 4.1 above or under another redemption provision set forth in a Supplemental Indenture relating to any Parity Bonds and the Trustee has received the required notice from the District, the Trustee shall give notice, in the name of the District, of the redemption of such Bonds or Parity Bonds; provided, however, that, with respect to a redemption to be made from Prepayments pursuant to Section 4.1(c), notice of redemption shall not be given unless there is on deposit with the Trustee sufficient money to pay the redemption price of the Bonds or Parity Bonds to be redeemed. With respect to any notice of optional redemption of the Bonds and any Parity Bonds, such notice may state that such redemption shall be conditional upon the receipt by the Trustee, on or prior to the date fixed for such redemption, of moneys sufficient to pay the principal of, premium if any, and interest on the Bonds and any Parity Bonds to be redeemed and upon other conditions set forth therein and that, if such money shall not have been so received and such other conditions shall not have been satisfied, said notice shall be of no force and effect and the Trustee shall not be required to redeem such Bonds or Parity Bonds. If any condition stated in the redemption notice for an optional redemption shall not have been satisfied on or prior to the redemption date: (i) the redemption notice shall be of no force and effect, (ii) the District shall not be required to redeem such Bonds or Parity Bonds, (iii) the redemption shall not be made, and (iv) the Trustee shall within a reasonable time

thereafter give notice to the persons in the manner in which the conditional redemption notice was given that such condition or conditions were not met and that the redemption was canceled.

Such notice of redemption shall (i) specify the CUSIP numbers (if any), the bond numbers and the maturity date or dates of the Bonds or Parity Bonds selected for redemption, except that where all of the Bonds or all of an issue of Parity Bonds are subject to redemption, or all the Bonds or Parity Bonds of one maturity, are to be redeemed, the bond numbers of such issue need not be specified; (ii) state the date fixed for redemption and surrender of the Bonds or Parity Bonds to be redeemed; (iii) state the redemption price; (iv) state the place or places where the Bonds or Parity Bonds are to be redeemed; (v) in the case of Bonds or Parity Bonds to be redeemed only in part, state the portion of such Bond or Parity Bond which is to be redeemed; (vi) state the date of issue of the Bonds or Parity Bonds as originally issued; (vii) state the rate of interest borne by each Bond or Parity Bond being redeemed; and (viii) state any other descriptive information needed to identify accurately the Bonds or Parity Bonds being redeemed as shall be specified by the Trustee. Such notice shall further state that on the date fixed for redemption, there shall become due and payable on each Bond, Parity Bond or portion thereof called for redemption, the principal thereof, together with any premium, and interest accrued to the redemption date, and that from and after such date, interest thereon shall cease to accrue and be payable.

At least 30 days but no more than 45 days prior to the redemption date, the Trustee shall mail a copy of such notice, by first class mail, postage prepaid, to the respective Owners thereof at their addresses appearing on the Bond Register, and to the original purchaser of the Bonds or Parity Bonds, as applicable; provided, however, so long as the Bonds or Parity Bonds are registered in the name of the Nominee, notice shall be given in such manner as complies with the requirements of the Depository. So long as notice has been provided as set forth above, the actual receipt by the Owner of any Bond or Parity Bond or the original purchaser of any Bond or Parity Bond of notice of such redemption shall not be a condition precedent to redemption, and neither the failure to receive nor any defect in such notice shall affect the validity of the proceedings for the redemption of such Bonds or Parity Bonds, or the cessation of interest on the redemption date. A certificate by the Trustee that notice of such redemption has been given as herein provided shall be conclusive as against all parties and the Owner shall not be entitled to show that he or she failed to receive notice of such redemption.

In addition to the foregoing notice, further notice shall be given by the Trustee as set out below, but no defect or omission in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the legality or effectiveness of a call for redemption if notice thereof is given as above prescribed.

Each further notice of redemption shall be sent not later than the date that notice of redemption is sent to the Bondowners pursuant to the first paragraph of this Section by registered or certified mail or overnight delivery service to the Depository (if the Depository has not already received such notice of redemption as the registered owner of the Bonds or Parity Bonds, as applicable) and to the Information Services.

Upon the payment of the redemption price of any Bonds and Parity Bonds being redeemed, each check or other transfer of funds issued for such purpose shall to the extent practicable bear the CUSIP number identifying, by issue and maturity, the Bonds and Parity Bonds being redeemed with the proceeds of such check or other transfer.

Section 4.4 Partial Redemption of Bonds or Parity Bonds. Upon surrender of any Bond or Parity Bond to be redeemed in part only, the District shall execute and the Trustee shall authenticate and deliver to the Bondowner, at the expense of the District, a new Bond or Bonds or a new Parity Bond or Parity Bonds of authorized denominations equal in aggregate principal amount to the unredeemed portion of the Bonds surrendered, with the same interest rate and the same maturity or, in the case of surrender of a Parity Bond, a new Parity Bond or Parity Bonds subject to the foregoing limitations.

Section 4.5 Effect of Notice and Availability of Redemption Money. Notice of redemption having been duly given, as provided in Section 4.3 hereof, and the amount necessary for the redemption having been made available for that purpose and being available therefor on the date fixed for such redemption:

(a) the Bonds and Parity Bonds, or portions thereof, designated for redemption shall, on the date fixed for redemption, become due and payable at the redemption price thereof as provided in this Indenture or in any Supplemental Indenture with respect to any Parity Bonds, anything in this Indenture or in the Bonds or the Parity Bonds to the contrary notwithstanding;

(b) upon presentation and surrender thereof at the office of the Trustee, the redemption price of such Bonds and Parity Bonds shall be paid to the Owners thereof;

(c) as of the redemption date the Bonds or the Parity Bonds, or portions thereof so designated for redemption shall be deemed to be no longer Outstanding and such Bonds or Parity Bonds, or portions thereof, shall cease to bear further interest; and

(d) as of the date fixed for redemption no Owner of any of the Bonds, Parity Bonds or portions thereof so designated for redemption shall be entitled to any of the benefits of this Indenture or any Supplemental Indenture, or to any other rights, except with respect to payment of the redemption price and interest accrued to the redemption date from the amounts so made available.

ARTICLE V

COVENANTS AND WARRANTY

Section 5.1 Warranty. The District warrants that it shall preserve and protect the security pledged hereunder to the Bonds and any Parity Bonds against all claims and demands of all persons.

Section 5.2 Covenants. So long as any of the Bonds or Parity Bonds issued hereunder are Outstanding and unpaid, the District makes the following covenants with the Bondowners under the provisions of the Act and this Indenture (to be performed by the District or its proper officers, agents or employees), which covenants are necessary and desirable to secure the Bonds and Parity Bonds; provided, however, that said covenants do not require the District to expend any funds or moneys other than the Special Taxes and other amounts deposited to the Special Tax Fund:

(a) Punctual Payment; Against Encumbrances. The District covenants that it will receive all Special Taxes in trust for the Owners and will instruct the Treasurer to deposit all Special Taxes with the Trustee as soon as reasonably practicable following their apportionment to the District, and the District shall have no beneficial right or interest in the amounts so deposited except as provided

by this Indenture. All such Special Taxes shall be disbursed, allocated and applied solely to the uses and purposes set forth herein, and shall be accounted for separately and apart from all other money, funds, accounts or other resources of the District.

The District covenants that it will duly and punctually pay or cause to be paid the principal of and interest on every Bond and Parity Bond issued hereunder, together with the premium, if any, thereon on the date, at the place and in the manner set forth in the Bonds and the Parity Bonds and in accordance with this Indenture to the extent that Net Taxes and other amounts pledged hereunder are available therefor, and that the payments into the Funds and Accounts created hereunder will be made, all in strict conformity with the terms of the Bonds, any Parity Bonds, and this Indenture, and that it will faithfully observe and perform all of the conditions, covenants and requirements of this Indenture and all Supplemental Indentures and of the Bonds and any Parity Bonds issued hereunder.

The District will not mortgage or otherwise encumber, pledge or place any charge upon any of the Special Taxes except as provided in this Indenture, and will not issue any obligation or security having a lien, charge, pledge or encumbrance upon the Net Taxes senior or superior to the Bonds or Parity Bonds or on a parity with the Bonds, other than Parity Bonds. Nothing herein shall prevent the District from issuing Subordinated Bonds or incurring other indebtedness which is payable from a pledge of Net Taxes which is subordinate in all respects to the pledge of Net Taxes to repay the Bonds and the Parity Bonds.

(b) Levy of Special Tax. Beginning in Fiscal Year 2019-20 and so long as any Bonds or Parity Bonds issued under this Indenture are Outstanding, subject to the limitations set forth in the Act and the RMA, the legislative body of the District covenants to levy the Special Tax in an amount sufficient (taking into account reasonably anticipated delinquencies), together with other amounts on deposit in the Special Tax Fund, to pay (1) the principal of and interest on the Bonds and any Parity Bonds when due, (2) the Administrative Expenses, and (3) any amounts required to replenish the Reserve Account of the Special Tax Fund to the Reserve Requirement. The District further covenants that it will take no actions that would discontinue or cause the discontinuance of the Special Tax levy or the District's authority to levy the Special Tax for so long as the Bonds and any Parity Bonds are Outstanding.

(c) Commence Foreclosure Proceedings. The District hereby covenants with and for the benefit of the Owners of the Bonds and the landowners of the District securing such Bonds that it will review the public records of the County of Riverside, California, in connection with the collection of the Special Tax not later than July 1 of each year to determine the amount of Special Tax collected in the prior Fiscal Year; and with respect to individual delinquencies within the District, if the District determines that any single property owner subject to the Special Tax is delinquent in the payment of Special Taxes in the aggregate of \$2,500 or more or as to any single parcel the delinquent Special Taxes represent more than 5% of the aggregate Special Taxes within the District, then the District will send or cause to be sent a notice of delinquency (and a demand for immediate payment thereof) to the property owner within 45 days of such determination, and (if the delinquency remains uncured) the District will cause judicial foreclosure proceedings to be filed in the Superior Court within ninety (90) days of such determination against all properties for which the Special Taxes remain delinquent.

The City Attorney is hereby authorized to employ counsel to conduct any such foreclosure proceedings. The fees and expenses of any such counsel and costs and expenses of the City Attorney

(including a charge for City or District staff time) in conducting foreclosure proceedings shall be an Administrative Expense hereunder.

(d) Payment of Claims. The District will pay and discharge any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien or charge upon the Net Taxes or other funds in the Special Tax Fund, or which might impair the security of the Bonds or any Parity Bonds then Outstanding; provided, however, that nothing herein contained shall require the District to make any such payments so long as the District in good faith shall contest the validity of any such claims.

(e) Books and Accounts. The District will keep proper books of records and accounts, separate from all other records and accounts of the District, in which complete and correct entries shall be made of all transactions relating to the improvements constructed with the proceeds of bonded indebtedness issued by the District, the levy of the Special Tax and the deposits to the Special Tax Fund. Such books of records and accounts shall at all times during business hours be subject to the inspection of the Trustee or of the Owners of not less than 10% of the principal amount of the Bonds or the Owners of not less than 10% of any issue of Parity Bonds then Outstanding or their representatives authorized in writing.

(f) Federal Tax Covenants. Notwithstanding any other provision of this Indenture, absent an opinion of Bond Counsel that the exclusion from gross income of interest on the Bonds and any Parity Bonds issued on a tax-exempt basis for federal income tax purposes will not be adversely affected for federal income tax purposes, the District covenants to comply with all applicable requirements of the Code necessary to preserve such exclusion from gross income and specifically covenants, without limiting the generality of the foregoing, as follows:

(1) Private Activity. The District will take no action or refrain from taking any action or make any use of the proceeds of the Bonds or any Parity Bonds or of any other monies or property which would cause the Bonds or any Parity Bonds issued on a tax-exempt basis for federal income tax purposes to be “private activity bonds” within the meaning of Section 141 of the Code.

(2) Arbitrage. The District will make no use of the proceeds of the Bonds or any Parity Bonds or of any other amounts or property, regardless of the source, or take any action or refrain from taking any action which will cause the Bonds or any Parity Bonds issued on a tax-exempt basis for federal income tax purposes to be “arbitrage bonds” within the meaning of Section 148 of the Code.

(3) Federal Guaranty. The District will make no use of the proceeds of the Bonds or any Parity Bonds or take or omit to take any action that would cause the Bonds or any Parity Bonds issued on a tax-exempt basis for federal income tax purposes to be “federally guaranteed” within the meaning of Section 149(b) of the Code.

(4) Information Reporting. The District will take or cause to be taken all necessary action to comply with the informational reporting requirement of Section 149(e) of the Code.

(5) Hedge Bonds. The District will make no use of the proceeds of the Bonds or any Parity Bonds or any other amounts or property, regardless of the source, or take any action or refrain from taking any action that would cause the Bonds or any Parity Bonds issued on a tax-

exempt basis for federal income tax purposes to be considered “hedge bonds” within the meaning of Section 149(g) of the Code unless the District takes all necessary action to assure compliance with the requirements of Section 149(g) of the Code to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds and any applicable Parity Bonds.

(6) Miscellaneous. The District will take no action or refrain from taking any action inconsistent with its expectations stated in the Tax Certificate executed on the Delivery Date by the District in connection with the Bonds and any issue of Parity Bonds and will comply with the covenants and requirements stated therein and incorporated by reference herein.

(7) Other Tax Exempt Issues. The District will not use proceeds of other tax exempt securities to redeem any Bonds or Parity Bonds without first obtaining the written opinion of Bond Counsel that doing so will not impair the exclusion from gross income for federal income tax purposes of interest on the Bonds and any Parity Bonds issued on a tax-exempt basis.

(g) Reduction of Maximum Special Taxes. The District hereby finds and determines that, historically, delinquencies in the payment of special taxes authorized pursuant to the Act in community facilities districts in Southern California have from time to time been at levels requiring the levy of special taxes at the maximum authorized rates in order to make timely payment of principal of and interest on the outstanding indebtedness of such community facilities districts. For this reason, the District hereby determines that a reduction in the maximum Special Tax rates authorized to be levied on parcels in the District below the levels provided in this Section 5.2(b) would interfere with the timely retirement of the Bonds and Parity Bonds. The District determines it to be necessary in order to preserve the security for the Bonds and Parity Bonds to covenant, and, to the maximum extent that the law permits it to do so, the District hereby does covenant, that it shall not initiate proceedings to reduce the maximum Special Tax rates for the District, unless, in connection therewith, (i) the District receives a certificate from one or more Independent Financial Consultants which, when taken together, certify that, on the basis of the parcels of land and improvements existing in the District as of the July 1 preceding the reduction, the maximum amount of the Special Tax which may be levied on then existing Developed Property in each Bond Year for any Bonds and Parity Bonds Outstanding will equal at least the sum of the Administrative Expenses Cap and 110% of gross debt service in each Bond Year on all Bonds and Parity Bonds to remain Outstanding after the reduction is approved, (ii) the District finds that any reduction made under such conditions will not adversely affect the interests of the Owners of the Bonds and Parity Bonds, and (iii) the District is not delinquent in the payment of the principal of or interest on the Bonds or any Parity Bonds. For purposes of estimating Administrative Expenses for the foregoing calculation, the Independent Financial Consultant shall assume an amount equal to the Administrative Expenses Cap.

Notwithstanding the foregoing, the District may modify, alter or amend the RMA in any manner so long as such changes do not reduce the maximum Special Taxes that may be levied in each year on Developed Property below the amounts which are necessary to pay Administrative Expenses and to provide Special Taxes in an amount equal to one hundred ten percent (110%) of Maximum Annual Debt Service on the Bonds and Parity Bonds Outstanding as of the date of such amendment.

(h) Covenants to Defend. The District covenants that, in the event that any initiative is adopted by the qualified electors in the District which purports to reduce the maximum Special Tax below the levels specified in Section 5.2(b) above or to limit the power of the District to levy the

Special Taxes for the purposes set forth in Section 5.2(b) above, it will commence and pursue legal action in order to preserve its ability to comply with such covenants.

(i) Limitation on Right to Tender Bonds. The District hereby covenants that it will not adopt any policy pursuant to Section 53344.1 of the Act permitting the tender of Bonds or Parity Bonds in full payment or partial payment of any Special Taxes unless the District shall have first received a certificate from an Independent Financial Consultant that the acceptance of such a tender will not result in the District having insufficient Special Tax revenues to pay the principal of and interest on the Bonds and Parity Bonds when due.

(j) Continuing Disclosure. The District covenants to comply with the terms of the Continuing Disclosure Certificate and with the terms of any agreement executed by the District with respect to any Parity Bonds to assist the Underwriter in complying with Rule 15(c)2-12 adopted by the Securities and Exchange Commission.

(k) Further Assurances. The District shall preserve and protect the security pledged to the Bonds and any Parity Bonds against all claims and demands as long as the Bonds or Parity Bonds are Outstanding and shall make, execute and deliver any and all such further agreements, instruments and assurances as may be reasonably necessary or desirable to carry out the intention or to facilitate the performance of this Indenture and for the better assuring and confirming unto the Owners of the Bonds and any Parity Bonds of the rights and benefits provided in this Indenture.

ARTICLE VI

AMENDMENTS TO INDENTURE

Section 6.1 Supplemental Indentures or Orders Not Requiring Bondowner Consent.

The District may from time to time, and at any time, without notice to or consent of any of the Bondowners, adopt Supplemental Indentures for any of the following purposes:

(a) to cure any ambiguity, to correct or supplement any provisions herein which may be inconsistent with any other provision herein, or to make any other provision with respect to matters or questions arising under this Indenture or in any additional resolution or order, provided that such action is not materially adverse to the interests of the Bondowners;

(b) to add to the covenants and agreements of and the limitations and the restrictions upon the District contained in this Indenture, other covenants, agreements, limitations and restrictions to be observed by the District which are not contrary to or inconsistent with this Indenture as theretofore in effect or which further secure Bond or Parity Bond payments;

(c) to provide for the issuance of any Parity Bonds, and to provide the terms and conditions under which such Parity Bonds may be issued, subject to and in accordance with the provisions of this Indenture;

(d) to modify, amend or supplement this Indenture in such manner as to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect, or to comply with the Code or regulations issued thereunder, and to add such other terms, conditions and provisions as may be permitted by said act or similar federal statute, and which

shall not materially adversely affect the interests of the Owners of the Bonds or any Parity Bonds then Outstanding; or

(e) to modify, alter, amend or supplement this Indenture in any other respect which is not materially adverse to the Bondowners.

Section 6.2 Supplemental Indentures or Orders Requiring Bondowner Consent.

Exclusive of the Supplemental Indentures described in Section 6.1, the Owners of not less than a majority in aggregate principal amount of the Bonds and Parity Bonds Outstanding shall have the right to consent to and approve the adoption by the District of such Supplemental Indentures as shall be deemed necessary or desirable by the District for the purpose of waiving, modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture; provided, however, that nothing herein shall permit, or be construed as permitting, (a) an extension of the maturity date of the principal, or the payment date of interest on, any Bond or Parity Bond; (b) a reduction in the principal amount of, or redemption premium on, any Bond or Parity Bond or the rate of interest thereon; (c) a preference or priority of any Bond or Parity Bond over any other Bond or Parity Bond; or (d) a reduction in the aggregate principal amount of the Bonds and Parity Bonds the Owners of which are required to consent to such Supplemental Indenture, without the consent of the Owners of all Bonds and Parity Bonds then Outstanding.

If at any time the District shall desire to adopt a Supplemental Indenture, which pursuant to the terms of this Section shall require the consent of the Bondowners, the District shall so notify the Trustee and shall deliver to the Trustee a copy of the proposed Supplemental Indenture. The Trustee shall, at the expense of the District, cause notice of the proposed Supplemental Indenture to be mailed, by first class mail, postage prepaid, to all Bondowners at their addresses as they appear in the Bond Register. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that a copy thereof is on file at the office of the Trustee for inspection by all Bondowners. The failure of any Bondowners to receive such notice shall not affect the validity of such Supplemental Indenture when consented to and approved by the Owners of not less than a majority in aggregate principal amount of the Bonds and Parity Bonds Outstanding as required by this Section. Whenever at any time within one year after the date of the first mailing of such notice, the Trustee shall receive an instrument or instruments purporting to be executed by the Owners of not less than a majority in aggregate principal amount of the Bonds and Parity Bonds Outstanding, which instrument or instruments shall refer to the proposed Supplemental Indenture described in such notice, and shall specifically consent to and approve the adoption thereof by the District substantially in the form of the copy referred to in such notice as on file with the Trustee, such proposed Supplemental Indenture, when duly adopted by the District, shall thereafter become a part of the proceedings for the issuance of the Bonds and any Parity Bonds. In determining whether the Owners of a majority of the aggregate principal amount of the Bonds and Parity Bonds have consented to the adoption of any Supplemental Indenture, Bonds or Parity Bonds which are owned by the District or by any person directly or indirectly controlling or controlled by or under the direct or indirect common control with the District, shall be disregarded and shall be treated as though they were not Outstanding for the purpose of any such determination.

Upon the adoption of any Supplemental Indenture and the receipt of consent to any such Supplemental Indenture from the Owners of not less than a majority in aggregate principal amount of the Outstanding Bonds and Parity Bonds in instances where such consent is required pursuant to the provisions of this section, this Indenture shall be, and shall be deemed to be, modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture of the

District and all Owners of Outstanding Bonds and Parity Bonds shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such modifications and amendments.

Section 6.3 Notation of Bonds or Parity Bonds; Delivery of Amended Bonds or Parity Bonds. After the effective date of any action taken as hereinabove provided, the District may determine that the Bonds or any Parity Bonds may bear a notation, by endorsement in form approved by the District, as to such action, and in that case upon demand of the Owner of any Outstanding Bond or Parity Bond at such effective date and presentation of his Bond or Parity Bond for the purpose at the office of the Trustee or at such additional offices as the Trustee may select and designate for that purpose, a suitable notation as to such action shall be made on such Bonds or Parity Bonds. If the District shall so determine, new Bonds or Parity Bonds so modified as, in the opinion of the District, shall be necessary to conform to such action shall be prepared and executed, and in that case upon demand of the Owner of any Outstanding Bond or Parity Bond at such effective date such new Bonds or Parity Bonds shall be exchanged at the office of the Trustee or at such additional offices as the Trustee may select and designate for that purpose, without cost to each Owner of Outstanding Bonds or Parity Bonds, upon surrender of such Outstanding Bonds or Parity Bonds.

ARTICLE VII

TRUSTEE

Section 7.1 Trustee. Wilmington Trust, National Association, shall be the Trustee for the Bonds and any Parity Bonds unless and until another Trustee is appointed by the District hereunder. The Trustee represents that it has a combined capital (exclusive of borrowed capital) and surplus of at least \$100,000,000. The District may, at any time, appoint a successor Trustee satisfying the requirements of Section 7.2 below for the purpose of receiving all money which the District is required to deposit with the Trustee hereunder and to allocate, use and apply the same as provided in this Indenture.

The Trustee is hereby authorized to and shall mail by first class mail, postage prepaid, or wire transfer in accordance with Section 2.5 above, interest payments to the Bondowners, to select Bonds and Parity Bonds that are not held in the name of the Nominee for redemption, and to maintain the Bond Register. The Trustee is hereby authorized to pay the principal of and premium, if any, on the Bonds and Parity Bonds when the same are duly presented to it for payment at maturity or on call and redemption, to provide for the registration of transfer and exchange of Bonds and Parity Bonds presented to it for such purposes, to provide for the cancellation of Bonds and Parity Bonds all as provided in this Indenture, and to provide for the authentication of Bonds and Parity Bonds, and shall perform all other duties assigned to or imposed on it as provided in this Indenture. The Trustee shall keep accurate records of all funds administered by it and all Bonds and Parity Bonds paid, discharged and cancelled by it.

The Trustee is hereby authorized to redeem the Bonds and Parity Bonds when duly presented for payment at maturity, or on redemption prior to maturity. The Trustee shall cancel all Bonds and Parity Bonds upon payment thereof in accordance with the provisions of Section 10.1 hereof.

The District shall indemnify and save the Trustee, its officers, directors, employees and agents, harmless against costs, claims, expenses and liabilities, including, without limitation, fees and expenses of its attorneys, not arising from its own negligence or willful misconduct which it may incur in the exercise and performance of its powers and duties hereunder. The foregoing obligation

of the District to indemnify the Trustee shall survive the removal or resignation of the Trustee, the discharge of the Bonds or termination of this Indenture.

The Trustee shall receive reasonable compensation for its services hereunder and the Trustee shall be entitled to be reimbursed by the District for its other reasonable expenses hereunder, including the reasonable compensation, expenses and disbursements of such agents, representatives, experts and counsel as the Trustee may employ in connection with the exercise and performance of its rights and its duties hereunder. All such fees and reimbursements shall be paid solely from amounts held in the Administrative Expense Fund.

Except during the continuance of an Event of Default, the Trustee undertakes to perform only such duties as are specifically set forth in this Indenture, and no implied covenants, duties or obligations shall be read into this Indenture against the Trustee. If an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent corporate Trustee.

Section 7.2 Removal of Trustee. The District may at any time at its sole discretion remove the Trustee initially appointed, and any successor thereto, by delivering to the Trustee a written notice of its decision to remove the Trustee and may appoint a successor or successors thereto; provided that any such successor shall be a bank or trust company having a combined capital (exclusive of borrowed capital) and surplus of at least \$100,000,000, and subject to supervision or examination by federal or state authority. Any removal shall become effective only upon acceptance of appointment by the successor Trustee. If any bank or trust company appointed as a successor publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this section the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. Any removal of the Trustee and appointment of a successor Trustee shall become effective only upon acceptance of appointment by the successor Trustee and notice being sent by the successor Trustee to the Bondowners of the successor Trustee's identity and address.

Section 7.3 Resignation of Trustee. The Trustee may at any time resign by giving written notice to the District and by giving to the Owners notice of such resignation, which notice shall be mailed to the Owners at their addresses appearing in the registration books in the office of the Trustee. Upon receiving such notice of resignation, the District shall promptly appoint a successor Trustee satisfying the criteria in Section 7.2 above by an instrument in writing. Any resignation or removal of the Trustee and appointment of a successor Trustee shall become effective only upon acceptance of appointment by the successor Trustee. In the event the District shall for any reason whatsoever fail to appoint a successor Trustee within ninety (90) days following the receipt of notice by the District, the Trustee may apply to a court of competent jurisdiction for the appointment of a successor Trustee meeting the requirements of Section 7.2 hereof. Any such successor Trustee appointed by such court shall become the successor Trustee hereunder notwithstanding any action by the District purporting to appoint a successor Trustee following the expiration of such 90-day period.

Section 7.4 Liability of Trustee. The recitals of fact and all promises, covenants and agreements contained herein and in the Bonds and any Parity Bonds shall be taken as statements, promises, covenants and agreements of the District, and the Trustee assumes no responsibility for the correctness of the same and makes no representations as to the validity or sufficiency of this Indenture, the Bonds or any Parity Bonds, and shall incur no responsibility in respect thereof, other

than in connection with its duties or obligations specifically set forth herein, in the Bonds and any Parity Bonds, or in the certificate of authentication assigned to or imposed upon the Trustee. The Trustee shall be under no responsibility or duty with respect to the issuance of the Bonds or any Parity Bonds for value. The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct.

The Trustee shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, Bond, Parity Bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel, who may be counsel to the District, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered hereunder in good faith and in accordance therewith.

The Trustee shall not be bound to recognize any person as the Owner of a Bond or Parity Bond unless and until such Bond or Parity Bond is submitted for inspection, if required, and his title thereto satisfactorily established, if disputed.

Whenever in the administration of its duties under this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of bad faith on the part of the Trustee, be deemed to be conclusively proved and established by a written certificate of the District, and such certificate shall be full warrant to the Trustee for any action taken or suffered under the provisions of this Indenture upon the faith thereof, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

The Trustee shall have no duty or obligation whatsoever to enforce the collection of Special Taxes or other funds to be deposited with it hereunder, or as to the correctness of any amounts received, but its liability shall be limited to the proper accounting for such funds as it shall actually receive. No provision in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of its rights or powers.

The Trustee shall not be deemed to have knowledge of any default or Event of Default until an officer at the Trustee's Principal Office of the Trustee responsible for the administration of its duties hereunder shall have actual knowledge thereof or the Trustee shall have received written notice thereof at the Principal Office of the Trustee.

The Trustee shall be under no responsibility or duty with respect to (i) the issuance of the Bonds for value, (ii) the application of the proceeds thereof except to the extent that such proceeds are received by it in its capacity as Trustee, or (iii) the application of any moneys paid to the District or others in accordance with this Indenture except as to the application of any moneys paid to it in its capacity as Trustee. The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Trustee shall not be liable for any action taken or omitted by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture. The Trustee and its officers and employees may become the Owner of Bonds with the same rights it would have if it were not Trustee, and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bond Owners, whether or

not such committee shall represent the Owners of a majority in aggregate principal amount of the Bonds then Outstanding.

The Trustee shall not be liable for any error of judgment made in good faith by a responsible officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts.

The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture.

The Trustee shall not be considered in breach of or in default in its obligations hereunder and will not incur any liability for not performing any act or fulfilling any duty, obligation or responsibility hereunder, or progress in respect thereto in the event of enforced delay (“unavoidable delay”) in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, natural catastrophes, civil or military disturbances, loss or malfunctions of utilities, any act of God or war, terrorism or the unavailability of the Federal Reserve Bank or other wire or communication facility, or any similar event and/or occurrences beyond the control of the Trustee; provided, that in the event of any such unavoidable delay, the Trustee shall notify the District in writing within five (5) Business Days after (i) the occurrence of the event giving rise to such unavoidable delay, (ii) the Trustee’s actual knowledge of the impending unavoidable delay, or (iii) the Trustee’s knowledge of sufficient facts under which a reasonable person would conclude the unavoidable delay will occur.

If the Trustee acts in good faith on any communication (including, but not limited to, communication with respect to the delivery of securities or the wire transfer of funds) sent by electronic transmission and believed by the Trustee to be genuine and to have been signed or presented by the proper person or persons, the Trustee, absent negligence or willful misconduct, will not be responsible or liable in the event such communication is not an authorized or authentic communication of the party involved or is not in the form the party involved sent or intended to send (whether due to fraud, distortion or otherwise). Absent negligence or willful misconduct on the part of the Trustee, the Trustee will not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee’s good faith reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction received by the Trustee after the Trustee has acted upon such original instructions. Subject to the foregoing, the District agrees to assume all risks arising out of the use of such electronic transmission to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section 7.5 Merger or Consolidation. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, shall be the successor to the Trustee without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding; provided, however, such successor shall provide the District with a notice of merger or conversion as soon as practicable.

ARTICLE VIII

EVENTS OF DEFAULT; REMEDIES

Section 8.1 Events of Default. Any one or more of the following events shall constitute an “Event of Default”:

(a) default in the due and punctual payment of the principal of or redemption premium, if any, on any Bond or Parity Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) default in the due and punctual payment of the interest on any Bond or Parity Bond when and as the same shall become due and payable; or

(c) except as described in (a) or (b), default shall be made by the District in the observance of any of the agreements, conditions or covenants on its part contained in this Indenture, the Bonds or any Parity Bonds, and such default shall have continued for a period of 30 days after the District shall have been given notice in writing of such default by the Trustee or the Owners of 25% in aggregate principal amount of the Outstanding Bonds and Parity Bonds.

The Trustee agrees to give notice to the Owners as soon as practicable upon the occurrence of an Event of Default under (a) or (b) above and within 10 days of the Trustee’s knowledge of a default of the type described in (c) above which, if not cured, with the passage of time would become an Event of Default.

Section 8.2 Remedies of Owners. Upon the occurrence of an Event of Default, the Trustee may pursue any available remedy at law or in equity to enforce the payment of the principal of, premium, if any, and interest on the Outstanding Bonds and Parity Bonds, and to enforce any rights of the Trustee under or with respect to this Indenture, including:

(a) by mandamus or other suit or proceeding at law or in equity to enforce his rights against the District and any of the members, officers and employees of the District, and to compel the District or any such members, officers or employees to perform and carry out their duties under the Act and their agreements with the Owners as provided in this Indenture;

(b) by suit in equity to enjoin any actions or things which are unlawful or violate the rights of the Owners; or

(c) by a suit in equity to require the District and its members, officers and employees to account as the Trustee of an express trust.

If an Event of Default shall have occurred and be continuing and if requested so to do by the Owners of at least twenty-five percent (25%) in aggregate principal amount of Outstanding Bonds and Parity Bonds and if indemnified to its satisfaction, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Article 8, as the Trustee, being advised by counsel, shall deem most expedient in the interests of the Owners of the Bonds and Parity Bonds.

No remedy herein conferred upon or reserved to the Trustee or to the Owners is intended to be exclusive of any other remedy. Every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or

otherwise, and may be exercised without exhausting and without regard to any other remedy conferred by the Act or any other law.

Section 8.3 Application of Revenues and Other Funds After Default. All amounts received by the Trustee pursuant to any right given or action taken by the Trustee under the provisions of this Indenture relating to the Bonds and Parity Bonds shall be applied by the Trustee in the following order upon presentation of the several Bonds and Parity Bonds:

First, to the payment of the fees, costs and expenses of the Trustee in declaring such Event of Default and in carrying out the provisions of this Article 8, including reasonable compensation to its agents, attorneys and counsel, and to the payment of all other outstanding fees and expenses of the Trustee; and

Second, to the payment of the whole amount of interest on and principal of the Bonds and Parity Bonds then due and unpaid, with interest on overdue installments of principal and interest to the extent permitted by law at the net effective rate of interest then borne by the Outstanding Bonds and Parity Bonds; provided, however, that in the event such amounts shall be insufficient to pay in full the full amount of such interest and principal, then such amounts shall be applied in the following order of priority:

(a) first to the payment of all installments of interest on the Bonds and Parity Bonds then due and unpaid on a pro rata basis based on the total amount then due and owing;

(b) second, to the payment of all installments of principal, including Sinking Fund Payments, of the Bonds and Parity Bonds then due and unpaid on a pro rata basis based on the total amount then due and owing; and

(c) third, to the payment of interest on overdue installments of principal and interest on the Bonds and Parity Bonds on a pro rata basis based on the total amount then due and owing.

Section 8.4 Power of Trustee to Control Proceedings. In the event that the Trustee, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties hereunder, whether upon its own discretion or upon the request of the Owners of twenty-five percent (25%) in aggregate principal amount of the Bonds and Parity Bonds then Outstanding, it shall have full power, in the exercise of its discretion for the best interests of the Owners of the Bonds and Parity Bonds, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; provided, however, that the Trustee shall not, unless there no longer continues an Event of Default, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Owners of a majority in aggregate principal amount of the Outstanding Bonds and Parity Bonds hereunder opposing such discontinuance, withdrawal, compromise, settlement or other such litigation. Any suit, action or proceeding which any Owner of Bonds or Parity Bonds shall have the right to bring to enforce any right or remedy hereunder may be brought by the Trustee for the equal benefit and protection of all Owners of Bonds and Parity Bonds similarly situated and the Trustee is hereby appointed (and the successive respective Owners of the Bonds and Parity Bonds issued hereunder, by taking and holding the same, shall be conclusively deemed so to have appointed it) the true and lawful attorney in fact of the respective Owners of the Bonds and Parity Bonds for the purposes of bringing any such suit, action or proceeding and to do and perform any and all acts and things for and on behalf of the

respective Owners of the Bonds and Parity Bonds as a class or classes, as may be necessary or advisable in the opinion of the Trustee as such attorney-in-fact.

Section 8.5 Appointment of Receivers. Upon the occurrence of an Event of Default hereunder, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Owners of the Bonds and Parity Bonds under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Net Taxes and other amounts pledged hereunder, pending such proceedings, with such powers as the court making such appointment shall confer.

Section 8.6 Non-Waiver. Nothing in this Article 8 or in any other provision of this Indenture, or in the Bonds or the Parity Bonds, shall affect or impair the obligation of the District, which is absolute and unconditional, to pay the interest on and principal of the Bonds and Parity Bonds to the respective Owners of the Bonds and Parity Bonds at the respective dates of maturity, as herein provided, out of the Net Taxes and other moneys herein pledged for such payment.

A waiver of any default or breach of duty or contract by the Trustee or any Owners shall not affect any subsequent default or breach of duty or contract, or impair any rights or remedies on any such subsequent default or breach. No delay or omission of the Trustee or any Owner of any of the Bonds or Parity Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy conferred upon the Trustee or the Owners by the Act or by this Article 8 may be enforced and exercised from time to time and as often as shall be deemed expedient by the Trustee or the Owners, as the case may be.

Section 8.7 Limitations on Rights and Remedies of Owners. No Owner of any Bond or Parity Bond issued hereunder shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Indenture, unless (a) such Owner shall have previously given to the Trustee written notice of the occurrence of an Event of Default; (b) the Owners of a majority in aggregate principal amount of all the Bonds and Parity Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) said Owners shall have tendered to the Trustee indemnity reasonably acceptable to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of Bonds and Parity Bonds of any remedy hereunder; it being understood and intended that no one or more Owners of Bonds and Parity Bonds shall have any right in any manner whatever by his or their action to enforce any right under this Indenture, except in the manner herein provided, and that all proceedings at law or in equity to enforce any provision of this Indenture shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners of the Outstanding Bonds and Parity Bonds.

The right of any Owner of any Bond and Parity Bond to receive payment of the principal of and interest and premium (if any) on such Bond and Parity Bond as herein provided or to institute suit for the enforcement of any such payment, shall not be impaired or affected without the written

consent of such Owner, notwithstanding the foregoing provisions of this Section or any other provision of this Indenture.

Section 8.8 Termination of Proceedings. In case the Trustee shall have proceeded to enforce any right under this Indenture by the appointment of a receiver or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case, the District, the Trustee and the Owners shall be restored to their former positions and rights hereunder, respectively, with regard to the property subject to this Indenture, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

ARTICLE IX

DEFEASANCE AND PARITY BONDS

Section 9.1 Defeasance. If the District shall pay or cause to be paid, or there shall otherwise be paid, to the Owner of an Outstanding Bond or Parity Bond the interest due thereon and the principal thereof, at the times and in the manner stipulated in this Indenture or any Supplemental Indenture, then the Owner of such Bond or Parity Bond shall cease to be entitled to the pledge of Net Taxes, and, other than as set forth below, all covenants, agreements and other obligations of the District to the Owner of such Bond or Parity Bond under this Indenture and any Supplemental Indenture relating to such Parity Bond shall thereupon cease, terminate and become void and be discharged and satisfied. In the event of a defeasance of all Outstanding Bonds and Parity Bonds pursuant to this Section, the Trustee shall execute and deliver to the District all such instruments as may be desirable to evidence such discharge and satisfaction, and the Trustee shall pay over or deliver to the District all money or securities held by it pursuant to this Indenture which are not required for the payment of the principal of, premium, if any, and interest due on such Bonds and Parity Bonds.

Any Outstanding Bond or Parity Bond shall be deemed to have been paid within the meaning expressed in the first paragraph of this Section if such Bond or Parity Bond is paid in any one or more of the following ways:

(a) by paying or causing to be paid the principal of, premium, if any, and interest on such Bond or Parity Bond, as and when the same become due and payable;

(b) by depositing with the Trustee, in trust, at or before maturity, money which, together with the amounts then on deposit in the Special Tax Fund and available for such purpose, is fully sufficient to pay the principal of, premium, if any, and interest on such Bond or Parity Bond, as and when the same shall become due and payable; or

(c) by depositing with the Trustee or another escrow bank appointed by the District, in trust, Federal Securities, in which the District may lawfully invest its money, in such amount as will be sufficient, together with the interest to accrue thereon and moneys then on deposit in the Special Tax Fund and available for such purpose, together with the interest to accrue thereon, to pay and discharge the principal of, premium, if any, and interest on such Bond or Parity Bond, as and when the same shall become due and payable.

If paid as provided above, then, at the election of the District, and notwithstanding that any Outstanding Bonds and Parity Bonds shall not have been surrendered for payment, all obligations of the District under this Indenture and any Supplemental Indenture with respect to such Bond or Parity Bond shall cease and terminate, except for the obligation of the Trustee to pay or cause to be paid to the Owners of any such Bond or Parity Bond not so surrendered and paid, all sums due thereon and except for the covenants of the District contained in Section 5.2(f) or any covenants in a Supplemental Indenture relating to compliance with the Code. Notice of such election shall be filed with the Trustee not less than ten days prior to the proposed defeasance date, or such shorter period of time as may be acceptable to the Trustee. In connection with a defeasance under (c) above, there shall be provided to the District a verification report from an independent nationally recognized certified public accountant stating its opinion as to the sufficiency of the moneys or securities deposited with the Trustee or the escrow bank to pay and discharge the principal of, premium, if any, and interest on all Outstanding Bonds and Parity Bonds to be defeased in accordance with this Section, as and when the same shall become due and payable, and an opinion of Bond Counsel (which may rely upon the opinion of the certified public accountant) to the effect that the Bonds or Parity Bonds being defeased have been legally defeased in accordance with this Indenture and any applicable Supplemental Indenture.

Upon a defeasance, the Trustee, upon request of the District, shall release the rights of the Owners of such Bonds and Parity Bonds which have been defeased under this Indenture and any Supplemental Indenture and execute and deliver to the District all such instruments as may be desirable to evidence such release, discharge and satisfaction. In the case of a defeasance hereunder of all Outstanding Bonds and Parity Bonds, the Trustee shall pay over or deliver to the District any funds held by the Trustee at the time of a defeasance, which are not required for the purpose of paying and discharging the principal of or interest on the Bonds and Parity Bonds when due. The Trustee shall, at the written direction of the District, mail, first class, postage prepaid, a notice to the Bondowners whose Bonds or Parity Bonds have been defeased, in the form directed by the District, stating that the defeasance has occurred.

Section 9.2 Conditions for the Issuance of Parity Bonds and Other Additional Indebtedness. The District may at any time after the issuance and delivery of the Bonds hereunder issue Parity Bonds payable from the Net Taxes and other amounts deposited in the Special Tax Fund and secured by a lien and charge upon such amounts equal to the lien and charge securing the Outstanding Bonds and any other Parity Bonds theretofore issued hereunder or under any Supplemental Indenture; provided, however, that Parity Bonds may only be issued for the purpose of refunding all or a portion of the Bonds or any Parity Bonds then Outstanding. Parity Bonds which may only be issued to effect a partial refunding may be issued subject to the following additional specific conditions, which are hereby made conditions precedent to the issuance of any such Parity Bonds:

(a) The District shall be in compliance with all covenants set forth in this Indenture and any Supplemental Indenture then in effect and a certificate of the District to that effect shall have been filed with the Trustee; provided, however, that Parity Bonds may be issued notwithstanding that the District is not in compliance with all such covenants so long as immediately following the issuance of such Parity Bonds the District will be in compliance with all such covenants.

(b) The issuance of such Parity Bonds shall have been duly authorized pursuant to the Act and all applicable laws, and the issuance of such Parity Bonds shall have been provided for by a Supplemental Indenture duly adopted by the District which shall specify the following:

(1) the purpose for which such Parity Bonds are to be issued and the fund or funds into which the proceeds thereof are to be deposited, including a provision requiring the proceeds of such Parity Bonds to be applied solely for the purpose of refunding any Outstanding Bonds or Parity Bonds, including payment of all costs and the funding of all reserves incidental to or connected with such refunding;

(2) the authorized principal amount of such Parity Bonds;

(3) the date and the maturity date or dates of such Parity Bonds; provided that (i) each maturity date shall fall on an September 1, (ii) all such Parity Bonds of like maturity shall be identical in all respects, except as to number, and (iii) fixed serial maturities or Sinking Fund Payments, or any combination thereof, shall be established to provide for the retirement of all such Parity Bonds on or before their respective maturity dates;

(4) the description of the Parity Bonds, the place of payment thereof and the procedure for execution and authentication;

(5) the denominations and method of numbering of such Parity Bonds;

(6) the amount and due date of each mandatory Sinking Fund Payment, if any, for such Parity Bonds;

(7) the amount, if any, to be deposited from the proceeds of such Parity Bonds in the Reserve Account of the Special Tax Fund to increase the amount therein to the Reserve Requirement;

(8) the form of such Parity Bonds; and

(9) such other provisions as are necessary or appropriate and not inconsistent with this Indenture.

(c) The District shall have received the following documents or money or securities, all of such documents dated or certified, as the case may be, as of the date of delivery of such Parity Bonds by the Trustee (unless the Trustee shall be directed by the District to accept any of such documents bearing a prior date):

(1) a certified copy of the Supplemental Indenture authorizing the issuance of such Parity Bonds;

(2) a written request of the District as to the delivery of such Parity Bonds;

(3) an opinion of Bond Counsel and/or general counsel to the District to the effect that (i) the District has the right and power under the Act to adopt this Indenture and the Supplemental Indentures relating to such Parity Bonds, and this Indenture and all such Supplemental Indentures have been duly and lawfully adopted by the District, are in full force and effect and are

valid and binding upon the District and enforceable in accordance with their terms (except as enforcement may be limited by bankruptcy, insolvency, reorganization and other similar laws relating to the enforcement of creditors' rights); (ii) this Indenture creates the valid pledge which it purports to create of the Net Taxes and other amounts as provided in this Indenture, subject to the application thereof to the purposes and on the conditions permitted by this Indenture; and (iii) such Parity Bonds are valid and binding limited obligations of the District, enforceable in accordance with their terms (except as enforcement may be limited by bankruptcy, insolvency, reorganization and other similar laws relating to the enforcement of creditors' rights) and the terms of this Indenture and all Supplemental Indentures thereto and entitled to the benefits of this Indenture and all such Supplemental Indentures, and such Parity Bonds have been duly and validly authorized and issued in accordance with the Act (or other applicable laws) and this Indenture and all such Supplemental Indentures; and a further opinion of Bond Counsel to the effect that, assuming compliance by the District with certain tax covenants, the issuance of the Parity Bonds will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds and any Parity Bonds theretofore issued on a tax exempt basis, or the exemption from State of California personal income taxation of interest on any Outstanding Bonds and Parity Bonds theretofore issued;

(4) a certificate of the District containing such statements as may be reasonably necessary to show compliance with the requirements of this Indenture;

(5) a certificate of an Independent Financial Consultant certifying that in each Bond Year the Annual Debt Service on the Bonds and Parity Bonds to remain Outstanding following the issuance of the Parity Bonds proposed to be issued is less than the Annual Debt Service on the Bonds and Parity Bonds Outstanding prior to the issuance of such Parity Bonds; and

(6) such further documents, money and securities as are required by the provisions of this Indenture and the Supplemental Indenture providing for the issuance of such Parity Bonds.

ARTICLE X

MISCELLANEOUS

Section 10.1 Cancellation of Bonds and Parity Bonds. All Bonds and Parity Bonds surrendered to the Trustee for payment upon maturity or for redemption shall be upon payment therefor, and any Bond or Parity Bond purchased by the District as authorized herein and delivered to the Trustee for such purpose shall be, cancelled forthwith and shall not be reissued. The Trustee shall destroy such Bonds and Parity Bonds, as provided by law, and furnish to the District a certificate of such destruction.

Section 10.2 Execution of Documents and Proof of Ownership. Any request, direction, consent, revocation of consent, or other instrument in writing required or permitted by this Indenture to be signed or executed by Bondowners may be in any number of concurrent instruments of similar tenor may be signed or executed by such Owners in person or by their attorneys appointed by an instrument in writing for that purpose, or by the bank, trust company or other depository for such Bonds. Proof of the execution of any such instrument, or of any instrument appointing any such attorney, and of the ownership of Bonds or Parity Bonds shall be sufficient for the purposes of this Indenture (except as otherwise herein provided), if made in the following manner:

(a) The fact and date of the execution by any Owner or his or her attorney of any such instrument and of any instrument appointing any such attorney, may be proved by a signature guarantee of any bank or trust company located within the United States of America. Where any such instrument is executed by an officer of a corporation or association or a member of a partnership on behalf of such corporation, association or partnership, such signature guarantee shall also constitute sufficient proof of his authority.

(b) As to any Bond or Parity Bond, the person in whose name the same shall be registered in the Bond Register shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of any such Bond or Parity Bond, and the interest thereon, shall be made only to or upon the order of the registered Owner thereof or his or her legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond or Parity Bond and the interest thereon to the extent of the sum or sums to be paid. Neither the District nor the Trustee shall be affected by any notice to the contrary.

Nothing contained in this Indenture shall be construed as limiting the Trustee or the District to such proof, it being intended that the Trustee or the District may accept any other evidence of the matters herein stated which the Trustee or the District may deem sufficient. Any request or consent of the Owner of any Bond or Parity Bond shall bind every future Owner of the same Bond or Parity Bond in respect of anything done or suffered to be done by the Trustee or the District in pursuance of such request or consent.

Section 10.3 Unclaimed Moneys. Anything in this Indenture to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of any of the Outstanding Bonds and Parity Bonds which remain unclaimed for two years after the date when such Outstanding Bonds or Parity Bonds have become due and payable, if such money was held by the Trustee at such date, or for two years after the date of deposit of such money if deposited with the Trustee after the date when such Outstanding Bonds or Parity Bonds become due and payable, shall be repaid by the Trustee to the District, as its absolute property and free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Owners shall look only to the District for the payment of such Outstanding Bonds or Parity Bonds; provided, however, that, before being required to make any such payment to the District, the Trustee, at the expense of the District, shall cause to be mailed by first-class mail, postage prepaid, to the registered Owners of such Outstanding Bonds or Parity Bonds at their addresses as they appear on the registration books of the Trustee a notice that said money remains unclaimed and that, after a date named in said notice, which date shall not be less than 30 days after the date of the mailing of such notice, the balance of such money then unclaimed will be returned to the District.

Section 10.4 Provisions Constitute Contract. The provisions of this Indenture shall constitute a contract between the District and the Bondowners and the provisions hereof shall be construed in accordance with the laws of the State of California.

In case any suit, action or proceeding to enforce any right or exercise any remedy shall be brought or taken and, should said suit, action or proceeding be abandoned, or be determined adversely to the Bondowners or the Trustee, then the District, the Trustee and the Bondowners shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

After the issuance and delivery of the Bonds this Indenture shall be irrevocable, but shall be subject to modifications to the extent and in the manner provided in this Indenture, but to no greater extent and in no other manner.

Section 10.5 Future Contracts. Nothing herein contained shall be deemed to restrict or prohibit the District from making contracts or issuing Subordinated Bonds or creating other indebtedness payable from a pledge, lien, charge and encumbrance upon the Net Taxes which is subordinate to the pledge hereunder, or which is payable from the general fund of the District or from taxes or any source other than the Net Taxes and other amounts pledged hereunder.

Section 10.6 Further Assurances. The District will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or desirable to carry out the intention or to facilitate the performance of this Indenture, and for the better assuring and confirming unto the Owners of the Bonds or any Parity Bonds the rights and benefits provided in this Indenture.

Section 10.7 Severability. If any covenant, agreement or provision, or any portion thereof, contained in this Indenture, or the application thereof to any person or circumstance, is held to be unconstitutional, invalid or unenforceable, the remainder of this Indenture and the application of any such covenant, agreement or provision, or portion thereof, to other persons or circumstances, shall be deemed severable and shall not be affected thereby, and this Indenture, the Bonds and any Parity Bonds issued pursuant hereto shall remain valid and the Bondowners shall retain all valid rights and benefits accorded to them under the laws of the State of California.

Section 10.8 Notices. Any notices required to be given to the District with respect to the Bonds or this Indenture shall be mailed, first class, postage prepaid, or personally delivered to the Assistant City Manager of the City of Beaumont at 550 East Sixth Street, Beaumont, California 92223, and all notices to the Trustee in its capacity as Trustee shall be mailed, first class, postage prepaid, personally delivered or sent via facsimile or electronic (email) transmission (with a portable document format or similar attachment) to the Trustee, Wilmington Trust, National Association, 650 Town Center Drive, Suite 800, Costa Mesa, California 92626, Attention: Corporate Trust Department.

Section 10.9 Governing Law. This Indenture shall be governed by and construed in accordance with the laws of the State of California.

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IN WITNESS WHEREOF, CITY OF BEAUMONT COMMUNITY FACILITIES DISTRICT NO. 2016-4 has caused this Bond Indenture to be signed by an Authorized Representative of the District and Wilmington Trust, National Association, in token of its acceptance of the trust created hereunder, has caused this Bond Indenture to be signed in its corporate name by its officers identified below, all as of the day and year first above written.

CITY OF BEAUMONT COMMUNITY FACILITIES
DISTRICT NO. 2016-4

By: _____
City Manager of the City of Beaumont, acting
on behalf of City of Beaumont Community
Facilities District No. 2016-4

ATTEST:

City Clerk of the City of Beaumont, acting on
behalf of City of Beaumont Community
Facilities District No. 2016-4

WILMINGTON TRUST, NATIONAL
ASSOCIATION, as Trustee

By: _____
Authorized Officer

EXHIBIT A

FORM OF 2019 SPECIAL TAX BOND

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AS DEFINED IN THE INDENTURE) TO THE TRUSTEE FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

R-_____

\$_____

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF RIVERSIDE**

**CITY OF BEAUMONT
COMMUNITY FACILITIES DISTRICT NO. 2016-4
2019 SPECIAL TAX BOND**

INTEREST RATE: MATURITY DATE: DATED DATE: CUSIP:
 _____% September 1, _____, 2019 _____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ AND NO/100 DOLLARS

CITY OF BEAUMONT COMMUNITY FACILITIES DISTRICT NO. 2016-4 (the “District”) which was formed by the City of Beaumont (the “City”) and is situated in the County of Riverside, State of California, FOR VALUE RECEIVED, hereby promises to pay, solely from certain amounts held under the Indenture (as hereinafter defined), to the Registered Owner named above, or registered assigns, on the Maturity Date set forth above, unless redeemed prior thereto as hereinafter provided, the Principal Amount set forth above, and to pay interest on such Principal Amount from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication hereof, unless (i) the date of authentication is an Interest Payment Date in which event interest shall be payable from such date of authentication, (ii) the date of authentication is after a Record Date (as hereinafter defined) but prior to the immediately succeeding Interest Payment Date, in which event interest shall be payable from the Interest Payment Date immediately succeeding the date of authentication, or (iii) the date of authentication is prior to the close of business on the first Record Date in which event interest shall be payable from the Dated Date set forth above.

Notwithstanding the foregoing, if at the time of authentication of this Bond interest is in default, interest on this Bond shall be payable from the last Interest Payment Date to which the interest has been paid or made available for payment or, if no interest has been paid or made available for payment, interest on this Bond shall be payable from the Dated Date set forth above. Interest will be paid semiannually on March 1 and September 1 (each an "Interest Payment Date"), commencing March 1, 2020, at the Interest Rate set forth above, until the Principal Amount hereof is paid or made available for payment.

The principal of and premium, if any, on this Bond are payable to the Registered Owner hereof in lawful money of the United States of America upon presentation and surrender of this Bond at the Principal Office of the Trustee (as such term is defined in the Indenture defined below), initially Wilmington Trust, National Association (the "Trustee"). Interest on this Bond shall be paid by check of the Trustee mailed, by first class mail, postage prepaid, or in certain circumstances described in the Indenture by wire transfer to an account within the United States of America, to the Registered Owner hereof as of the close of business on the fifteenth day of the month preceding an Interest Payment Date (the "Record Date") at such Registered Owner's address as it appears on the registration books maintained by the Trustee.

Capitalized terms used herein and not defined shall have the meanings given them in the Indenture.

This Bond is one of a duly authorized issue of "City of Beaumont Community Facilities District No. 2016-4 2019 Special Tax Bonds" (the "Bonds") issued in the aggregate principal amount of \$_____ pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, being Sections 53311, *et seq.*, of the California Government Code (the "Act") for the purpose of financing certain public improvements, funding a reserve account and paying certain costs related to the issuance of the Bonds. The issuance of the Bonds and the terms and conditions thereof are provided for by a resolution adopted by the City Council of the City, acting in its capacity as the legislative body of the District (the "Legislative Body"), on October 15, 2019 and a Bond Indenture (the "Indenture") dated as of November 1, 2019, by and between the District and the Trustee, and this reference incorporates the Indenture herein, and by acceptance hereof the Registered Owner of this Bond assents to said terms and conditions. The Indenture is executed under and this Bond is issued under, and both are to be construed in accordance with, the laws of the State of California.

Pursuant to the Act and the Indenture, the principal of, premium, if any, and interest on this Bond are payable solely from the portion of the annual special taxes authorized under the Act to be levied and collected within the District described in the Indenture (the "Special Taxes") and certain other amounts pledged to the repayment of the Bonds as set forth in the Indenture. Any amounts for the payment hereof shall be limited to the Special Taxes pledged and collected or foreclosure proceeds received following a default in payment of the Special Taxes and other amounts deposited to the Special Tax Fund established under the Indenture. The District has covenanted for the benefit of the owners of the Bonds that under certain circumstances described in the Indenture it will commence foreclosure proceedings in the event of delinquencies of Special Tax installments levied for payment of principal and interest on the Bonds and will diligently pursue such foreclosure proceedings until the delinquent Special Taxes are paid.

The Bonds may be redeemed, at the option of the District from any source of funds, other than Prepayments, on any date on or after September 1, 2025, in whole, or in part by lot, at a redemption price equal to the principal amount to be redeemed, together with accrued interest to the

date of redemption, at the following redemption prices (expressed a percentages of the principal amount of the Bonds to be redeemed):

<i>Redemption Dates</i>	<i>Redemption Price</i>
September 1, 20__ through August 31, 20__	103%
September 1, 20__ through August 31, 20__	102
September 1, 20__ through August 31, 20__	101
September 1, 20__ and any date thereafter	100

The Term Bonds maturing on September 1, 20__ shall be called before maturity and redeemed, from the Sinking Fund Payments that have been deposited into the Principal Account, on September 1, 20__ and on each September 1 thereafter prior to maturity, in accordance with the schedule of Sinking Fund Payments set forth in the Indenture, and the Term Bonds called for redemption shall be selected by the Trustee by lot and shall be redeemed at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium.

The Term Bonds maturing on September 1, 20__ shall be called before maturity and redeemed, from the Sinking Fund Payments that have been deposited into the Principal Account, on September 1, 20__ and on each September 1 thereafter prior to maturity, in accordance with the schedule of Sinking Fund Payments set forth in the Indenture, and the Term Bonds called for redemption shall be selected by the Trustee by lot and shall be redeemed at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium.

The Bonds are subject to extraordinary redemption as a whole or in part, on any Interest Payment Date, and shall be redeemed by the Trustee, from Prepayments deposited to the Redemption Account plus amounts transferred from the Reserve Account pursuant to the Indenture, at the following redemption prices, expressed as a percentage of the principal amount to be redeemed, together with accrued interest to the redemption date:

<i>Redemption Date</i>	<i>Redemption Price</i>
Interest Payment Dates to and including March 1, 20__	103%
September 1, 20__ and March 1, 20__	102
September 1, 20__ and March 1, 20__	101
September 1, 20__ and each Interest Payment Date thereafter	100

The Bonds shall be selected for extraordinary redemption as nearly as practicable on a pro rata basis among maturities in increments of \$5,000; provided, however, that, for Prepayments of less than \$50,000, the District may specify in a Certificate of an Authorized Representative that Prepayments be applied to one or more maturities of the Bonds or Parity Bonds so long as there is delivered to the Trustee a Certificate of the Special Tax Consultant that, following such redemption from Prepayments, the maximum Special Taxes that may be levied in each Fiscal Year on Developed Property is not less than 110% of Maximum Annual Debt Service net of the Administrative Expenses Cap.

Notice of redemption with respect to the Bonds to be redeemed shall be mailed to the registered owners thereof not less than 30 nor more than 45 days prior to the redemption date by first class mail, postage prepaid, to the addresses set forth in the registration books in accordance with the

provisions of the Indenture or so long as the Bonds are registered in the name of the Nominee to the Depository in accordance with its procedures. Neither a failure of the Registered Owner hereof to receive such notice nor any defect therein will affect the validity of the proceedings for redemption. All Bonds or portions thereof so called for redemption will cease to accrue interest on the specified redemption date, provided that funds for the redemption are on deposit with the Trustee on the redemption date. Thereafter, the registered owners of such Bonds shall have no rights except to receive payment of the redemption price upon the surrender of the Bonds.

This Bond shall be registered in the name of the Registered Owner hereof, as to both principal and interest, and the District and the Trustee may treat the Registered Owner hereof as the absolute owner for all purposes and shall not be affected by any notice to the contrary.

The Bonds are issuable only in fully registered form in the denomination of \$5,000 or any integral multiple thereof and may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations of the same issue and maturity, all as more fully set forth in the Indenture. This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Principal Office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, upon surrender and cancellation of this Bond. Upon such transfer, a new registered Bond of authorized denomination or denominations for the same aggregate principal amount of the same issue and maturity will be issued to the transferee in exchange therefor.

The Trustee shall not be required to register transfers or make exchanges of (i) any Bonds for a period of 15 days next preceding any selection of the Bonds to be redeemed, or (ii) any Bonds chosen for redemption.

The rights and obligations of the District and of the registered owners of the Bonds may be amended at any time, and in certain cases without notice to or the consent of the registered owners, to the extent and upon the terms provided in the Indenture.

THE BONDS DO NOT CONSTITUTE OBLIGATIONS OF THE CITY OF BEAUMONT, THE COUNTY OF RIVERSIDE OR OF THE DISTRICT FOR WHICH THE CITY OF BEAUMONT, THE COUNTY OF RIVERSIDE OR THE DISTRICT IS OBLIGATED TO LEVY OR PLEDGE, OR HAS LEVIED OR PLEDGED, GENERAL OR SPECIAL TAXES, OTHER THAN THE SPECIAL TAXES REFERENCED HEREIN. THE BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE FROM THE PORTION OF THE SPECIAL TAXES DESCRIBED IN THE INDENTURE AND OTHER AMOUNTS PLEDGED UNDER THE INDENTURE BUT ARE NOT A DEBT OF THE CITY OF BEAUMONT, THE COUNTY OF RIVERSIDE, THE STATE OF CALIFORNIA OR ANY OF ITS POLITICAL SUBDIVISIONS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION OR RESTRICTION.

This Bond shall not become valid or obligatory for any purpose until the certificate of authentication and registration hereon endorsed shall have been dated and signed by the Trustee.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by law to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by

law, and that the amount of this Bond, together with all other indebtedness of the District, does not exceed any debt limit prescribed by the laws or Constitution of the State of California.

IN WITNESS WHEREOF, City of Beaumont Community Facilities District No. 2016-4 has caused this Bond to be signed on behalf of the District by the Mayor of the City Council by his facsimile signature and attested by the facsimile signature of the City Clerk.

Mayor of the City Council of the City of Beaumont,
acting in its capacity as the legislative body of City of
Beaumont Community Facilities District No. 2016-4

ATTEST:

City Clerk of the City of Beaumont, acting in
its capacity as the legislative body of City of
Beaumont Community Facilities District No.
2016-4

[FORM OF TRUSTEE’S CERTIFICATE
OF AUTHENTICATION AND REGISTRATION]

This is one of the Bonds described in the within-defined Indenture.

Dated: _____, 2019

WILMINGTON TRUST, NATIONAL
ASSOCIATION, as Trustee

By: _____
Authorized Signatory

[FORM OF LEGAL OPINION]

The following is a true copy of the opinion rendered by Stradling Yocca Carlson & Rauth, a Professional Corporation, in connection with the issuance of, and dated as of the date of the original delivery of, the Bonds. A signed copy is on file in my office.

City Clerk of the City of Beaumont, acting in its capacity as the legislative body of City of Beaumont Community Facilities District No. 2016-4

[FORM OF ASSIGNMENT]

For value received the undersigned do(es) hereby sell, assign and transfer unto

whose tax identification number is _____,
the within-mentioned registered Bond and hereby irrevocably constitute(s) and appoint(s)

attorney to transfer the same on the books of the Trustee with full power of substitution in the premises.

Dated: _____

Signature guaranteed:

NOTE: Signature(s) must be guaranteed by an eligible guarantor institution.

NOTE: The signatures(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

EXHIBIT B

FORM OF REQUISITION FOR DISBURSEMENT OF COSTS OF ISSUANCE

COSTS OF ISSUANCE FUND

REQUISITION FOR DISBURSEMENT OF COSTS OF ISSUANCE

The undersigned, on behalf of City of Beaumont Community Facilities District No. 2016-4 (the "District"), hereby requests Wilmington Trust, National Association, as Trustee, to pay from the City of Beaumont Community Facilities District No. 2016-4 Costs of Issuance Fund, established by the Bond Indenture between the Trustee and the District dated as of November 1, 2019, upon receipt of an invoice from each of the payees set forth on Schedule I hereto, the amount specified in such invoice but no more than the amount set forth on Schedule I and to the payees listed on Schedule I for payment of the Costs of Issuance set forth in the invoice attached hereto.

All payments shall be made by check or wire transfer in accordance with the payment instructions included on Schedule I or the accompanying invoices and the Trustee has no responsibility to verify or authenticate the payment instructions or the invoices or the authority under which they were given.

CITY OF BEAUMONT COMMUNITY FACILITIES
DISTRICT NO. 2016-4

Signature:

By: _____
Name:
Title:

Dated:
Requisition No.:

EXHIBIT C

FORM OF REQUISITION FOR DISBURSEMENT OF PROJECT COSTS

ACQUISITION AND CONSTRUCTION FUND

REQUISITION FOR DISBURSEMENT OF PROJECT COSTS

The undersigned, on behalf of City of Beaumont Community Facilities District No. 2016-4 (the "District"), hereby requests Wilmington Trust, National Association, as Trustee, to pay from the City of Beaumont Community Facilities District No. 2016-4 Acquisition and Construction Fund, established by the Bond Indenture between the Trustee and the District dated as of November 1, 2019, upon receipt of an invoice from each of the payees set forth on Schedule I hereto, the amount specified in such invoice but no more than the amount set forth on Schedule I and to the payees listed on Schedule I for payment of the Project Costs set forth in the invoice attached hereto.

All payments shall be made by check or wire transfer in accordance with the payment instructions included on Schedule I or the accompanying invoices and the Trustee has no responsibility to verify or authenticate the payment instructions or the invoices or the authority under which they were given.

CITY OF BEAUMONT COMMUNITY FACILITIES
DISTRICT NO. 2016-4

Signature:

By: _____
Name:
Title:

Dated:
Requisition No.:

§ _____
CITY OF BEAUMONT
COMMUNITY FACILITIES DISTRICT NO. 2016-4
2019 SPECIAL TAX BONDS

BOND PURCHASE AGREEMENT

_____, 2019

City of Beaumont
 Community Facilities District No. 2016-4
 550 East 6th Street
 Beaumont, California 92223

Ladies and Gentlemen:

Stifel, Nicolaus & Company, Incorporated, as underwriter (the “**Underwriter**”), acting not as a fiduciary or agent for you, but on behalf of itself, offers to enter into this Bond Purchase Agreement (the “**Purchase Agreement**”) with the City of Beaumont Community Facilities District No. 2016-4 (the “**Community Facilities District**”), which upon acceptance will be binding upon the Underwriter and the Community Facilities District. The agreement of the Underwriter to purchase the Bonds (as hereinafter defined) is contingent upon the Community Facilities District satisfying all of the obligations imposed upon them under this Purchase Agreement. This offer is made subject to the Community Facilities District’s acceptance by the execution of this Purchase Agreement and its delivery to the Underwriter at or before 11:59 P.M., local time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriter upon notice delivered to the Community Facilities District at any time prior to the acceptance hereof by the Community Facilities District. All capitalized terms used herein, which are not otherwise defined, shall have the meaning provided for such terms in the Bond Indenture, dated as of November 1, 2019 (the “**Indenture**”), between the Community Facilities District and Wilmington Trust, National Association, as trustee (the “**Trustee**”).

1. Purchase, Sale and Delivery of the Bonds.

Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein: the Underwriter hereby agrees to purchase from the Community Facilities District and the Community Facilities District hereby agrees to sell to the Underwriter all (but not less than all) of the \$ _____ aggregate principal amount of the City of Beaumont Community Facilities District No. 2016-4 2019 Special Tax Bonds (the “**Bonds**”), dated the Closing Date (as hereinafter defined), bearing interest at the rates and maturing on the dates and in the principal amounts set forth in Exhibit A hereto.

The purchase price for the Bonds shall be \$ _____ (being 100% of the aggregate principal amount thereof, plus a net original issue premium of \$ _____ and less an Underwriter’s discount of \$ _____).

The Underwriter agrees to make a bona fide public offering of all of the Bonds initially at the public offering prices (or yields) set forth in Exhibit A attached hereto and incorporated herein by

reference. Subsequent to the initial public offering, the Underwriter reserves the right to change the public offering prices (or yields) as it deems necessary in connection with the marketing of the Bonds, provided that the Underwriter shall not change the interest rates set forth in Exhibit A. The Bonds may be offered and sold to certain dealers at prices lower than such initial offering prices.

The Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable from the Net Taxes as provided in the Indenture, the Preliminary Official Statement (as hereinafter defined), and the Mello-Roos Community Facilities Act of 1982, as amended (Section 53311 *et seq.* of the Government Code of the State of California) (the “**Community Facilities District Act**”). The issuance of the Bonds has been duly authorized by the City Council of the City of Beaumont (the “**City**”), as the legislative body for the Community Facilities District pursuant to a resolution (the “**Community Facilities District Resolution of Issuance**”) adopted on _____, 2019.

The proceeds of the Bonds will be used to: (i) pay the cost and expense of the acquisition and construction of certain public facilities in connection with the development of the Community Facilities District; (ii) fund a reserve account securing the Bonds; and (iii) pay costs of issuance of the Bonds.

The Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable from special taxes pledged thereto as provided in the Indenture.

A. The Community Facilities District hereby acknowledges that the Underwriter is entering into this Purchase Agreement in reliance on the representations, warranties and agreements made by the Community Facilities District herein, and the Community Facilities District shall take all action necessary to enforce its rights hereunder for the benefit of the Underwriter and shall immediately notify the Underwriter if it becomes aware that any representation, warranty or agreement made by the Community Facilities District herein is incorrect in any material respect.

The Community Facilities District acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm’s-length commercial transaction between the Community Facilities District and the Underwriter, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as principal and not as the agent or fiduciary of the Community Facilities District, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the Community Facilities District with respect to (a) the offering of the Bonds or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the Community Facilities District on other matters) or (b) any other obligations to the Community Facilities District with respect to the offering contemplated hereby, except the obligations expressly set forth in this Purchase Agreement or otherwise imposed by law, (iv) the Underwriter has financial and other interests that differ from those of the Community Facilities District and (v) the Community Facilities District has consulted their own legal, financial and other advisors to the extent they have deemed appropriate in connection with this transaction. The Community Facilities District acknowledges that it has previously provided the Underwriter with an acknowledgement of receipt of the required Underwriter disclosure under Rule G-17 of the Municipal Securities Rulemaking Board (“**MSRB**”). The Community Facilities District acknowledges and represents that it has engaged Urban Futures, Inc. (the “**Municipal Advisor**”) as its municipal advisor (as defined in Securities and Exchange

Commission Rule 15Ba1) and will rely solely on the financial advice of the Municipal Advisor with respect to the Bonds.

B. Pursuant to the authorization of the Community Facilities District, the Underwriter has distributed copies of the Preliminary Official Statement dated _____, 2019, relating to the Bonds, which, together with the cover page, inside cover page and appendices thereto is herein called the “Preliminary Official Statement.” By its acceptance of this Purchase Agreement, the Community Facilities District hereby ratifies the use by the Underwriter of the Preliminary Official Statement, and the Community Facilities District agrees to execute a final official statement relating to the Bonds (the “**Official Statement**”) which will consist of the Preliminary Official Statement with such changes as may be made thereto, with the approval of Stradling Yocca Carlson & Rauth, a Professional Corporation, Bond Counsel (“**Bond Counsel**”), Stradling Yocca Carlson & Rauth, a Professional Corporation, Disclosure Counsel (“**Disclosure Counsel**”), and the Underwriter, and to provide copies thereof to the Underwriter as set forth herein. The Community Facilities District hereby authorizes and requires the Underwriter to use and promptly distribute, in connection with the offer and sale of the Bonds, the Preliminary Official Statement, the Official Statement and any supplement or amendment thereto. The Community Facilities District further authorizes the Underwriter to use and distribute, in connection with the offer and sale of the Bonds, the Indenture, the Continuing Disclosure Certificate executed by the Community Facilities District in connection with the Bonds (the “**Continuing Disclosure Certificate**”), this Purchase Agreement and all information contained herein, and all other documents, certificates and statements furnished by or on behalf of the Community Facilities District to the Underwriter in connection with the transactions contemplated by this Purchase Agreement.

C. To assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the “**Rule**”), the Community Facilities District will undertake pursuant to the Continuing Disclosure Certificate, in the form attached to the Official Statement as an appendix, to provide annual reports and notices of certain enumerated events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement.

D. Except as the Underwriter and the Community Facilities District may otherwise agree, the Community Facilities District will deliver to the Underwriter, at the offices of Bond Counsel in Newport Beach, California, or at such other location as may be mutually agreed upon by the Underwriter and the Community Facilities District, the documents hereinafter mentioned; and the Community Facilities District will deliver to the Underwriter through the facilities of The Depository Trust Company (“**DTC**”), the Bonds, in definitive form (all Bonds bearing CUSIP numbers), duly executed by the Community Facilities District and authenticated by the Trustee in the manner provided for in the Indenture and the Community Facilities District Act at 8:00 a.m. California time, on _____, 2019 (the “**Closing Date**”), and the Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in paragraph (A) of this Section by wire transfer, payable in federal or other immediately available funds (such delivery and payment being herein referred to as the “**Closing**”). The Bonds shall be in fully registered book-entry form (which may be typewritten) and shall be registered in the name of Cede & Co., as nominee of DTC.

2. Representations, Warranties and Covenants of the Community Facilities District.
The Community Facilities District represents, warrants and covenants to the Underwriter on behalf of itself and the City that:

A. The City is duly organized and validly existing as a general law city under the Constitution and laws of the State of California (the “**State**”) and has duly authorized the formation of the Community Facilities District pursuant to resolutions duly adopted by the City Council (the “**Community Facilities District Formation Resolution**” and, together with the Community Facilities District Resolution of Issuance, the “**Community Facilities District Resolutions**”) and the Community Facilities District Act. The City Council, as the legislative body of the City and the Community Facilities District, has duly adopted the Community Facilities District Formation Resolution, and has caused to be recorded in the real property records of the County of Riverside, a notice of special tax lien (the “**Notice of Special Tax Lien**”) (the Community Facilities District Formation Resolution and Notice of Special Tax Lien being collectively referred to herein as the “**Formation Documents**”), and has duly adopted a Community Facilities District Resolution of Issuance. Each of the Formation Documents remains in full force and effect as of the date hereof and has not been amended. The Community Facilities District is duly organized and validly existing as a Community Facilities District under the laws of the State. The Community Facilities District has, and at the Closing Date will have, as the case may be, full legal right, power and authority: (i) to execute, deliver and perform its obligations under this Purchase Agreement, the Continuing Disclosure Certificate and the Indenture, and to carry out all transactions contemplated by each of such agreements; (ii) to issue, sell and deliver the Bonds as provided herein; and (iii) to carry out, give effect to and consummate the transactions contemplated by the Formation Documents, the Community Facilities District Resolution of Issuance, the Indenture, the Bonds, the Continuing Disclosure Certificate, this Purchase Agreement and the Official Statement.

This Purchase Agreement, the Indenture, the Bonds and the Continuing Disclosure Certificate are collectively referred to herein as the “**Community Facilities District Documents.**”

B. The Community Facilities District and the City, as applicable, have each complied, and will at the Closing Date be in compliance in all material respects, with the Formation Documents, the Community Facilities District Resolution of Issuance and the Community Facilities District Documents, and any immaterial noncompliance by the Community Facilities District and the City, if any, will not impair the ability of the Community Facilities District and the City, as applicable, to carry out, give effect to or consummate the transactions contemplated by the foregoing. From and after the date of issuance of the Bonds, the Community Facilities District will continue to comply with the covenants of the Community Facilities District contained in the Community Facilities District Documents.

C. The information in the Preliminary Official Statement and in the Official Statement relating to the Community Facilities District and the Bonds (other than statements pertaining to the book entry system, as to which no view is expressed), is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and, upon delivery and up to and including 25 days after the End of the Underwriting Period (as defined in paragraph (D) below), the Official Statement will be amended and supplemented so as to contain no misstatement of any material fact or omission of any statement necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading.

D. Up to and including 25 days after the End of the Underwriting Period (as defined below), the Community Facilities District will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Underwriter, which consent will not be unreasonably withheld. The Community Facilities District will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise materially affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds. As used herein, the term “End of the Underwriting Period” means the later of such time as: (i) the Bonds are delivered to the Underwriter; or (ii) the Underwriter does not retain, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Unless the Underwriter gives notice to the contrary, the End of the Underwriting Period shall be deemed to be the Closing Date. Any notice delivered pursuant to this provision shall be written notice delivered to the Community Facilities District at or prior to the Closing Date and shall specify a date (other than the Closing Date) to be deemed the “End of the Underwriting Period.”

E. Except as described in the Preliminary Official Statement, the Community Facilities District is not, in any respect material to the transactions referred to herein or contemplated hereby, in breach of or in default under, any law or administrative rule or regulation of the State, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the Community Facilities District is a party or is otherwise subject or bound, and the performance of its obligations under the Community Facilities District Documents and compliance with the provisions of each thereof, or the performance of the conditions precedent to be performed by the Community Facilities District pursuant to this Purchase Agreement, will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the Community Facilities District is a party or is otherwise subject or bound, in any manner which would materially and adversely affect the performance by the Community Facilities District of its obligations under the Community Facilities District Documents or the performance of the conditions precedent to be performed by the Community Facilities District pursuant to this Purchase Agreement.

F. Except as may be required under the “blue sky” or other securities laws of any jurisdiction, all approvals, consents, authorizations, elections and orders of, or filings or registrations with, any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to, or the absence of which would materially adversely affect, the performance by the Community Facilities District of its obligations under the Community Facilities District Documents, and the performance of the conditions precedent to be performed by the Community Facilities District pursuant to this Purchase Agreement, have been or will be obtained at the Closing Date and are or will be in full force and effect at the Closing Date.

G. The Community Facilities District Documents conform as to form and tenor to the descriptions thereof contained in the Official Statement.

H. The Bonds are payable from the Special Tax of the Community Facilities District to be levied within the Community Facilities District, as set forth in the Indenture, which levy has been duly and validly authorized pursuant to the Community Facilities District Act and the

Special Taxes to be levied within the Community Facilities District will be fixed and levied in an amount which, together with other available funds, is required for the payment of the principal of, and interest on, the Bonds when due and payable, all as provided in the Indenture. The Community Facilities District has covenanted to cause the Special Taxes to be levied as set forth in the Indenture.

I. The Indenture creates a valid pledge of, first lien upon and security interest in, the Net Taxes, and in the moneys in the Special Tax Fund (other than the Administrative Expense Fund) established pursuant to the Indenture, on the terms and conditions set forth in the Indenture.

J. Except as disclosed in the Preliminary Official Statement and Official Statement, there are, to the best of the Community Facilities District's knowledge, no entities with outstanding assessment liens against any of the properties within the Community Facilities District or which are senior to or on a parity with the pledge of the Special Taxes of the Community Facilities District referred to in paragraph (H) hereof.

K. The Official Statement as of the date hereof, does not, and as of the Closing Date, will not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (excluding statements therein pertaining to the DTC and its book-entry system and any information provided by the Special Tax Consultant (as such term is defined below) and the Underwriter, as to which no view is expressed).

L. The Preliminary Official Statement was deemed final by a duly authorized officer of the Community Facilities District prior to its delivery to the Underwriter, except for the omission of such information as is permitted to be omitted in accordance with paragraph (b)(1) of the Rule. The Community Facilities District hereby covenants and agrees that, within seven (7) business days from the date hereof, or upon reasonable written notice from the Underwriter within sufficient time to accompany any confirmation requesting payment from any customers of the Underwriter, the Community Facilities District shall cause a final printed form of the Official Statement to be delivered to the Underwriter in sufficient quantity to comply with paragraph (b)(4) of the Rule and Rules G-12, G-15, G-32 and G-36 of the Municipal Securities Rulemaking Board.

M. At the time of acceptance hereof there is and as of the Closing there will be no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body (collectively and individually, an "**Action**") pending (notice of which has been served on the Community Facilities District) or to the best knowledge of the Community Facilities District or the City threatened, in which any such Action: (i) in any way questions the existence of the Community Facilities District or the titles of the officers of the Community Facilities District to their respective offices; (ii) affects, contests or seeks to prohibit, restrain or enjoin the issuance or delivery of the Bonds or the payment or collection of Special Taxes or any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contests or affects the validity of the Community Facilities District Documents or the consummation of the transactions on the part of the Community Facilities District contemplated thereby; (iii) contests the exemption of interest on the Bonds from federal or State income taxation or contests the powers of the Community Facilities District which may result in any material adverse change relating to the financial condition of the Community Facilities District; or (iv) contests the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserts that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact

required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and as of the time of acceptance hereof there is and, as of the Closing Date, there will be no basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (i) through (iv) of this sentence.

N. Any certificate signed on behalf of the Community Facilities District by any officer or employee of the Community Facilities District authorized to do so shall be deemed a representation and warranty by the Community Facilities District to the Underwriter on behalf of itself and the Community Facilities District as to the statements made therein.

O. At or prior to the Closing, the Community Facilities District will have duly authorized, executed and delivered the Continuing Disclosure Certificate in substantially the form attached as an appendix to the Official Statement. Based upon a review of its previous undertakings, and except as disclosed in the Preliminary Official Statement, the Community Facilities District has not failed to comply in all respects with any previous undertakings with regard to the Rule to provide annual reports or notices of enumerated events in the last five years.

P. The Community Facilities District will apply the proceeds of the Bonds in accordance with the Indenture and as described in the Preliminary Official Statement and Official Statement.

Q. Until such time as moneys have been set aside in an amount sufficient to pay all then outstanding Bonds at maturity or to the date of redemption if redeemed prior to maturity, plus unpaid interest thereon and premium, if any, to maturity or to the date of redemption if redeemed prior to maturity, the Community Facilities District will faithfully perform and abide by all of the covenants, undertakings and provisions contained in the Indenture.

R. Between the date of this Purchase Agreement and the date of Closing, the Community Facilities District will not offer or issue any bonds, notes or other obligations for borrowed money not previously disclosed to the Underwriter.

The Community Facilities District hereby approves the preparation and distribution of the Official Statement, consisting of the Preliminary Official Statement with such changes as are noted thereon and as may be made thereto, with the approval of Bond Counsel, Disclosure Counsel and the Underwriter, from time to time prior to the Closing Date.

The Community Facilities District hereby ratifies any prior use of and authorizes the future use by the Underwriter, in connection with the offering and sale of the Bonds, of the Preliminary Official Statement, the Official Statement, this Purchase Agreement and all information contained herein, and all other documents, certificates and written statements furnished by the Community Facilities District to the Underwriter in connection with the transactions contemplated by this Purchase Agreement.

The execution and delivery of this Purchase Agreement by the Community Facilities District shall constitute a representation by the Community Facilities District to the Underwriter that the representations and warranties contained in this Section 2 with respect to the Community Facilities District are true as of the date hereof.

3. Conditions to the Obligations of the Underwriter. The obligation of the Underwriter to accept delivery of and pay for the Bonds on the Closing Date shall be subject, at the option of the Underwriter, to the accuracy in all material respects of the representations and warranties on the part of the Community Facilities District contained herein, to the accuracy in all material respects of the statements of the officers and other officials of the Community Facilities District made in any certificates or other documents furnished pursuant to the provisions hereof, to the performance by the Community Facilities District of their obligations to be performed hereunder at or prior to the Closing Date and to the following additional conditions:

A. At the Closing Date, the Community Facilities District Resolutions and the Community Facilities District Documents shall be in full force and effect, and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter, and there shall have been taken in connection therewith, with the issuance of the Bonds, and with the transactions contemplated thereby, all such actions as, in the opinion of Bond Counsel, shall be necessary and appropriate.

B. At the Closing Date, except as described in the Preliminary Official Statement, the City shall not be, in any respect material to the transactions referred to herein or contemplated hereby, in breach of or in default under, any law or administrative rule or regulation of the State, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the City is a party or is otherwise subject or bound, and the performance of the conditions precedent to be performed hereunder will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the City is a party or is otherwise subject or bound, in any manner which would materially and adversely affect the performance of the conditions precedent to be performed by the City hereunder.

C. At the Closing Date, except as described in the Preliminary Official Statement, the Community Facilities District shall not be, in any respect material to the transactions referred to herein or contemplated hereby, in breach of or in default under, any law or administrative rule or regulation of the State, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the Community Facilities District is a party or is otherwise subject or bound, and the performance by the Community Facilities District of its obligations under the Bonds, the Community Facilities District Resolutions, the Indenture, and any other instruments contemplated by any of such documents, and compliance with the provisions of each thereof, or the performance of the conditions precedent to be performed hereunder, will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the Community Facilities District is a party or is otherwise subject or bound, in any manner which would materially and adversely affect the performance by the Community Facilities District of its obligations under the Indenture, the Bonds or the performance of the conditions precedent to be performed by the Community Facilities District hereunder.

D. The information contained in the Official Statement is, as of the Closing Date and as of the date of any supplement or amendment thereto pursuant hereto, true and correct in all material respects and does not, as of the Closing Date or as of the date of any supplement or amendment thereto, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

E. Between the date hereof and the Closing Date, the market price or marketability, at the initial offering prices set forth on the cover page of the Official Statement, of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds, shall not have been materially adversely affected, in the judgment of the Underwriter (evidenced by a written notice to the Community Facilities District terminating the obligation of the Underwriter to accept delivery of and pay for the Bonds), by reason of any of the following:

1. Legislation introduced in or enacted (or resolution passed) by the Congress of the United States of America or recommended to the Congress by the President of the United States, the Department of the Treasury, the Internal Revenue Service, or any member of Congress, or favorably reported for passage to either House of Congress by any committee of such House to which such legislation had been referred for consideration, or a decision rendered by a court established under Article III of the Constitution of the United States of America or by the Tax Court of the United States of America, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice issued or made by or on behalf of the Treasury Department of the United States of America or the Internal Revenue Service, with the purpose or effect, directly or indirectly, of imposing federal income taxation upon such interest as would be received by any owners of the Bonds beyond the extent to which such interest is subject to taxation as of the date hereof; or

2. Legislation introduced in or enacted (or resolution passed) by the Congress or an order, decree or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission (the “SEC”), or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds, including any or all underlying arrangements, are not exempt from registration under or other requirements of the Securities Act of 1933, as amended (the “**Securities Act**”), or that the Indenture is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended (the “**Trust Indenture Act**”), or that the issuance, offering or sale of obligations of the general character of the Bonds, including any or all underlying arrangements, as contemplated hereby or by the Official Statement or otherwise is or would be in violation of the federal securities laws as amended and then in effect; or

3. A general suspension of trading on the New York Stock Exchange or other major exchange shall be in force, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the SEC or any other governmental authority having jurisdiction; or

4. The introduction, proposal or enactment of any amendment to the federal or State Constitution or any action by any federal or State court, legislative body, regulatory body or other authority materially adversely affecting the tax status of the Community Facilities

District, its property, income, securities (or interest thereon), the validity or enforceability of Special Taxes, or the ability of the Community Facilities District to issue the Bonds as contemplated by the Indenture and the Official Statement; or

5. Any event occurring, or information becoming known which, in the judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Preliminary Official Statement or in the Official Statement, or has the effect that the Preliminary Official Statement or the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; or

6. Any national securities exchange, the Comptroller of the Currency, or any other governmental authority, shall impose as to the Bonds, or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter; or

7. There shall have occurred (1) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war, (2) any other calamity or crisis in the financial markets of the United States or elsewhere, (3) the sovereign debt rating of the United States is downgraded by any major credit rating agency or a payment default occurs on United States Treasury obligations, or (4) a default with respect to the debt obligations of, or the institution of proceedings under any federal bankruptcy laws by or against, any state of the United States or any city, county or other political subdivision located in the United States having a population of over 500,000; or

8. Except as disclosed in or contemplated by the Official Statement, any material adverse change in the affairs of the City or Community Facilities District shall have occurred; or

9. Any event or circumstance shall exist that either makes untrue or incorrect in any material respect any statement or information in the Official Statement (other than any statement provided by the Underwriter) or is not reflected in the Official Statement but should be reflected therein in order to make the statements therein, in the light of the circumstances under which they were made, not misleading and, in either such event, the Community Facilities District refuses to permit the Official Statement to be supplemented to supply such statement or information, or the effect of the Official Statement as so supplemented is to materially adversely affect the market price or marketability of the Bonds or the ability of the Underwriters to enforce contracts for the sale of the Bonds; or

10. A general banking moratorium shall have been declared by federal or State authorities having jurisdiction and be in force; or

11. A material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred; or

12. Any new restriction on transactions in securities materially affecting the market for securities (including the imposition of any limitation on interest rates) or the extension of credit by, or a charge to the net capital requirements of, underwriters shall have been established

by the New York Stock Exchange, the SEC, any other federal or State agency or the Congress of the United States, or by Executive Order; or

13. A decision by a court of the United States shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Bonds, including the underlying obligations as contemplated by this Purchase Agreement or by the Official Statement, or any document relating to the issuance, offering or sale of the Bonds, is or would be in violation of any provision of the federal securities laws at the Closing Date, including the Securities Act, the Securities Exchange Act of 1934, as amended and the Trust Indenture Act; or

14. The marketability of the Bonds or the market price thereof, in the opinion of the Underwriter, has been materially and adversely affected by disruptive events, occurrences or conditions in the securities or debt markets; or

15. Any proceeding shall have been commenced or be threatened in writing by the SEC against the City or the Community Facilities District; or

16. The commencement of any Action as described in items (i) through (iv) of Section 2(M) hereof.

F. At or prior to the Closing Date, the Underwriter shall have received a counterpart original or certified copy of the following documents, in each case satisfactory in form and substance to the Underwriter:

1. The Official Statement, executed on behalf of the Community Facilities District by an authorized officer;

2. The Indenture, duly executed and delivered by the Community Facilities District and the Trustee;

3. The Community Facilities District Resolutions and the Community Facilities District Documents and the Formation Documents, together with a certificate dated as of the Closing Date of the City Clerk to the effect that the Community Facilities District Resolutions are true, correct and complete copies of the ones duly adopted by the City Council;

4. The Continuing Disclosure Certificate executed and delivered by the Community Facilities District;

5. An unqualified approving opinion of Bond Counsel for the Bonds, dated the Closing Date and addressed to the Community Facilities District, to the effect that the Bonds are the valid, legal and binding obligations of the Community Facilities District and that the interest thereon is excluded from gross income for federal income tax purposes and exempt from personal income taxes of the State, in substantially the form included as an appendix to the Official Statement, together with a letter of Bond Counsel, dated the Closing Date and addressed to the Underwriter, to the effect that such opinion addressed to the Community Facilities District may be relied upon by the Underwriter to the same extent as if such opinion was addressed to it;

6. A supplemental opinion or opinions of Bond Counsel, dated the Closing Date and addressed to the Underwriter, to the effect that:

(i) this Purchase Agreement and the Continuing Disclosure Certificate have been duly authorized, executed and delivered by the Community Facilities District and, assuming due authorization, execution and delivery by the other parties thereto, as applicable, constitute the legal, valid and binding agreement of the Community Facilities District and are enforceable in accordance with their terms, except to the extent that enforceability may be limited by moratorium, bankruptcy, reorganization, insolvency or other similar laws affecting creditors' rights generally or by the exercise of judicial discretion in accordance with general principles of equity or otherwise in appropriate cases and by limitations on legal remedies against public agencies in the State;

(ii) the Bonds are not subject to the registration requirements of the Securities Act, and the Indenture is exempt from qualification under the Trust Indenture Act;

(iii) the information contained in the Official Statement on the cover and under the captions "THE BONDS" (other than the caption "Debt Service Schedule"), "SOURCES OF PAYMENT FOR THE BONDS," "TAX MATTERS" and "LEGAL MATTERS" and in Appendices B and D to the Official Statement, are accurate insofar as such statements purport to summarize certain provisions of the Bonds, the Indenture and Bond Counsel's final approving opinion.

7. The letter of Disclosure Counsel, dated the Closing Date and addressed to the Community Facilities District and to the Underwriter, to the effect that, without having undertaken to determine independently the accuracy or completeness of the statements contained in the Official Statement, but on the basis of their participation in conferences with representatives of the Community Facilities District, the Special Tax Consultant and others, and their examination of certain documents, nothing has come to their attention which has led them to believe that the Official Statement as of its date and as of the Closing Date contained or contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except that no view be expressed with respect to: (i) the expressions of opinion, the assumptions, the projections, estimates and forecasts, the charts, the financial statements or other financial, numerical, economic, demographic or statistical data, or assessed valuations contained in the Official Statement; (ii) any CUSIP numbers or information relating thereto; (iii) any information with respect to The Depository Trust Company and its book-entry system; (iv) any information contained in the appendices to the Official Statement; (v) any information incorporated by reference into the Official Statement; (vi) any information with respect to the underwriter or underwriting matters with respect to the Bonds, including but not limited to information under the caption "UNDERWRITING"; and (vii) information under the caption "ABSENCE OF LITIGATION").

8. A certificate dated the Closing Date and signed by an authorized representative of the Community Facilities District or an authorized designee, on behalf of the Community Facilities District to the effect that: (i) the representations and warranties made by the Community Facilities District contained herein are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date; (ii) to the best knowledge of such officer, no event has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purpose for which it is to be used or which it is necessary to disclose

therein in order to make the statements and information therein not misleading in any material respect; and (iii) the Community Facilities District has complied with all the agreements and satisfied all the conditions on its part to be satisfied under this Purchase Agreement, the Community Facilities District Resolutions, the Community Facilities District Documents and the Official Statement at or prior to the Closing Date;

9. An opinion of the City Attorney of the City, dated the date of Closing and addressed to the Underwriter and the City, to the effect that:

(i) The City is a municipal corporation and general law city, duly organized and existing under the Constitution and laws of the State of California;

(ii) The Community Facilities District Resolutions have been duly adopted at meetings of the City Council, which were called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and the Community Facilities District Resolutions are in full force and effect and have not been modified, amended, rescinded or repealed since the respective dates of their adoption;

(iii) The Community Facilities District Documents and the Official Statement have been duly authorized, executed and delivered by the City and the Community Facilities District Documents constitute the legal, valid and binding obligations of the Community Facilities District enforceable against the Community Facilities District in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights, to the application of equitable principles where equitable remedies are sought and to the exercise of judicial discretion in appropriate cases;

(iv) Except as may be stated in the Official Statement, there is no action, suit, proceeding or investigation before or by any court, public board or body pending (notice of which has been served on the City or the Community Facilities District) or, to such counsel's knowledge, threatened wherein an unfavorable decision, ruling or finding would: (a) affect the creation, organization, existence or powers of the City, or the titles of its members and officers to their respective offices; or (b) affect the validity of the Community Facilities District Documents or restrain or enjoin the repayment of the Bonds or in any way contest or affect the validity of the Community Facilities District Documents or contest the authority of the Community Facilities District or the City to enter into or perform its obligations under any of the Community Facilities District Documents, questions the right of the Community Facilities District to use Special Taxes levied within the Community Facilities District for the repayment of the Bonds or affects in any manner the right or ability of the Community Facilities District to collect or pledge the Special Taxes levied within the Community Facilities District for the repayment of the Bonds;

10. A certificate dated the Closing Date from Webb Municipal Finance, LLC (the "**Special Tax Consultant**") addressed to the Community Facilities District and the Underwriter to the effect that: (i) the Special Tax if collected in the maximum amounts permitted pursuant to the Rate and Method of Apportionment of Special Taxes of the Community Facilities District as of the Closing Date would generate at least 110% of the annual debt service payable with respect to the Bonds plus budgeted administrative expenses in each year, based on such assumptions and qualifications as shall be acceptable to the Underwriter; and (ii) the statements in the Official Statement provided by the Special Tax Consultant concerning Special Taxes in the Community Facilities District and all information supplied by it for use in the Official Statement were as of the

date of the Official Statement and are as of the Closing Date true and correct, and do not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading;

11. Certified copies of the general resolution of the Trustee authorizing the execution and delivery of certain documents by certain officers of the Trustee, which resolution authorizes the execution of the Indenture and the authentication of the Bonds;

12. A certificate of the Trustee, addressed to the Underwriter, and the Community Facilities District dated the Closing Date, to the effect that: (i) the Trustee is authorized to carry out corporate trust powers, and have full power and authority to perform its duties under the Indenture; (ii) the Trustee is duly authorized to execute and deliver the Indenture, to accept the obligations created by the Indenture and to authenticate the Bonds pursuant to the terms of the Indenture; (iii) no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Trustee that has not been obtained is or will be required for the authentication of the Bonds or the consummation by the Trustee of the other transactions contemplated to be performed by the Trustee in connection with the authentication of the Bonds and the acceptance and performance of the obligations created by the Indenture; and (iv) to the best of its knowledge, compliance with the terms of the Indenture will not conflict with, or result in a violation or breach of, or constitute a default under, any loan agreement, indenture, bond, note, resolution or any other agreement or instrument to which the Trustee is a party or by which it is bound, or any law or any rule, regulation, order or decree of any court or governmental agency or body having jurisdiction over the Trustee or any of its activities or properties;

13. An opinion of counsel to the Trustee dated the Closing Date, addressed to the Underwriter, and the Community Facilities District to the effect that the Trustee is a national banking association duly organized and validly existing under the laws of the United States having full power and being qualified to enter into, accept and agree to the provisions of the Indenture, and that such documents have been duly authorized, executed and delivered by the Trustee, and, assuming due execution and delivery by the other parties thereto, constitutes the legal, valid and binding obligation of the Trustee, enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium and other laws affecting the enforcement of creditors' rights in general and except as such enforceability may be limited by the application of equitable principles if equitable remedies are sought;

14. A certificate of the Community Facilities District dated the Closing Date, in a form acceptable to Bond Counsel and the Underwriter, that the Bonds are not arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended;

15. A certificate of K. Hovnanian's Four Seasons at Beaumont, LLC (the "**Developer**"), dated the date of the Preliminary Official Statement, in a form acceptable to Bond Counsel and the Underwriter, that the information in the Preliminary Official Statement relating to the Developer does not contain any untrue statement of a material fact and does not omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

16. A certificate of the Developer dated the Closing Date, in a form acceptable to Bond Counsel and the Underwriter, that the information in the Official Statement relating to the Developer, did not, as of the date of the Official Statement, and as of the Closing Date,

does not contain any untrue statement of a material fact, and did not, as of the date of the Official Statement, and as of the Closing Date, does not omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

17. An opinion of counsel to the Developer, dated the date of Closing and addressed to the Community Facilities District and Underwriter in form and substance acceptable to the Community Facilities District and Underwriter

18. An opinion of Kutak Rock LLP, counsel to the Underwriter (“**Underwriter’s Counsel**”), dated the date of Closing and addressed to the Underwriter in form and substance acceptable to the Underwriter;

19. A certificate in form and substance as set forth in Exhibit C hereto of Integra Realty Resources, Rocklin, California, the appraiser of the property within the Community Facilities District, dated as of the Closing Date; and

20. Such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the material representations and warranties of the Community Facilities District contained herein, and of the statements and information contained in the Official Statement and the due performance or satisfaction by the Community Facilities District at or prior to the Closing of all agreements then to be performed and all conditions then to be satisfied by the Community Facilities District in connection with the transactions contemplated hereby and by the Indenture and the Official Statement.

If the Community Facilities District shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, accept delivery of and pay for the Bonds contained in this Purchase Agreement, or if the obligations of the Underwriter to purchase, accept delivery of and pay for the Bonds shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and neither the Community Facilities District nor the Underwriter shall be under any further obligation hereunder, except that the respective obligations of the Underwriter and the Community Facilities District set forth in Section 5 hereof shall continue in full force and effect.

4. Establishment of Issue Price.

A. The Underwriter agrees to assist the Community Facilities District in establishing the issue price of the Bonds and shall execute and deliver to the Community Facilities District at Closing an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Community Facilities District and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. All actions to be taken by the Community Facilities District under this section to establish the issue price of the Bonds may be taken on behalf of the Community Facilities District by the Community Facilities District’s Municipal Advisor identified herein and any notice or report to be provided to the Community Facilities District may be provided to the Community Facilities District’s Municipal Advisor.

B. Except as otherwise set forth in Exhibit A attached hereto, the Community Facilities District will treat the first price at which 10% of each maturity of the Bonds (the “**10% test**”), identified under the column “10% Test Used” in Exhibit A, is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Purchase Agreement, the Underwriter shall report to the Community Facilities District the price or prices at which it has sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Underwriter agrees to promptly report to the Community Facilities District the prices at which it sells the unsold Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold to the public.

C. The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Purchase Agreement at the offering price or prices (the “**initial offering price**”), or at the corresponding yield or yields, set forth in Exhibit A attached hereto. Exhibit A also sets forth, identified under the column “Hold the Offering Price Rule Used,” as of the date of this Purchase Agreement, the maturities, if any, of the Bonds for which the Underwriter represents that (i) the 10% test has been satisfied (assuming orders are confirmed by the close of the business day immediately following the date of this Purchase Agreement) and (ii) the 10% test has not been satisfied and for which the Community Facilities District and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Community Facilities District to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “**hold-the-offering-price rule**”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter shall promptly advise the Community Facilities District when it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

D. The Underwriter confirms that:

(i) any selling group agreement and any third-party distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(i) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the

Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

(B) to promptly notify the Underwriter of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(ii) any selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

E. The Community Facilities District acknowledges that, in making the representation set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires.

F. The Underwriter acknowledges that sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) “public” means any person other than an underwriter or a related party;

(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Community Facilities District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a

selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public);

(iii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

(iv) “sale date” means the date of execution of this Purchase Agreement by all parties.

5. Expenses. Whether or not the transactions contemplated by this Purchase Agreement are consummated, the Underwriter shall be under no obligation to pay, and the Community Facilities District shall pay only from the proceeds of the Bonds, or any other legally available funds of the City, or the Community Facilities District, but only as the Community Facilities District and such other party providing such services may agree, all expenses and costs of the Community Facilities District incident to the performance of its obligations in connection with the authorization, execution, sale and delivery of the Bonds to the Underwriter, including, without limitation, printing costs, initial fees of the Trustee, including fees and disbursements of their counsel, if any, fees and disbursements of Bond Counsel, Disclosure Counsel and other professional advisors employed by the City, costs of preparation, printing, signing, transportation, delivery and safekeeping of the Bonds and for expenses (included in the expense component of the spread) incurred by the Underwriter on behalf of the City’s employees which are incidental to implementing this Purchase Agreement, including, but not limited to, meals, transportation, lodging, and entertainment of those employees. The Underwriter shall pay all out-of-pocket expenses of the Underwriter, including, without limitation, advertising expenses, the California Debt and Investment Advisory Commission fee, CUSIP Services Bureau charges, regulatory fees imposed on new securities issuers and any and all other expenses incurred by the Underwriter in connection with the public offering and distribution of the Bonds, including fees and disbursements of Underwriter’s Counsel. Any meals in connection with or adjacent to meetings, rating agency presentations, pricing activities or other transaction-related activities shall be considered an expense of the transaction and included in the expense component of the Underwriter’s discount.

6. Notices. Any notice of other communication to be given to the Community Facilities District under this Purchase Agreement may be given by delivering the same in writing to the City of Beaumont, 550 East 6th Street, Beaumont, California 92223, Attention: City Manager; any notice or other communication to be given to the Underwriter under this Purchase Agreement may be given by delivering the same in writing to Stifel, Nicolaus & Company, Incorporated, 515 South Figueroa Street, Suite 1800, Los Angeles, California 90071, Attention: Public Finance.

7. Parties In Interest. This Purchase Agreement is made solely for the benefit of the Community Facilities District and Underwriter (including any successors or assignees of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof.

8. Survival of Representations and Warranties. The representations and warranties of the Community Facilities District under this Purchase Agreement shall remain operative and in full force and effect, regardless of any investigations made by or on behalf of the Underwriter and shall survive the delivery and payment for the Bonds and the termination of this Purchase Agreement.

9. Execution in Counterparts. This Purchase Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

10. Effective. This Purchase Agreement shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by the Community Facilities District and shall be valid and enforceable as of the time of such acceptance.

11. No Prior Agreements. This Purchase Agreement supersedes and replaces all prior negotiations, agreements and understanding among the parties hereto in relation to the sale of the Bonds by the Community Facilities District.

12. Governing Law. This Purchase Agreement shall be governed by the laws of the State of California.

13. Effective Date. This Purchase Agreement shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by the Community Facilities District and shall be valid and enforceable as of the time of such acceptance.

Very truly yours,

**STIFEL, NICOLAUS & COMPANY,
INCORPORATED,** as Underwriter

By: _____
Managing Director

The foregoing is hereby agreed to and accepted as of the date first above written:

**CITY OF BEAUMONT COMMUNITY
FACILITIES DISTRICT NO. 2016-4**

By: _____
Authorized Officer

Time of Execution: _____ p.m. California time

[EXECUTION PAGE OF BOND PURCHASE AGREEMENT]

EXHIBIT A

\$ _____
CITY OF BEAUMONT
COMMUNITY FACILITIES DISTRICT NO. 2016-4
2019 SPECIAL TAX BONDS

Maturity (September 1)	Principal Amount	Interest Rate	Yield	Price	10% Test Satisfied*	10% Test Not Satisfied	Subject to Hold-The- Offering- Price Rule
2020							
2021							
2022							
2023							
2024							
2025							
2026							
2027							
2028							
2029							
2030							
2031							
2032							
2033							
2034							
2035							
2036							
2037							
2038							
2039							
20__ ^(T)							
20__ ^(T)							

^(T) Term Bond.

^(C) Priced to optional call at [par] on September 1, 20__.

* At the time of execution of this Purchase Agreement and assuming orders are confirmed by the close of the business day immediately following the date of this Purchase Agreement.

EXHIBIT B**FORM OF ISSUE PRICE CERTIFICATE**

§ _____
CITY OF BEAUMONT
COMMUNITY FACILITIES DISTRICT NO. 2016-4
2019 SPECIAL TAX BONDS

The undersigned, on behalf of Stifel, Nicolaus & Company, Incorporated (“Stifel”) hereby certifies as set forth below with respect to the sale and issuance of the above-captioned bonds (the “Bonds”).

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***Defined Terms.***

(a) ***General Rule Maturities*** means those Maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities.”

(b) ***Issuer*** means the City of Beaumont Community Facilities District No. 2016-4.

(c) ***Maturity*** means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(d) ***Public*** means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(e) ***Underwriter*** means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Stifel’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Stradling Yocca Carlson & Rauth, a Professional Corporation in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal

Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds. Except as expressly set forth above, the certifications set forth herein may not be relied upon or used by any third party or for any other purpose.

**STIFEL, NICOLAUS & COMPANY,
INCORPORATED**

By: _____

Name: _____

Dated: [Closing Date]

SCHEDULE A

SALE PRICES OF THE GENERAL RULE MATURITIES

(To be attached)

EXHIBIT C

**CITY OF BEAUMONT
COMMUNITY FACILITIES DISTRICT NO. 2016-4
2019 SPECIAL TAX BONDS**

CERTIFICATE OF APPRAISER

The undersigned hereby states and certifies:

1. That he or she is an authorized principal of Integra Realty Resources, Rocklin, California (the “Appraiser”) and as such is familiar with the facts herein certified and is authorized and qualified to certify the same.

2. That the Appraiser has prepared an appraisal report dated September 9, 2019, with a date of value of September 1, 2019 (the “Appraisal Report”), of the City of Beaumont Community Facilities District No. 2016-4 (the “Community Facilities District”) and in connection with the Official Statement dated _____, 2019 (“Official Statement”), concerning the City of Beaumont Community Facilities District No. 2016-4 2019 Special Tax Bonds (the “Bonds”).

3. That the Appraiser hereby consents to the reproduction and use of the Appraisal Report appended to the Preliminary Official Statement and the Official Statement. The Appraiser also consents to the references to the Appraiser and the Appraisal made in the Preliminary Official Statement and the Official Statement.

4. In the opinion of the Appraiser the assumptions made in the Appraisal Report are reasonable.

5. That the Official Statement has been reviewed on behalf of the Appraiser and to the best knowledge of the Appraiser the statements concerning the Appraisal Report and the value of the property contained under the captions “INTRODUCTION – Appraisal Report,” “THE COMMUNITY FACILITIES DISTRICT –Appraisal Report,” and “APPENDIX H – APPRAISAL REPORT” are true, correct and complete in all material respects and do not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

6. Each of the parcels appraised by the Appraiser is encompassed within the Community Facilities District as set forth in the boundary map of the Community Facilities District.

7. That, as of the date of the Official Statement and as of the date hereof, the Appraisal Report appended to the Official Statement, to the best of my knowledge and belief, and subject to all of the Limiting Conditions and Major Assumptions set forth in the Appraisal Report, does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading, and no events or occurrences have been ascertained by us or have come to our attention that would substantially change the estimated values stated in the Appraisal Report. However, we have not performed any procedures since the date of the Appraisal Report to obtain knowledge of such events or occurrences nor are we obligated to do so in the future.

8. The Community Facilities District and Stifel, Nicolaus & Company, Incorporated, as underwriter, are entitled to rely on the Certificate.

Dated: [Closing Date]

INTEGRA REALTY RESOURCES

By: _____

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate dated November __, 2019 (the “Disclosure Certificate”) is executed and delivered by City of Beaumont Community Facilities District No. 2016-4 (the “District”) in connection with the issuance and delivery by the District of its \$_____ 2019 Special Tax Bonds (the “Bonds”). The Bonds are being issued pursuant to a resolution adopted on October 15, 2019, by the City Council of the City of Beaumont, acting as the legislative body of the District, and the Bond Indenture dated as of November 1, 2019, by and between the District and Wilmington Trust, National Association, as trustee. The District covenants as follows:

Section 1. Purpose of the Disclosure Agreement. This Disclosure Certificate is being executed and delivered by the District for the benefit of the Owners and Beneficial Owners of the Bonds and in order to assist the Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission.

Section 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the District pursuant to, and as described in, Section 3 and 4 of this Disclosure Certificate.

“Beneficial Owner” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income purposes.

“City” means the City of Beaumont.

“Disclosure Representative” shall mean the City Manager, or his or her designee, or such other officer or employee as the District shall designate in writing to the Dissemination Agent from time to time.

“Dissemination Agent” shall mean, initially, WEBB Municipal Finance, LLC, or any successor Dissemination Agent designated in writing by the District and which has filed with the then current Dissemination Agent a written acceptance of such designation.

“District” shall mean City of Beaumont Community Facilities District No. 2016-4.

“EMMA” shall mean the Electronic Municipal Market Access system of the MSRB.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board and any successor entity designated under the Rule as the repository for filings made pursuant to the Rule.

“Official Statement” shall mean that certain Official Statement for the Bonds dated October __, 2019.

“Owners” shall mean the registered owners of the Bonds as set forth in the registration books maintained by the Trustee.

“Repository” shall mean the MSRB or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Unless otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the EMMA website of the MSRB, currently located at <http://emma.msrb.org>.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State” shall mean the State of California.

“Trustee” means Wilmington Trust, National Association or such other entity appointed by the District pursuant to the Indenture to act as the trustee under the Indenture.

“Underwriter” shall mean any underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

Section 3. Provision of Annual Reports.

(a) The District shall, or, if the Dissemination Agent is other than the District, upon written direction shall cause the Dissemination Agent to, not later than February 10 after the end of the District’s Fiscal Year (June 30) commencing with the report due by February 10, 2020, provide to the Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate; provided, however, that the report due by February 10, 2020 shall consist only of the Official Statement and the audited financial statements for the fiscal year ending June 30, 2019. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the City, if any exist, may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the District’s fiscal year changes, the District shall give notice of such change in the same manner as for a Listed Event under Section 5(d).

(b) In the event that the Dissemination Agent is an entity other than the District, then the provisions of this Section 3(b) shall apply. Not later than fifteen (15) Business Days prior to the date specified in subsection (a) for providing the Annual Report, the District shall provide the Annual Report to the Dissemination Agent. If by fifteen (15) Business Days prior to the due date for an Annual Report the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the District to determine if the District will be filing the Annual Report in compliance with subsection (a). The District shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by it hereunder. The Dissemination Agent may conclusively rely upon such certification of the District and shall have no duty or obligation to review such Annual Report.

(c) If the Dissemination Agent is unable to verify that an Annual Report has been provided to EMMA by the date required in subsection (a), the Dissemination Agent shall send, in a timely manner, a notice to EMMA, in the form required by EMMA.

(d) If the Dissemination Agent is other than the District, the Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of the repository if other than the MSRB through EMMA; and

(ii) promptly after receipt of the Annual Report, file a report with the District certifying that the Annual Report has been provided to EMMA and the date it was provided.

(e) Notwithstanding any other provision of this Disclosure Certificate, all filings shall be made in accordance with the MSRB's EMMA system or in another manner approved under the Rule.

Section 4. Content of Annual Reports. The District's first Annual Report shall consist solely of the Official Statement. Thereafter, the Annual Report shall contain or include by reference the following:

(a) Financial Statements. The audited financial statements of the City for the prior fiscal year, if any have been prepared and which, if prepared, shall be prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board; provided, however, that the City may, from time to time, if required by federal or state legal requirements, modify the basis upon which its financial statements are prepared. In the event that the City shall modify the basis upon which its financial statements are prepared, the District shall provide the information referenced in Section 8 below regarding such modification. If the City is preparing audited financial statements and such audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Financial and Operating Data. The Annual Report shall contain or incorporate by reference the following:

(i) the principal amount of the Bonds outstanding as of the September 2 preceding the filing of the Annual Report;

(ii) the balance in each fund under the Indenture and the Reserve Requirement as of the September 30 preceding the filing of the Annual Report;

(iii) any changes to the Rate and Method of Apportionment of the Special Taxes approved or submitted to the qualified electors of the District for approval prior to the filing of the Annual Report;

(iv) an update of the estimated assessed value-to-lien ratio for the District substantially in the form of Table 3 in the Official Statement based upon the most recent Special Tax levy preceding the date of the Annual Report and on the assessed values of property for the current fiscal year;

(v) the status of any foreclosure actions being pursued by the District with respect to delinquent Special Taxes;

(vi) a statement whether the District has been included in the County of Riverside's Teeter Plan;

(vii) a description of the collection and delinquency rate of Special Taxes in the District for the Fiscal Year then ended; and

(viii) any information not already included under (i) through (vii) above that the District is required to file in its annual report pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended, with the California Debt and Investment Advisory Commission.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which have been submitted to EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB through EMMA. The District shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the District shall give, or cause the Dissemination Agent to give, notice filed with the Repository of the occurrence of any of the following events with respect to the Bonds in a timely manner not more than ten (10) business days after the event:

1. principal and interest payment delinquencies;
2. unscheduled draws on debt service reserves reflecting financial difficulties;
3. unscheduled draws on credit enhancements reflecting financial difficulties;
4. substitution of credit or liquidity providers, or their failure to perform;
5. adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability or of a Notice of Proposed Issue (IRS Form 5701-TEB);
6. tender offers;
7. defeasances;
8. ratings changes; and
9. bankruptcy, insolvency, receivership or similar proceedings.

Note: for the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S.

Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

10. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(b) Pursuant to the provisions of this Section 5, the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

1. unless described in paragraph 5(a)(5) above, notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
2. the consummation of a merger, consolidation or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
3. appointment of a successor or additional paying agent or the change of the name of a paying agent;
4. nonpayment related defaults;
5. modifications to the rights of Owners of the Bonds;
6. bond calls
7. release, substitution or sale of property securing repayment of the Bonds; and
8. incurrence of a financial obligation of the obligated person, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(c) Upon the occurrence of a Listed Event under Section 5(b) above, the District shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If the District determines that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, the District shall file a notice of such occurrence with the Repository in a timely manner not more than 10 business days after the event.

(e) The District hereby agrees that the undertaking set forth in this Disclosure Certificate is the responsibility of the District and that the Dissemination Agent, if other than the District, shall not be responsible for determining whether the District's instructions to the Dissemination Agent under this Section 5 comply with the requirements of the Rule.

(f) For purposes of the events identified in subparagraphs (a)(10) and (b)(8) under this Section 5, the term "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule and a continuing disclosure undertaking has been entered into.

Section 6. Termination of Reporting Obligation. The District's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

Section 7. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be WEBB Municipal Finance, LLC. The Dissemination Agent, if other than the District, shall not be responsible in any manner for the content of any notice or report prepared by the District pursuant to this Disclosure Certificate. If at any time there is not any other designated Dissemination Agent, the Trustee shall be the Dissemination Agent. The initial Dissemination Agent shall be the District. The Dissemination Agent may resign by providing thirty (30) days written notice to the District and the Trustee.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver is related to the provisions of Sections 3(a), 4, or 5, it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking hereunder, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Owners of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Owners or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the District shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating

data being presented by the District. In addition, if the amendment related to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(a), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the formed accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the District shall have no obligation under this Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the District to comply with any provision of this Disclosure Certificate, the Trustee at the written direction of any Underwriter or the Owners of at least 25% aggregate principal amount of Outstanding Bonds, shall, or any Owner or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Certificate, but only to the extent funds have been provided to it or it has been otherwise indemnified to its satisfaction from any cost, liability, expense or additional charges of the Trustee whatsoever, including, without limitation, fees and expenses of its attorney. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. Where an entity other than the District is acting as the Dissemination Agent, the Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the District agrees to indemnify and save the Dissemination Agent and its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of their powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the District under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 12. Notices. Any notices or communications to or among any of the parties to this Disclosure Certificate may be given as follows:

District:	City of Beaumont Community Facilities District No. 2016-4 55 East Sixth Street Beaumont, CA 92223 Attn: City Manager
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Underwriter: Stifel, Nicolaus & Company, Incorporated
515 South Figueroa Street, Suite 1800
Los Angeles, CA 90071
Attn: Public Finance

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notice or communications should be sent.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Trustee, the Dissemination Agent, the Underwriter and Owners and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

This Disclosure Certificate is executed as of the date and year first set forth above.

CITY OF BEAUMONT COMMUNITY FACILITIES
DISTRICT NO. 2016-4

By: _____
Disclosure Representative

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER __, 2019

NEW ISSUE—BOOK-ENTRY-ONLY

NO RATING

In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, Bond Counsel, subject to certain qualifications described in the Official Statement, under existing statutes, regulations, rules and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described in the Official Statement, the interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. In the further opinion of Bond Counsel, such interest is exempt from State of California personal income tax. See "TAX MATTERS" herein.

\$4,285,000*
CITY OF BEAUMONT
COMMUNITY FACILITIES DISTRICT NO. 2016-4
2019 SPECIAL TAX BONDS

Dated: Delivery Date

Due: September 1, as shown on the inside cover page

This Official Statement describes bonds that are being issued by the City of Beaumont Community Facilities District No. 2016-4 (the "District"). The City of Beaumont Community Facilities District No. 2016-4 2019 Special Tax Bonds (the "Bonds") are being issued by the District to: (a) pay the cost and expense of the acquisition and construction of certain public facilities in connection with the development of the District; (b) fund a reserve account securing the Bonds; and (c) pay costs of issuance of the Bonds.

The Bonds are authorized to be issued pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (Sections 53311 *et seq.* of the Government Code of the State of California), and pursuant to a resolution adopted by the City Council of the City of Beaumont (the "City"), acting as the legislative body of the District, and a Bond Indenture, dated as of November 1, 2019 (the "Indenture"), by and between the District and Wilmington Trust, National Association, as trustee (the "Trustee").

The Bonds are limited obligations of the District and are payable solely from revenues derived from certain annual Special Taxes (as defined herein) to be levied on and collected from the owners of parcels within the District subject to the Special Taxes and from certain other funds pledged under the Indenture, all as further described herein. The Special Taxes are to be levied according to the rate and method of apportionment approved by the City Council of the City and the qualified electors within the District. See "SOURCES OF PAYMENT FOR THE BONDS—Special Taxes." The City Council of the City is the legislative body of the District.

The Bonds are issuable in fully registered form and when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Individual purchases of the Bonds may be made in principal amounts of \$5,000 and integral multiples thereof and will be in book-entry form only. Purchasers of Bonds will not receive certificates representing their beneficial ownership of the Bonds but will receive credit balances on the books of their respective nominees. Interest on the Bonds will be payable semiannually on each March 1 and September 1, commencing March 1, 2020. The Bonds will not be transferable or exchangeable except for transfer to another nominee of DTC or as otherwise described herein. Principal of and interest on the Bonds will be paid by the Trustee to DTC for subsequent disbursement to DTC Participants who will remit such payments to the beneficial owners of the Bonds. See "THE BONDS—General Provisions" and APPENDIX F—"BOOK-ENTRY ONLY SYSTEM" herein.

NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE DISTRICT, THE CITY, THE COUNTY OF RIVERSIDE, THE STATE OF CALIFORNIA, OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE BONDS. EXCEPT FOR THE NET TAXES, NO OTHER REVENUES OR TAXES ARE PLEDGED TO THE PAYMENT OF THE BONDS. THE BONDS ARE NOT GENERAL OR SPECIAL OBLIGATIONS OF THE CITY OR GENERAL OBLIGATIONS OF THE DISTRICT BUT ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY FROM NET TAXES TO BE LEVIED IN THE DISTRICT AND CERTAIN OTHER AMOUNTS HELD UNDER THE BOND INDENTURE AS MORE FULLY DESCRIBED HEREIN.

The Bonds are subject to redemption prior to maturity as set forth herein. See "THE BONDS—Redemption" herein.

THE BONDS ARE NOT RATED BY ANY RATING AGENCY, AND INVESTMENT IN THE BONDS INVOLVES SIGNIFICANT RISKS THAT ARE NOT APPROPRIATE FOR CERTAIN INVESTORS. CERTAIN EVENTS COULD AFFECT THE ABILITY OF THE DISTRICT TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS WHEN DUE. SEE THE SECTION OF THIS OFFICIAL STATEMENT ENTITLED "SPECIAL RISK FACTORS" FOR A DISCUSSION OF CERTAIN RISK FACTORS THAT SHOULD BE CONSIDERED, IN ADDITION TO THE OTHER MATTERS SET FORTH HEREIN, IN EVALUATING THE INVESTMENT QUALITY OF THE BONDS.

This cover page contains certain information for general reference only. It is not intended to be a summary of the security or terms of this issue. Investors are advised to read the entire Official Statement to obtain information essential to the making of an informed investment decision.

MATURITY SCHEDULE
(See Inside Cover Page)

The Bonds are offered when, as and if issued and accepted by the Underwriter, subject to approval as to their legality by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, Bond Counsel, and subject to certain other conditions. Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California is serving as Disclosure Counsel to the District with respect to the Bonds. Certain legal matters will be passed on for the City and the District by Slovak, Baron, Empey, Murphy & Pinkney LLP, Palm Springs, California, and for the Underwriter by its counsel, Kutak Rock LLP, Irvine, California. It is anticipated that the Bonds in book-entry form will be available for delivery through the facilities of DTC on or about November __, 2019.

[STIFEL LOGO]

Dated: October __, 2019

* Preliminary, subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold, nor may offers to buy them be accepted, prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

\$4,285,000*
CITY OF BEAUMONT
COMMUNITY FACILITIES DISTRICT NO. 2016-4
2019 SPECIAL TAX BONDS

MATURITY SCHEDULE

Base CUSIP No.† 074434

Serial Bonds

<i>Maturity Date</i> <i>(September 1)</i>	<i>Principal</i> <i>Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Price</i>	<i>CUSIP No.†</i>
	\$	%	%		

Term Bonds

\$ _____ % Term Bonds due September 1, 20___, Yield: _____ % Price: _____ CUSIP No.† _____
 \$ _____ % Term Bonds due September 1, 20___, Yield: _____ % Price: _____ CUSIP No.† _____

* Preliminary, subject to change.

† CUSIP® Copyright 2019, American Bankers Association. CUSIP® data in this Official Statement is provided by CUSIP Global Services, managed by S&P Capital IQ on behalf of the American Bankers' Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Service. None of the City, the District or the Underwriter or its counsel takes any responsibility for the accuracy of CUSIP data in this Official Statement. The CUSIP® number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

**CITY OF BEAUMONT
COUNTY OF RIVERSIDE**

**CITY COUNCIL
Serving as the Legislative Body of
City of Beaumont Community Facilities District No. 2016-4**

Julio Martinez III, Mayor
Rey Santos, Mayor Pro Tem
Nancy Carroll
Mike Lara
Lloyd White

CITY OFFICIALS

Todd Parton, City Manager
Kristine Day, Assistant City Manager
Steven Mehlman, City Clerk
John Pinkney, City Attorney

BOND COUNSEL AND DISCLOSURE COUNSEL

Stradling Yocca Carlson & Rauth,
a Professional Corporation,
Newport Beach, California

MUNICIPAL ADVISOR

Urban Futures, Inc.
Tustin, California

SPECIAL TAX CONSULTANT

Webb Municipal Finance, LLC
Riverside, California

REAL ESTATE APPRAISER

Integra Realty Resources
Rocklin, California

TRUSTEE

Wilmington Trust, National Association
Costa Mesa, California

Except where otherwise indicated, all information contained in this Official Statement has been provided by the City and the District. No dealer, broker, salesperson or other person has been authorized by the City, the District, the Trustee or the Underwriter to give any information or to make any representations in connection with the offer or sale of the Bonds other than those contained in this Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the City, the District, the Trustee or the Underwriter. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers or owners of the Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described in this Official Statement, are intended solely as such and are not to be construed as representations of fact. This Official Statement, including any supplement or amendment to this Official Statement, is intended to be deposited with the Electronic Municipal Market Access System of the Municipal Securities Rulemaking Board, which can be found at www.emma.msrb.org.

The information set forth in this Official Statement which has been obtained from third party sources is believed to be reliable, but such information is not guaranteed as to accuracy or completeness by the City or the District. The information and expressions of opinion in this Official Statement are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City or the District or any other parties described in this Official Statement since the date of this Official Statement. All summaries of the Indenture or other documents are made subject to the provisions of such documents respectively and do not purport to be complete statements of any or all of such provisions. Reference is made by this Official Statement to such documents on file with the City for further information. While the City maintains an internet website for various purposes, none of the information on that website is incorporated by reference herein or intended to assist investors in making any investment decision or to provide any continuing information with respect to the Bonds or any other bonds or obligations of the City. Any such information that is inconsistent with the information set forth in this Official Statement should be disregarded.

The Underwriter has provided the following sentence for inclusion in this Official Statement:

The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Certain statements included or incorporated by reference in this Official Statement constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “project,” “budget” or other similar words. Such forward-looking statements include, but are not limited to, certain statements contained in the information under the caption “THE COMMUNITY FACILITIES DISTRICT.”

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE CITY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THE FORWARD-LOOKING STATEMENTS SET FORTH IN THIS OFFICIAL STATEMENT.

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF SUCH BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXEMPTION CONTAINED IN SUCH ACT. THE BONDS HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE.

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[INSERT LOCATION MAP HERE]

[INSERT REGIONAL MAP HERE]

[INSERT AERIAL PHOTO HERE]

\$4,285,000*
CITY OF BEAUMONT
COMMUNITY FACILITIES DISTRICT NO. 2016-4
2019 SPECIAL TAX BONDS

INTRODUCTION

The purpose of this Official Statement, which includes the cover page, the table of contents and the appendices (collectively, the “Official Statement”), is to provide certain information concerning the issuance by the City of Beaumont Community Facilities District No. 2016-4 (the “District”) of its 2019 Special Tax Bonds (the “Bonds”) in the aggregate principal amount of \$4,285,000*. The proceeds of the Bonds will be used to: (a) pay the cost and expense of the acquisition and construction of certain public facilities required in connection with the development of the District; (b) fund a reserve account securing the Bonds; and (c) pay costs of issuance of the Bonds. See “ESTIMATED SOURCES AND USES OF FUNDS.”

The Bonds are authorized to be issued pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (Section 53311 *et seq.* of the Government Code of the State of California) (the “Act”), and pursuant to a resolution adopted by the City Council of the City of Beaumont (the “City Council”), acting as the legislative body of the District, on June 18, 2019 and a Bond Indenture dated as of November 1, 2019 (the “Indenture”), by and between the District and Wilmington Trust, National Association, as trustee (the “Trustee”).

The Bonds are secured under the Indenture by a pledge of and lien upon Net Taxes (as defined herein) levied on parcels within the District and all moneys in the Special Tax Fund as described in the Indenture. See “SOURCES OF PAYMENT FOR THE BONDS.”

The Bonds are being issued and delivered pursuant to the provisions of the Act and the Indenture. The Bonds are being sold pursuant to a Bond Purchase Agreement between the Underwriter (defined below) and the District. For more complete information, see “THE BONDS—General Provisions” and “UNDERWRITING” herein.

This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement and the documents summarized or described herein. A full review should be made of the entire Official Statement. The sale and delivery of Bonds to potential investors is made only by means of the entire Official Statement. All capitalized terms used in this Official Statement and not defined shall have the meaning set forth in APPENDIX D—“SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE—DEFINITIONS” herein.

The District

General. The District is located in the southeast portion of the City of Beaumont (the “City”) and is bounded by Breckenridge Avenue to the south, Eagles Nest Drive to the north and Highland Springs Avenue to the east. K. Hovnanian’s Four Seasons at Beaumont, LLC (the “Developer”) is developing the land within the District into a residential development of 346 single family detached homes within the master planned community known as “K. Hovnanian’s Four Seasons” in the City of Beaumont (“Master Development”). The Master Development is a gated community planned for approximately 1,857 dwelling units for active adults of age 55 and older. As of September 1, 2019, four of the five development phases are sold out. The property in the District consists of the final development phase within the Master Development.

* Preliminary, subject to change

As of September 1, 2019, the date of value of the Appraisal Report (defined herein), of the 346 single family units planned within the District, 312 had been completed and conveyed to individual homeowners, 12 units had been completed and were owned by the Developer, and 22 units were in various stages of construction. As of September 1, 2019, all 346 lots had building permits pulled and will be classified and levied against as Developed Property beginning in Fiscal Year 2020-21. No parcel has prepaid its Special Tax obligation to date; accordingly, all residential parcels will be subject to the Special Tax levy going forward, subject to future Special Tax prepayments, if any. See the caption “PROPERTY OWNERSHIP AND THE DEVELOPMENT” for more information regarding the Developer and development within the District.

Formation Proceedings. The District was formed by the City pursuant to the Act and constitutes a governmental entity separate and apart from the City. The Act was enacted by the California legislature to provide an alternative method of financing certain public capital facilities and services, especially in developing areas of the State. Any local agency (as defined in the Act) may establish a community facilities district to provide for and finance the cost of eligible public facilities and services. Generally, the legislative body of the local agency which forms a community facilities district acts on behalf of such district as its legislative body. Subject to approval by two-thirds of the votes cast at an election and compliance with the other provisions of the Act, a legislative body of a local agency may issue bonds for a community facilities district and may levy and collect a special tax within such district to repay such indebtedness.

Pursuant to the Act, the City formed the District on February 7, 2017. Subsequent to a noticed public hearing on February 7, 2017, the City Council adopted resolutions which established the District, authorized the levy a special tax within the District, determined the necessity to incur bonded indebtedness within the District, and called an election within the District on the proposition of incurring bonded indebtedness, levying a special tax and setting an appropriations limit within the District.

On February 7, 2017, an election was held within the District at which the landowners eligible to vote approved the issuance of bonds for the District in an amount not to exceed \$5,000,000 and approved a rate and method of apportionment of special tax for the District (the “Rate and Method”). A copy of the Rate and Method is attached hereto as Appendix A.

Forward Looking Statements

Certain statements included or incorporated by reference in this Official Statement constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as a “plan,” “expect,” “estimate,” “project,” “budget” or similar words. Such forward-looking statements include, but are not limited to certain statements contained in the information under the captions “—Appraisal Report” and “THE COMMUNITY FACILITIES DISTRICT—Appraisal Report.”

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE DISTRICT DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THE FORWARD-LOOKING STATEMENTS SET FORTH IN THIS OFFICIAL STATEMENT.

Sources of Payment for the Bonds

General. The Bonds and any Parity Bonds are limited obligations of the District, and the interest on and principal of and redemption premiums, if any, on the Bonds and any Parity Bonds are payable solely from

the Special Taxes to be levied annually against the property in the District, or, to the extent necessary, from the moneys on deposit in the Reserve Account. As described herein, the Special Taxes are collected along with *ad valorem* property taxes on the tax bills mailed by the Treasurer-Tax Collector of the County of Riverside (the “County”). Although the Special Taxes will constitute a lien on the property subject to taxation in the District, they will not constitute a personal indebtedness of the owners of such property. There is no assurance that such owners will be financially able to pay the annual Special Taxes or that they will pay such taxes even if they are financially able to do so.

Limited Obligations. Except for the Special Taxes, no other taxes are pledged to the payment of the Bonds and any Parity Bonds. The Bonds and any Parity Bonds are not general or special obligations of the City nor general obligations of the District, but are special obligations of the District payable solely from Special Taxes collected in the District and amounts held under the Indenture as more fully described herein.

Special Tax. As used in this Official Statement, the term “Special Tax” is that tax which has been authorized pursuant to the Act to be levied against certain land within the District pursuant to the Act and in accordance with the Rate and Method to pay for facilities only, but excluding penalties and interest imposed upon delinquent installments. See “SOURCES OF PAYMENT FOR THE BONDS—Special Taxes” and APPENDIX A—“RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX.” Under the Indenture, the District will pledge to repay the Bonds and any Parity Bonds from the Special Tax revenues remaining after the payment of annual Administrative Expenses of the District up to the Administrative Expenses Cap (the “Net Taxes”) and from amounts on deposit in the Special Tax Fund established under the Indenture.

The Special Taxes are the primary security for the repayment of the Bonds and any Parity Bonds. In the event that the Special Taxes are not paid when due, the only sources of funds available to pay the debt service on the Bonds and any Parity Bonds are amounts held by the Trustee in the Special Tax Fund, including amounts held in the Reserve Account therein. See “SOURCES OF PAYMENT FOR THE BONDS—Reserve Account of the Special Tax Fund.”

Special Taxes within the District were first levied in Fiscal Year 2017-18.

Reserve Account. The Indenture creates a Reserve Account for the Bonds. In order to secure further the payment of principal of and interest on the Bonds, the District is required, upon delivery of the Bonds, to deposit in the Reserve Account an amount equal to the Reserve Requirement for the Bonds and thereafter to maintain in the Reserve Account an amount equal to the Reserve Requirement for the Bonds. The initial Reserve Requirement for the Bonds shall be \$ _____, and the Reserve Requirement shall never exceed this amount. See “SOURCES OF PAYMENT FOR THE BONDS—Reserve Account of the Special Tax Fund.”

Foreclosure Proceeds. The District will covenant in the Indenture for the benefit of the Owners of the Bonds and the landowners of the District securing such Bonds that it will review the public records of the County of Riverside, California, in connection with the collection of the Special Tax not later than July 1 of each year to determine the amount of Special Tax collected in the prior Fiscal Year; and with respect to individual delinquencies within the District, if the District determines that any single property owner subject to the Special Tax is delinquent in the payment of Special Taxes in the aggregate of \$2,500 or more or as to any single parcel the delinquent Special Taxes represent more than 5% of the aggregate Special Taxes within the District, then the District will send or cause to be sent a notice of delinquency (and a demand for immediate payment thereof) to the property owner within 45 days of such determination, and (if the delinquency remains uncured) the District will cause judicial foreclosure proceedings to be filed in the Superior Court within ninety (90) days of such determination against all properties for which the Special Taxes remain delinquent.

The District will further covenant that it will deposit any Gross Taxes received in connection with a foreclosure in the Special Tax Fund and will apply such proceeds remaining after the payment of

Administrative Expenses to make current payments of principal and interest on the Bonds and any Parity Bonds, to bring the amount on deposit in the Reserve Account up to the Reserve Requirement and to pay any delinquent installments of principal or interest due on the Bonds and any Parity Bonds.

The District does not participate in the County's Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "Teeter Plan"); accordingly, the collection of Special Taxes are subject to delinquency. See "SOURCES OF PAYMENT FOR THE BONDS—No Teeter Plan."

NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE DISTRICT, THE CITY, THE COUNTY OF RIVERSIDE, THE STATE OF CALIFORNIA, OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE BONDS. EXCEPT FOR THE SPECIAL TAXES, NO OTHER TAXES ARE PLEDGED TO THE PAYMENT OF THE BONDS. THE BONDS ARE NOT GENERAL OR SPECIAL OBLIGATIONS OF THE CITY OR GENERAL OBLIGATIONS OF THE DISTRICT, BUT ARE SPECIAL OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY FROM NET TAXES AND CERTAIN AMOUNTS HELD UNDER THE BOND INDENTURE AS MORE FULLY DESCRIBED HEREIN.

Parity Bonds for Refunding Purposes Only. Under the terms of the Indenture, the District may issue additional bonds secured by the Net Taxes on a parity with the Bonds ("Parity Bonds") if certain conditions are met; provided, however, that Parity Bonds may only be issued for the purpose of refunding the Bonds or other Parity Bonds. See "SOURCES OF PAYMENT FOR THE BONDS—Issuance of Parity Bonds." Parity Bonds may be issued by means of a supplemental indenture and without any requirement for the consent of any Bond owners. See APPENDIX D—"SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE—DEFEASANCE AND PARITY BONDS."

Liens. Other taxes and/or special assessments with liens equal in priority to the continuing lien of the Special Taxes have been levied and may also be levied in the future on the property within the District which could adversely affect the willingness of the landowners to pay the Special Taxes when due. See "SPECIAL RISK FACTORS—Parity Taxes and Special Assessments" herein. See Table 5 for a description of the direct and overlapping debt applicable to the parcels within the District.

Appraisal Report

An MAI appraisal of certain land and existing improvements within the District (the “Appraisal Report”) was prepared by Integra Realty Resources, Rocklin, California (the “Appraiser”). The Appraisal Report is dated September 9, 2019. See APPENDIX H—“APPRAISAL REPORT.” The Appraisal Report provides an estimate of the approximate market value of certain of the property in the District, assuming development of the property as currently planned, and assessed value of the remainder of the taxable property in the District. As currently planned, development in the District will consist of 346 residential units. The Appraisal Report appraised 248 of the lots within the District and relied on the assessed value for the remaining 98 lots. As of September 1, 2019, the Appraiser estimates that the value of all of the Taxable Parcels (based on appraised and assessed value) within the District subject to the Special Tax was \$106,815,487.

The Appraisal Report is based upon a variety of assumptions and limiting conditions that are described in Appendix H. The City, the District and the Underwriter make no representations as to the accuracy of the Appraisal Report. See “THE COMMUNITY FACILITIES DISTRICT—Appraisal Report” and “—Value-to-Lien Ratios.” There is no assurance that property within the District can be sold for the prices set forth in the Appraisal Report or that any parcel can be sold for a price sufficient to pay the Special Tax for that parcel in the event of a default in payment of Special Taxes by the land owner. See “THE COMMUNITY FACILITIES DISTRICT,” “SPECIAL RISK FACTORS—Land Values” and APPENDIX H—“APPRAISAL REPORT” herein.

Description of the Bonds

The Bonds will be issued and delivered as fully registered Bonds, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (“DTC”), and will be available to actual purchasers of the Bonds (the “Beneficial Owners”) in the denominations of \$5,000 or any integral multiple thereof, under the book-entry system maintained by DTC, only through brokers and dealers who are or act through DTC Participants as described herein. Beneficial Owners will not be entitled to receive physical delivery of the Bonds. In the event that the book-entry-only system described herein is no longer used with respect to the Bonds, the Bonds will be registered and transferred in accordance with the Indenture. See APPENDIX F—“BOOK-ENTRY ONLY SYSTEM.”

Principal of, premium, if any, and interest on the Bonds is payable by the Trustee to DTC. Disbursement of such payments to DTC Participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of DTC Participants. In the event that the book-entry only system is no longer used with respect to the Bonds, the Beneficial Owners will become the registered owners of the Bonds and will be paid principal and interest by the Trustee, all as described in the Indenture. See APPENDIX D—“SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE—GENERAL AUTHORIZATION AND BOND TERMS—Transfers Outside Book-Entry System” herein.

The Bonds are subject to optional redemption, extraordinary redemption, and mandatory sinking fund redemption as described herein. See “THE BONDS—Redemption.” For a more complete description of the Bonds and the basic documentation pursuant to which they are being sold and delivered, see “THE BONDS” and APPENDIX D—“SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE” herein.

Professionals Involved in the Offering

Wilmington Trust, National Association, Costa Mesa, California, will act as Trustee under the Indenture. Stifel, Nicolaus & Company, Incorporated, will serve as the underwriter (the “Underwriter”) of the Bonds. Certain proceedings in connection with the issuance and delivery of the Bonds are subject to the approval of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, Bond Counsel and Disclosure Counsel to the District in connection with the issuance of the Bonds. Certain legal

matters will be passed on for the District and the City by Slovak, Baron, Empey, Murphy & Pinkney LLP, Palm Springs, California, for the Underwriter by Kutak Rock LLP, Irvine, California, as counsel to the Underwriter, and for the Trustee by its counsel. Other professional services have been performed by Integra Realty Resources, Rocklin, California, as the Appraiser, Urban Futures, Inc., Tustin, California, as Municipal Advisor to the City and the District, and Webb Municipal Finance, LLC, Riverside, California, as Special Tax Consultant.

Certain of the above-mentioned professionals, advisors, counsel and consultants may have a financial or other interest in the offering of the Bonds. See “FINANCIAL INTERESTS” herein.

Continuing Disclosure

The District has agreed to provide, or cause to be provided, pursuant to Rule 15c2-12 adopted by the Securities and Exchange Commission (the “Rule”) certain financial information and operating data on an annual basis (the “District Reports”). The District has further agreed to provide, in a timely manner, notice of certain events with respect to the Bonds (the “Listed Events”). These covenants have been made in order to assist the Underwriter in complying with the Rule. The District Reports will be filed with the Electronic Municipal Market Access System (“EMMA”) of the Municipal Securities Rulemaking Board (the “MSRB”) available on the Internet at <http://emma.msrb.org>. Notices of Listed Events will also be filed with the MSRB. The District has not previously entered into any continuing disclosure obligations. The City will assist the District in preparing the District Reports. Within the last five years, certain related entities of the City have failed to comply in certain respects with prior continuing disclosure undertakings. See “CONTINUING DISCLOSURE.”

See “CONTINUING DISCLOSURE” herein and Appendix E—“FORM OF CONTINUING DISCLOSURE CERTIFICATE” hereto for a description of the specific nature of the annual reports to be filed by the District and notices of Listed Events and a copy of the continuing disclosure undertaking pursuant to which such District Reports are to be made.

SEC Order

On August 23, 2017, following an offer of settlement by the Beaumont Financing Authority (the “BFA”), the U.S. Securities and Exchange Commission (“SEC”) entered a Cease-and-Desist Order and imposed certain undertakings on the BFA (the “SEC Order”). The BFA neither admits nor denies the findings in the SEC Order. The members of the City Council of the City act as the Board of Directors of the BFA and City staff acts as the staff of the BFA. A copy of the SEC Order is attached hereto as Appendix G.

Bond Owners’ Risks

Certain events could affect the ability of the District to pay the principal of and interest on the Bonds when due. See the section of this Official Statement entitled “SPECIAL RISK FACTORS” for a discussion of certain factors which should be considered, in addition to other matters set forth herein, in evaluating an investment in the Bonds. The Bonds are not rated by any nationally recognized rating agency. The purchase of the Bonds involves significant risks, and the Bonds may not be appropriate investments for certain investors. See “SPECIAL RISK FACTORS” herein.

Other Information

This Official Statement speaks only as of its date, and the information contained herein is subject to change.

Brief descriptions of the Bonds and the Indenture are included in this Official Statement. Such descriptions and information do not purport to be comprehensive or definitive. All references herein to the

Indenture, the Bonds and the constitution and laws of the State as well as the proceedings of the Board, acting as the legislative body of the District, are qualified in their entirety by references to such documents, laws and proceedings, and with respect to the Bonds, by reference to the Indenture. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Indenture.

Copies of the Indenture and other documents and information are available for inspection and (upon request and payment to the District of a charge for copying, mailing and handling) for delivery from the City at 550 East 6th Street, Beaumont, California 92223.

ESTIMATED SOURCES AND USES OF FUNDS

The following table sets forth the expected sources and uses of Bond proceeds and funds on hand.

Sources of Funds:	
Principal Amount of Bonds	\$ _____
[Less/Plus] [Net] Original Issue [Premium/Discount]	_____
Total Sources	<u>\$ _____</u>
Uses of Funds:	
Acquisition and Construction Fund ⁽¹⁾	\$ _____
Costs of Issuance ⁽²⁾	_____
Reserve Account	_____
Total Uses	<u>\$ _____</u>

⁽¹⁾ See “THE COMMUNITY FACILITIES DISTRICT—Description of Authorized Facilities” for a list of facilities eligible to be financed with Bond proceeds deposited into the Acquisition and Construction Fund.

⁽²⁾ Includes Underwriter’s Discount, Bond Counsel fees, Disclosure Counsel fees, Special Tax Consultant fees, Municipal Advisor fees, Trustee fees, printing costs and other issuance costs.

Source: The Underwriter.

THE BONDS

General Provisions

The Bonds will be dated as of their date of delivery and will bear interest at the rates per annum set forth on the inside cover page hereof, payable semiannually on each March 1 and September 1, commencing March 1, 2020 (each, an “Interest Payment Date”), and will mature in the amounts and on the dates set forth on the inside cover page of this Official Statement.

Interest will be calculated on the basis of a 360-day year comprised of twelve 30-day months. Interest on any Bond will be payable from the Interest Payment Date next preceding the date of authentication of that Bond, unless (i) such date of authentication is an Interest Payment Date, in which event interest will be payable from such date of authentication; (ii) the date of authentication is after a Record Date but prior to the immediately succeeding Interest Payment Date, in which event interest will be payable from the Interest Payment Date immediately succeeding the date of authentication; or (iii) the date of authentication is prior to the close of business on the first Record Date occurring after the issuance of such Bond, in which event interest will be payable from the dated date of the Bond; provided, however, that if at the time of authentication of a Bond, interest is in default, interest on that Bond will be payable from the last Interest Payment Date to which the interest has been paid or made available for payment or, if no interest has been paid or made available for payment on that Bond, interest on that Bond will be payable from its dated date.

As used herein, Record Date means the fifteenth day of the month preceding an Interest Payment Date, regardless of whether such day is a Business Day.

Interest on any Bond will be paid to the person whose name appears in the Bond Register as the Owner of such Bond as of the close of business on the Record Date. Such interest will be paid by check of the Trustee mailed by first class mail, postage prepaid, to the Bondowner at its address on the Bond Register. In addition, with respect to any Bonds owned by the District and upon a request in writing received by the Trustee on or before the applicable Record Date from an Owner of \$1,000,000 or more in principal amount of the Bonds, payment will be made by wire transfer in immediately available funds to an account designated by such Owner.

Principal of the Bonds and any premium due upon redemption is payable upon presentation and surrender of the Bonds at the principal corporate trust office of the Trustee in Costa Mesa, California.

The Bonds will be issued as fully registered bonds and will be registered in the name of Cede & Co., as nominee of DTC. DTC will act as securities depository of the Bonds. Ownership interests in the Bonds may be purchased in book-entry form only in denominations of \$5,000 and any integral multiple thereof. So long as DTC is the securities depository all payments of principal and interest on the Bonds will be made to DTC and will be paid to the Beneficial Owners in accordance with DTC's procedures and the procedures of DTC's Participants. See APPENDIX F—"BOOK-ENTRY-ONLY SYSTEM."

Debt Service Schedule

The following table presents the annual debt service on the Bonds (including sinking fund redemption), assuming there are no optional or extraordinary redemptions. See “SOURCES OF PAYMENT FOR THE BONDS” and “THE BONDS—Redemption.”

<i>Date (September 1)</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2020	\$	\$	\$
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
Total	\$ _____	\$ _____	\$ _____

Source: The Underwriter.

Redemption

Optional Redemption.* The Bonds may be redeemed, at the option of the District, from any source of funds, other than Prepayments, on any date on or after September 1, 20__, in whole, or in part by lot, at a redemption price equal to the principal amount to be redeemed, together with accrued interest to the date of redemption, at the following redemption prices (expressed a percentages of the principal amount of the Bonds to be redeemed):

<i>Redemption Dates</i>	<i>Redemption Price</i>
September 1, 20__ through August 31, 20__	%
September 1, 20__ through August 31, 20__	
September 1, 20__ through August 31, 20__	
September 1, 20__ and any date thereafter	

In the event the District elects to optionally redeem Bonds, the District shall give written notice to the Trustee of its election to so redeem, the redemption date and the principal amount of the Bonds of each maturity to be redeemed. The notice to the Trustee shall be given at least 45 but no more than 60 days prior to the redemption date, or by such later date as is acceptable to the Trustee, in its sole discretion.

Extraordinary Redemption from Special Tax Prepayments.* The Bonds are subject to extraordinary redemption as a whole or in part, on any Interest Payment Date, and shall be redeemed by the Trustee, from Prepayments deposited to the Redemption Account plus amounts transferred from the Reserve Account pursuant to the Indenture, at the following redemption prices, expressed as a percentage of the principal amount to be redeemed, together with accrued interest to the redemption date:

<i>Redemption Dates</i>	<i>Redemption Price</i>
Interest Payment Dates to and including March 1, 20__	103%
September 1, 20__ and March 1, 20__	102
September 1, 20__ and March 1, 20__	101
September 1, 20__ and each Interest Payment Date thereafter	100

See the caption “SPECIAL RISK FACTORS— Potential Early Redemption of Bonds from Prepayments or Other Sources” for a discussion of the potential for a lower than expected yield on the Bonds as a result of an extraordinary redemption from Special Tax prepayments.

Prepayments and amounts released from the Reserve Account in connection with Prepayments will be allocated to the redemption of the Bonds and any Parity Bonds as nearly as practicable on a proportionate basis based on the outstanding principal amount of the Bonds and any Parity Bonds and shall be applied to redeem Bonds and Parity Bonds as nearly as practicable on a pro rata basis among maturities in increments of \$5,000; provided, however, that, for Prepayments of less than \$50,000, the District may specify in a Certificate of an Authorized Representative that Prepayments be applied to one or more maturities of the Bonds or Parity Bonds so long as there is delivered to the Trustee a Certificate of the Special Tax Consultant that, following such redemption from Prepayments, the maximum Special Taxes that may be levied in each Fiscal Year on Developed Property is not less than 110% of Maximum Annual Debt Service net of the Administrative Expenses Cap.

* Preliminary, subject to change.

Mandatory Sinking Fund Redemption. The Term Bonds maturing on September 1, 20__ (the “20__ Term Bonds”) shall be called before maturity and redeemed, from the Sinking Fund Payments that have been deposited into the Principal Account, on September 1, 20__, and on each September 1 thereafter prior to maturity, in accordance with the schedule of Sinking Fund Payments set forth below. The 20__ Term Bonds so called for redemption shall be selected by the Trustee by lot and shall be redeemed at a redemption price for each redeemed Term Bond equal to the principal amount thereof, plus accrued interest to the redemption date, without premium, as follows:

<i>Sinking Fund Redemption Date</i> <i>(September 1)</i>	<i>Sinking Fund Payments</i> \$
---	---

(maturity)

The Term Bonds maturing on September 1, 20__ (the “20__ Term Bonds”) shall be called before maturity and redeemed, from the Sinking Fund Payments that have been deposited into the Principal Account, on September 1, 20__, and on each September 1 thereafter prior to maturity, in accordance with the schedule of Sinking Fund Payments set forth below. The 20__ Term Bonds so called for redemption shall be selected by the Trustee by lot and shall be redeemed at a redemption price for each redeemed Term Bond equal to the principal amount thereof, plus accrued interest to the redemption date, without premium, as follows:

<i>Sinking Fund Redemption Date</i> <i>(September 1)</i>	<i>Sinking Fund Payments</i> \$
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(maturity)

In the event of a partial optional redemption or extraordinary redemption of 20__ Term Bonds or the 20__ Term Bonds, each of the remaining Sinking Fund Payments for such Term Bonds will be reduced, as nearly as practicable, on a pro rata basis, in integral multiples of \$5,000.

Selection of Bonds and Parity Bonds for Redemption. If less than all of the Bonds Outstanding are to be redeemed, the portion of any Bond of a denomination of more than \$5,000 to be redeemed shall be in the principal amount of \$5,000 or an integral multiple thereof. So long as the Bonds are registered in the name of the Nominee, such Bonds or any portion thereof shall be selected by the Depository in accordance with its operating procedures.

Notice of Redemption. So long as the Bonds are held in book-entry form, the Beneficial Owners will not be mailed any notice of redemption by the Trustee. It is the responsibility of DTC Participants to provide such notice. See APPENDIX F—“BOOK-ENTRY ONLY SYSTEM.” The Trustee is obligated to provide at least 30 days but not more than 45 days prior to the date of redemption, notice of intended redemption, by first-class mail, postage prepaid, to the respective registered owners of the Bonds at the addresses appearing on the Bond registration books; provided, however, so long as the Bonds and Parity Bonds are registered in the name of the Nominee, such notice shall be given in such manner as complies with the requirements of the Depository. The notice of redemption must: (i) specify the CUSIP numbers (if any), the bond numbers and the maturity date or dates of the Bonds selected for redemption, except that where all of the Bonds are subject to redemption, or all the Bonds or Parity Bonds of one maturity are to be redeemed, the bond numbers of such issue need not be specified; (ii) state the date fixed for redemption and surrender of the Bonds to be redeemed;

(iii) state the redemption price; (iv) state the place or places where the Bonds are to be redeemed; (v) in the case of Bonds to be redeemed only in part, state the portion of such Bond which is to be redeemed; (vi) state the date of issue of the Bonds as originally issued; (vii) state the rate of interest borne by each Bond being redeemed; and (viii) state any other descriptive information needed to identify accurately the Bonds being redeemed as shall be specified by the Trustee. Such notice must further state that on the date fixed for redemption, there will become due and payable on each Bond or portion thereof called for redemption, the principal thereof, together with any premium, and interest accrued to the redemption date, and that from and after such date, interest thereon will cease to accrue and be payable.

So long as notice of redemption has been provided as set forth in the Indenture, the actual receipt by the owner of any Bond of notice of such redemption is not a condition precedent to redemption, and neither the failure to receive such notice nor any defect therein will affect the validity of the proceedings for redemption of such Bonds or the cessation of interest on the date fixed for redemption.

Any redemption notice for an optional redemption of the Bonds delivered in accordance with the Indenture may be conditional, and, if any condition stated in the redemption notice has not been satisfied on or prior to the redemption date: (i) the redemption notice will be of no force and effect, (ii) the District will not be required to redeem such Bonds, (iii) the redemption will not be made, and (iv) the Trustee will within a reasonable time thereafter give notice to the persons to whom such conditional redemption notice was given in the manner in which the conditional redemption notice was given that such condition or conditions were not met and that the redemption was canceled.

Effect of Redemption. When notice of redemption has been given, and when the amount necessary for redemption has been made available for that purpose and is available therefor on the date fixed for such redemption, the Bonds designated for redemption will become due and payable on the date fixed for redemption upon presentation and surrender of the Bonds at the place specified in the notice of redemption. Bonds or portions thereof so designated for redemption will be deemed to be no longer Outstanding and such Bonds, or portions thereof, will cease to bear further interest. As of the date fixed for redemption no Owner of any of the Bonds or portions thereof so designated for redemption will be entitled to any of the benefits of the Indenture, or to any other rights, except with respect to payment of the redemption price and interest accrued to the redemption date from the amounts so made available.

Purchase in lieu of Redemption. The Bonds may be purchased by the District in lieu or partially in lieu of redemption of Bonds. See APPENDIX D—“SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE—CREATION OF FUNDS AND APPLICATION OF PROCEEDS—Redemption Account of the Special Tax Fund.”

Registration, Transfer and Exchange

Registration. The Trustee will keep sufficient books for the registration and transfer of the Bonds. The ownership of the Bonds will be established by the Bond registration books held by the Trustee.

Transfer or Exchange. Whenever any Bond is surrendered for registration of transfer or exchange, the Trustee will authenticate and deliver a new Bond or Bonds of the same maturity, for a like aggregate principal amount of authorized denominations; provided that the Trustee will not be required to register transfers or make exchanges of (i) Bonds for a period of 15 days next preceding the date of any selection of the Bonds to be redeemed, or (ii) any Bonds chosen for redemption.

SOURCES OF PAYMENT FOR THE BONDS

Limited Obligations

The Bonds are special, limited obligations of the District payable only from amounts pledged under the Indenture and from no other sources.

In the event that the Special Tax revenues are not received when due, the only sources of funds available to pay the debt service on the Bonds are amounts held by the Trustee in the Special Tax Fund, including amounts held in the Reserve Account therein, for the exclusive benefit of the owners of the Bonds, and foreclosure proceeds resulting from the sale of delinquent parcels if and when available. See “—Reserve Account of the Special Tax Fund.”

NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE DISTRICT, THE CITY, THE COUNTY OF RIVERSIDE, THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE BONDS. EXCEPT FOR THE NET TAXES, NO OTHER REVENUES OR TAXES ARE PLEDGED TO THE PAYMENT OF THE BONDS. THE BONDS ARE NOT GENERAL OR SPECIAL OBLIGATIONS OF THE CITY OR GENERAL OBLIGATIONS OF THE DISTRICT BUT ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY FROM NET TAXES TO BE LEVIED IN THE DISTRICT AND CERTAIN OTHER AMOUNTS HELD UNDER THE INDENTURE AS MORE FULLY DESCRIBED HEREIN.

Special Taxes

Authorization and Pledge. In accordance with the provisions of the Act, the City established the District on February 7, 2017 for the purpose of financing the various public improvements and services required in connection with the proposed development within the District. On February 7, 2017, an election was held within the District at which the landowners eligible to vote approved the issuance of bonds for the District in an amount not to exceed \$5,000,000, secured by special taxes levied on property within the District to finance the Facilities (as defined under the caption “THE COMMUNITY FACILITIES DISTRICT—Description of Authorized Facilities”). The landowners within the District also voted to approve the Rate and Method which authorized the Special Tax to be levied to repay indebtedness issued by the District, including the Bonds. There are two types of special taxes levied by the District: a special tax for facilities and a special tax for services. Throughout this Official Statement, all references to the Special Tax shall refer to the special tax for facilities. **The special tax for services is not pledged to, and shall not be available to make payments on, the Bonds.**

The District will covenant in the Indenture that it will levy Special Taxes up to the maximum rates permitted under the Rate and Method in an amount sufficient, together with other amounts on deposit in the Special Tax Fund, to pay the principal of and interest on any Outstanding Bonds and any Parity Bonds, to maintain the Reserve Account at the Reserve Requirement and to pay the estimated Administrative Expenses.

The “Special Taxes” are the special taxes for facilities authorized to be levied and collected by the District in accordance with the Rate and Method and the Act. The Special Taxes are collected in the manner and at the same time as *ad valorem* property taxes are collected and are subject to the same penalties and the same procedure, sale, and lien priority in case of delinquency as is provided for *ad valorem* property taxes. See APPENDIX A—“RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX.”

The “Net Taxes” pledged by the District to the Bonds (and any Parity Bonds) is defined in the Indenture as the “Gross Taxes” minus amounts permitted to be set aside prior to the payment of the principal of and interest on the Bonds and Parity Bonds in order to pay Administrative Expenses up to the Administrative Expenses Cap. The Administrative Expenses Cap shall be \$30,000 annually.

“Gross Taxes” is defined in the Indenture as the amount of all Special Taxes received by the District from the Treasurer, together with all payments made with respect to tax-defaulted parcels (including all delinquent and redemption penalties, fees and costs) and the proceeds collected from the sale of property pursuant to the foreclosure provisions of the Indenture.

Except for Prepayments which shall be deposited to the Redemption Account, the Trustee will, on each date on which the Special Taxes are received from the District, deposit the Special Taxes in the Special Tax Fund. The Trustee will transfer the Special Taxes on deposit in the Special Tax Fund on the dates and in the amounts set forth in the Indenture, in the following order of priority, to:

- (1) The Administrative Expenses Fund;
- (2) The Interest Account of the Special Tax Fund;
- (3) The Principal Account of the Special Tax Fund;
- (4) The Redemption Account of the Special Tax Fund;
- (5) The Reserve Account of the Special Tax Fund;
- (6) The Rebate Fund; and
- (7) The Surplus Fund.

Notwithstanding the foregoing, the total amount transferred to the Administrative Expenses Fund in a Bond Year shall not exceed the Administrative Expenses Cap until such time as there has been deposited to the Interest Account and the Principal Account an amount, together with any amounts already on deposit therein, that is sufficient to pay the interest and principal on all Bonds and Parity Bonds due in such Bond Year and to restore the Reserve Account to the Reserve Requirement.

See APPENDIX D—“SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE.”

The Special Taxes levied in any fiscal year may not exceed the maximum rates authorized pursuant to the Rate and Method. The initial Special Tax levy commenced in Fiscal Year 2017-18. See APPENDIX A—“RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX” hereto. There is no assurance that the Special Tax proceeds will, in all circumstances, be adequate to pay the principal of and interest on the Bonds when due. See the caption “*Limitation on Special Tax Levy and Potential Impact on Coverage*” below and “SPECIAL RISK FACTORS—Insufficiency of Special Taxes” herein.

Rate and Method of Apportionment of Special Tax. The District is legally authorized and will covenant to cause the levy of the Special Taxes in an amount determined according to a methodology, i.e., the Rate and Method which the City Council and the electors within the District have approved. The Rate and Method apportions the total amount of Special Taxes to be collected among the taxable parcels in the District as more particularly described below. There are two types of special taxes levied by the District: a special tax for facilities and a special tax for services. Throughout this Official Statement, all references to the Special Tax shall refer to the special tax for facilities. **The special tax for services is not pledged to, and shall not be available to make payments on, the Bonds.**

The following is a synopsis of the provisions of the Rate and Method for the District, which should be read in conjunction with the complete text of the Rate and Method which is attached to this Official Statement as APPENDIX A—“RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX.” The meaning of the defined terms used in this section are as set forth in Appendix A. This section provides only a summary of

the Rate and Method, and is qualified by more complete and detailed information contained in the entire Rate and Method attached as Appendix A.

“Building Permit” means a permit for new construction for a residential dwelling or non-residential structure. For purposes of this definition, “Building Permit” shall not include permits for construction or installation of retaining walls, utility improvements, or other such improvements not intended for human habitation.

“Developed Property” means all Assessor’s Parcels for which Building Permits were issued on or before March 1 of the prior Fiscal Year, provided that such Assessor’s Parcels were created on or before January 1 of the prior Fiscal Year and that each such Assessor Parcel is associated with a Lot, as determined by the CFD Administrator.

“Exempt Property” means all Assessor’s Parcels designated as being exempt from Special Taxes as more fully set forth below.

“Final Map Property” means Assessor’s Parcels: (i) that are included in a Final Map that was recorded prior to the January 1 preceding the Fiscal Year in which the Special Tax is being levied, and (ii) for which a Building Permit was not issued on or before the March 1 preceding the Fiscal Year in which the Special Tax is being levied, as determined by the CFD Administrator.

“Minimum Acreage” means the smallest allowable amount of taxable acreage. For the District, it shall be 46.82 acres.

“Special Tax for Facilities” means any of the special taxes authorized to be levied within the District pursuant to the Act to fund the Special Tax Requirement for Facilities.

“Special Tax Requirement for Facilities” means the amount required in any Fiscal Year to pay: (i) the debt service or the periodic costs on all outstanding Bonds due in the Calendar Year that commences in such Fiscal Year, (ii) Administrative Expenses, (iii) the costs associated with the release of funds from an escrow account, (iv) any amount required to establish or replenish any reserve funds established in association with the Bonds, (v) the collection or accumulation of funds for the acquisition or construction of facilities authorized by the District provided that the inclusion of such amount does not cause an increase in the levy of Special Tax for Facilities on Final Map Property or Undeveloped Property, less (vi) any amounts available to pay debt service or other periodic costs on the Bonds pursuant to any applicable bond indenture, fiscal agent agreement, or trust agreement.

“Taxable Property” means all Assessor’s Parcels within the District, which are not Exempt Property, as determined by the CFD Administrator.

“Undeveloped Property” means all Assessor’s Parcels of Taxable Property which are not Developed Property or Final Map Property.

Exempt Property. The City shall classify as Exempt Property: (i) Assessor’s Parcels owned by the State of California, Federal or other local governments, (ii) Assessor’s Parcels which are used as places of worship and are exempt from *ad valorem* property taxes because they are owned by a religious organization, (iii) Assessor’s Parcels used exclusively by a property owner’s association, or (iv) Assessor’s Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement, provided that no such classification would reduce the sum of all Taxable Property to less than the Minimum Acreage. Notwithstanding the above, the City Council shall not classify an Assessor’s Parcel as Exempt Property pursuant to this paragraph if such classification would reduce the sum of all Taxable Property to less than the Minimum Acreage. Assessor's Parcels which cannot be classified as Exempt Property because such classification would reduce the Acreage of all Taxable Property to less than the Minimum Acreage will continue to be classified as Taxable Property, and will continue to be subject to Special Taxes for Facilities but will not be subject to the Special Taxes for Maintenance Services or the Special Taxes for Public Services.

Maximum Special Tax. The Maximum Special Tax provided for in the Rate and Method is as follows:

Developed Property

The Maximum Special Tax for each Assessor’s Parcel of Residential Property that is classified as Developed Property in any Fiscal Year shall be the amount determined by the greater of (i) the application of the Assigned Special Tax or (ii) the application of the Backup Special Tax for Facilities. The Maximum Special Tax for each Assessor’s Parcel of Non-Residential Property that is classified as Developed Property in any Fiscal Year shall be the Assigned Annual Special Tax for Facilities.

Undeveloped Property and Final Map Property

The Maximum Special Tax for each Assessor’s Parcel classified as Undeveloped Property and Final Map Property in any Fiscal Year shall be the Assigned Special Tax. The Assigned Special Tax for Undeveloped Property and Final Map Property is \$6,450 per Acre.

Assigned Special Tax. The Assigned Special Tax is determined as follows:

Developed Property

Each Fiscal Year, each Assessor’s Parcel of Developed Property shall be subject to an Assigned Special Tax for Facilities. The Assigned Special Tax for Facilities applicable to an Assessor’s Parcel of Developed Property for any Fiscal Year shall range from: \$647 to \$1,225 for Residential Property. The Assigned Special Tax for Non-Residential Property is \$6,450 per Acre.

Backup Special Tax. The Backup Special Tax shall be determined as follows:

Each Fiscal Year, each Assessor’s Parcel of Developed Property classified as Residential Property shall be subject to a Backup Special Tax for Facilities. In each Fiscal Year, the Backup Special Tax rate for Developed Property classified as Residential Property shall be the maximum Special Tax rate per acre for Undeveloped Property for the applicable Fiscal Year multiplied by the acreage of Taxable Property classified or to be classified as Residential Property, divided by the total number of Lots which are classified or to be classified as Residential Property.

Notwithstanding the foregoing, if Assessor's Parcels classified as Residential Property or Assessor's Parcels of Final Map Property to be classified as Residential Property are subsequently changed or modified by recordation of a lot line adjustment or similar instrument, then the Backup Special Tax for the area that has been changed or modified shall be a rate per square foot of Acreage calculated as follows:

1. Determine the total Backup Special Tax anticipated to apply to the changed or modified Final Map area prior to the change or modification.
2. The result of paragraph 1 above shall be divided by the Acreage of Taxable Property classified or to be classified as Residential Property which is ultimately expected to exist in such changed or modified Final Map area, as reasonably determined by the CFD Administrator.
3. The result of paragraph 2 above shall be divided by 43,560. The result is the Backup Special Tax per square foot of Acreage which shall be applicable to Assessor's Parcels of Developed Property classified as Residential Property in such changed or modified Final Map area for all remaining Fiscal Years in which the Special Tax may be levied.

Method of Apportionment of Special Tax. Commencing Fiscal Year 2017-18 and for each subsequent Fiscal Year until terminated, the City Council shall levy Special Taxes on all Taxable Property until the amount of Special Taxes levied equals the Special Tax Requirement in accordance with the following steps:

First: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Assigned Special Tax rates as needed to satisfy the Special Tax Requirement for Facilities;

Second: If additional moneys are needed to satisfy the Special Tax Requirement for Facilities after the first step has been completed, the Special Tax for Facilities shall be levied Proportionately on each Assessor's Parcel of Final Map Property, at up to 100% of the Assigned Special Tax for Facilities applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement for Facilities;

Third: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first two steps have been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property, at up to 100% of the Assigned Special Tax applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement for Facilities;

Fourth: If additional moneys are needed to satisfy the Special Tax Requirement for Facilities after the first three steps have been completed, then for each Assessor's Parcel of Developed Property for which the Maximum Special Tax for Facilities is the Backup Special Tax for Facilities, the levy of the Special Tax for Facilities shall be increased Proportionately from the Assigned Special Tax for Facilities up to 100% of the Backup Special Tax for Facilities as needed to satisfy the Special Tax Requirement for Facilities; and

Fifth: If additional moneys are needed to satisfy the Special Tax Requirement for Facilities after the first four steps have been completed, the Special Tax for Facilities shall be levied Proportionately on each Assessor's Parcel of Property Owner's Association Property and Public Property, found not to be exempt pursuant to Section J of the Rate and Method, at up to 100% of the Assigned Special Tax for Facilities applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement for Facilities.

Prepayment of Special Taxes. The Special Tax obligation of an Assessor's Parcel of Developed Property, an Assessor's Parcel of Final Map Property or Undeveloped Property for which a Building Permit has been issued may be prepaid in full, provided that there are no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor's Parcel at the time that the Special Tax obligation would be prepaid. The Prepayment Amount is calculated based on the Bond Redemption Amount plus Redemption Premium plus Future Facilities Amount plus the Defeasance amount plus the Administrative Fee, and less a credit for the resulting reduction in the Reserve Requirement for the Bonds (if any), all as specified in APPENDIX A—"RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX—Section G." No parcel within the District has prepaid its Special Tax obligation.

Estimated Debt Service Coverage. Pursuant to the Rate and Method, and subject to the Maximum Special Taxes prescribed therein and permitted by the Act, the District will levy Special Taxes on all Taxable Property until the amount of Special Taxes levied equals the Special Tax Requirement. The Bonds have been sized so that the Assigned Special Taxes that may be levied in each Fiscal Year produce an amount equal to at least 110% of the debt service due on the Bonds in such Fiscal Year plus Administrative Expenses of \$30,000. In Fiscal Year 2018-19, Special Taxes were levied only against the 172 lots then classified as Developed Property. As of September 1, 2019, all 346 lots had building permits pulled and will be classified and levied against as Developed Property beginning in Fiscal Year 2020-21.

Limitation on Special Tax Levy and Potential Impact on Coverage. Pursuant to Section 53321(d) of the Government Code, the Special Tax levied against any Assessor's parcel for which a building permit has been issued shall not be increased as a consequence of delinquency or default by the owner of any other Assessor's parcel within the District by more than 10% above the amount that would have been levied in that fiscal year had there never been any such delinquencies or defaults. As a result, it is possible that the District may not be able to increase the tax levy to the Assigned Special Tax in all years. In addition, under the Rate and Method, the Maximum Special Tax for Facilities may not be levied after Fiscal Year 2056-57.

Collection of Special Taxes. The Special Taxes are levied and collected by the Treasurer-Tax Collector of the County of Riverside in the same manner and at the same time as *ad valorem* property taxes. The District may, however, collect the Special Taxes at a different time or in a different manner if necessary to meet its financial obligations.

The County of Riverside assesses and collects secured and unsecured property taxes for the cities, school districts, and special districts within the County of Riverside, including the Special Taxes for the District. The delinquency dates for property tax payments are December 10 for the first installment and April 10 for the second installment. Once the property taxes are collected, the County of Riverside conducts its internal reconciliation for accounting purposes and distributes the City's share of such taxes (including the Special Taxes) to the City, periodically and typically pursuant to a published schedule. Prior to distribution, the moneys are deposited in an account established on behalf of the County of Riverside in the Riverside County Investment Pool (the "Pool") which is invested by the County Treasurer. If the County of Riverside or the Pool were at any time to become subject to bankruptcy proceedings, it is possible that District property taxes held in the Pool (including the Special Taxes), if any, could be temporarily unavailable to the County of Riverside. The District does not participate in the County's Teeter Plan, which is an alternate method for allocating property taxes by counties. Accordingly, the collection of Special Taxes is subject to delinquencies.

The Special Taxes for Fiscal Year 2018-19 were levied on 172 parcels in the District in the amount of \$154,156. As of July 30, 2019, no parcels were delinquent in the payment of Special Taxes. See "THE COMMUNITY FACILITIES DISTRICT—Delinquency History."

The District will make certain covenants in the Indenture for the purpose of ensuring that the current maximum Special Tax rates and method of collection of the Special Taxes are not altered in a manner that would impair the District's ability to collect sufficient Special Taxes to pay debt service on the Bonds and Administrative Expenses when due. First, the District will covenant that, to the extent it is legally permitted to

do so, it will not reduce the maximum Special Tax rates and will oppose the reduction of maximum Special Tax rates by initiative where such reduction would reduce the maximum Special Taxes below current levels unless, in connection therewith, (i) the District receives a certificate from one or more Independent Financial Consultants which, when taken together, certify that, among other things, on the basis of the parcels of land and improvements existing in the District as of the July 1 preceding the reduction, the maximum amount of the Special Tax which may be levied on then existing Developed Property (as defined in the Rate and Method then in effect in the District) in each Bond Year for any Bonds and Parity Bonds Outstanding will equal at least the sum of the estimated Administrative Expenses and 110% of gross debt service in each Bond Year on all Bonds and Parity Bonds to remain Outstanding after the reduction is approved, (ii) the District finds that any reduction made under such conditions will not adversely affect the interests of the Owners of the Bonds and Parity Bonds, and (iii) the District is not delinquent in the payment of the principal of or interest on the Bonds or any Parity Bonds. For purposes of estimating Administrative Expenses for the foregoing calculation, the Independent Financial Consultant shall assume Administrative Expenses equal to the Administrative Expense Cap.

Second, the District will covenant not to permit the tender of Bonds or Parity Bonds in payment of any Special Taxes unless the District shall have first received a certificate from an Independent Financial Consultant that the acceptance of such a tender will not result in the District having insufficient Special Tax revenues to pay the principal of and interest on the Bonds and Parity Bonds when due. See APPENDIX D—“SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE.”

Although the Special Taxes constitute liens on taxed parcels within the District, they do not constitute a personal indebtedness of the owners of property within the District. In addition to the obligation to pay Special Taxes, properties in the District are subject to other assessments and special taxes as set forth under Table 6 herein. These other special taxes and assessments are co-equal to the lien for the Special Taxes. Moreover, other liens for taxes and assessments could come into existence in the future in certain situations without the consent or knowledge of the City or the landowners in the District. See “SPECIAL RISK FACTORS—Parity Taxes and Special Assessments” herein. There is no assurance that property owners will be financially able to pay the annual Special Taxes or that they will pay such taxes even if financially able to do so, all as more fully described in the section of this Official Statement entitled “SPECIAL RISK FACTORS.”

Proceeds of Foreclosure Sales. The proceeds of delinquent Special Taxes received following a judicial foreclosure sale of parcels within the District resulting from a landowner’s failure to pay the Special Taxes when due, up to the amount of the delinquent Special Tax lien, are included within the Special Tax revenues pledged to the payment of principal and interest on the Bonds under the Indenture.

Pursuant to Section 53356.1 of the Act, in the event of any delinquency in the payment of any Special Tax or receipt by the District of Special Taxes in an amount which is less than the Special Tax levied, the City Council, as the legislative body of the District, may order that Special Taxes be collected by a superior court action to foreclose the lien within specified time limits. In such an action, the real property subject to the unpaid amount may be sold at a judicial foreclosure sale. Under the Act, the commencement of judicial foreclosure following the nonpayment of a Special Tax is not mandatory. However, the District will covenant in the Indenture for the benefit of the Owners of the Bonds and the landowners of the District securing such Bonds that it will review the public records of the County of Riverside, California, in connection with the collection of the Special Tax not later than July 1 of each year to determine the amount of Special Tax collected in the prior Fiscal Year; and with respect to individual delinquencies within the District, if the District determines that any single property owner subject to the Special Tax is delinquent in the payment of Special Taxes in the aggregate of \$2,500 or more or as to any single parcel the delinquent Special Taxes represent more than 5% of the aggregate Special Taxes within the District, then the District will send or cause to be sent a notice of delinquency (and a demand for immediate payment thereof) to the property owner within 45 days of such determination, and (if the delinquency remains uncured) the District will cause judicial

foreclosure proceedings to be filed in the Superior Court within ninety (90) days of such determination against all properties for which the Special Taxes remain delinquent.

The District covenants that it will deposit any Gross Taxes received in connection with a foreclosure in the Special Tax Fund and will apply such proceeds remaining after the payment of Administrative Expenses to make current payments of principal and interest on the Bonds and any Parity Bonds, to bring the amount on deposit in the Reserve Account up to the Reserve Requirement and to pay any delinquent installments of principal or interest due on the Bonds and any Parity Bonds.

See APPENDIX D—“SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE—COVENANTS AND WARRANTY” herein.

If foreclosure is necessary and other funds (including amounts in the Reserve Account) have been exhausted, debt service payments on the Bonds could be delayed until the foreclosure proceedings have ended with the receipt of any foreclosure sale proceeds. Judicial foreclosure actions are subject to the normal delays associated with court cases and may be further slowed by bankruptcy actions, involvement by agencies of the federal government and other factors beyond the control of the City and the District. See “SPECIAL RISK FACTORS—Bankruptcy and Foreclosure” herein. Moreover, no assurances can be given that the real property subject to foreclosure and sale at a judicial foreclosure sale will be sold or, if sold, that the proceeds of such sale will be sufficient to pay any delinquent Special Tax installment. See “SPECIAL RISK FACTORS—Property Values” herein. Although the Act authorizes the District to cause such an action to be commenced and diligently pursued to completion, the Act does not impose on the District or the City any obligation to purchase or acquire any lot or parcel of property sold at a foreclosure sale if there is no other purchaser at such sale. The Act provides that, in the case of a delinquency, the Special Tax will have the same lien priority as is provided for *ad valorem* taxes.

No Teeter Plan

The District does not participate in the County’s Teeter Plan described above. Accordingly, the collection of Special Taxes is subject to delinquencies.

Reserve Account of the Special Tax Fund

In order to secure further the payment of principal of and interest on the Bonds, the District is required, upon delivery of the Bonds, to deposit in the Reserve Account an amount equal to the Reserve Requirement and thereafter to maintain in the Reserve Account an amount equal to the Reserve Requirement.

In the Indenture, “Reserve Requirement” is defined to mean that amount as of any date of calculation equal to the lesser of (i) 10% of the initial principal amount of the Bonds and Parity Bonds, if any, (ii) Maximum Annual Debt Service on the then Outstanding Bonds and Parity Bonds, if any; and (iii) 125% of average Annual Debt Service on the then Outstanding Bonds and Parity Bonds, if any. Notwithstanding the foregoing, in no event shall the Reserve Requirement exceed the initial Reserve Requirement of \$_____.

Subject to the limits on the maximum annual Special Tax which may be levied within the District in accordance with the Rate and Method set forth in Appendix A, the District will covenant to levy Special Taxes in an amount that is anticipated to be sufficient, in light of the other intended uses of the Special Tax proceeds, to maintain the balance in the Reserve Account at the Reserve Requirement. Amounts in the Reserve Account are to be applied to (i) pay debt service on the Bonds and any Parity Bonds, to the extent other moneys in the Interest Account and the Principal Account are insufficient therefor; (ii) make any required transfer to the Rebate Fund pursuant to the Indenture; (iii) redeem the Bonds and any Parity Bonds in whole or in part; and (iv) pay the principal and interest due in the final year of maturity of a series of the Bonds and any Parity Bonds. See APPENDIX D—“SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE—

CREATION OF FUNDS AND APPLICATION OF PROCEEDS—Reserve Account of the Special Tax Fund” herein.

Surplus Fund

After the transfer of Administrative Expenses to the Administrative Expense Fund up to the Administrative Expenses Cap, the payment of principal of and interest on the Bonds when due, transfers to the Redemption Account to pay principal and premium, if any, on Bonds called for redemption, transfers to replenish the Reserve Account to the Reserve Requirement and any required transfers to the Rebate Fund, as soon as practicable after each September 1, and in any event prior to each September 15, the Trustee will transfer all remaining amounts in the Special Tax Fund to the Surplus Fund, other than amounts in the Special Tax Fund which (i) the District has included as being available in the Special Tax Fund in calculating the amount of the levy of Special Taxes for such Fiscal Year pursuant to the Indenture or (ii) amounts to be transferred to the Acquisition and Construction Fund because such amounts were included in the levy of Special Taxes for the previous Fiscal Year to pay for the acquisition or construction of the Project. Moneys deposited in the Surplus Fund may be applied to pay the principal of, including Sinking Fund Payments, premium, if any, and interest on the Bonds and any Parity Bonds when due in the event that moneys in the Special Tax Fund and the Reserve Account of the Special Tax Fund are insufficient therefor, to replenish the Reserve Account to the Reserve Requirement, to pay Administrative Expenses in excess of the Administrative Expenses Cap, to pay Project Costs, or for any other lawful purpose of the District.

The amounts in the Surplus Fund are not pledged to the repayment of the Bonds or any Parity Bonds and may be used by the District for any lawful purpose.

Issuance of Parity Bonds

The District may at any time after the issuance and delivery of the Bonds issue Parity Bonds payable from the Net Taxes and other amounts deposited in the Special Tax Fund and secured by a lien and charge upon such amounts equal to the lien and charge securing the Outstanding Bonds and any other Parity Bonds theretofore issued under the Indenture or under any Supplemental Indenture; provided, however, that Parity Bonds may only be issued for the purpose of refunding all or a portion of the Bonds or any Parity Bonds then Outstanding. Parity Bonds which may only be issued to effect a partial refunding may be issued if the Annual Debt Service on the Bonds and Parity Bonds to remain Outstanding following the issuance of the Parity Bonds proposed to be issued is less than the Annual Debt Service on the Bonds and Parity Bonds Outstanding prior to the issuance of such Parity Bonds in each Bond Year.

See APPENDIX D—“SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE—DEFEASANCE AND PARITY BONDS—Conditions for the Issuance of Parity Bonds and Other Additional Indebtedness.”

THE COMMUNITY FACILITIES DISTRICT

General

The City formed the District on February 7, 2017. The District is located in the southeast part of the City and is bounded by Breckenridge Avenue to the south, Eagles Nest Drive to the north and Highland Springs Avenue to the east. The District is comprised of approximately 86.41 gross acres of land, of which approximately 50.97 acres is taxable. The land within the District is being developed into a residential development of 346 single family detached homes within the Master Development known as “K. Hovnanian’s Four Seasons.” The Master Development is a gated community planned for approximately 1,857 dwelling units for active adults of age 55 and older. As of September 1, 2019, four of the five development phases are sold out. The property within the District consists of the final development phase.

Status of Development in the District

As of September 1, 2019, the date of value of the Appraisal Report (defined herein), of the 346 single family units planned within the District, 312 had been completed and conveyed to individual homeowners, 12 units had been completed and were owned by the Developer, and 22 units were in various stages of construction. As of September 1, 2019, all 346 lots had building permits pulled and will be classified and levied against as Developed Property beginning in Fiscal Year 2020-21. See the caption "PROPERTY OWNERSHIP AND THE DEVELOPMENT" for more information regarding the Developer and development within the District.

Annual Debt Service for the Bonds has been structured so that Assigned Special Taxes levied on all taxable parcels of Developed Property at buildout, assuming no delinquencies, will generate in each Fiscal Year not less than 110% of debt service payable with respect to the Bonds in the calendar year that begins in that Fiscal Year, plus estimated Administrative Expenses, assuming that Special Taxes are levied and collected on such Developed Property in the District pursuant to the Rate and Method.

Table 1 below sets forth the Assigned Special Tax per unit of Developed Property and Final Map Property, the projected Fiscal Year 2020-21 Special Tax levy and the percent of such levy based on land use class as of September 1, 2019.

TABLE 1*
CITY OF BEAUMONT
COMMUNITY FACILITIES DISTRICT NO. 2016-4
ASSIGNED SPECIAL TAXES

Land Use ⁽¹⁾	Tax Class	Building Square Footage	No. of Parcels	FY 2020-21 Assigned Special Tax	Unit	FY 2020-21 Projected Special Tax Per Parcel	Total Projected FY 2020-21 Special Tax Levy ⁽²⁾	Percent of Total
Residential	D1	Less Than 1,501 sq. ft.	15	\$647.00	Per Parcel	\$588	\$ 8,820	3.23%
Residential	D2	1,501 sq. ft. to 1,650 sq. ft.	79	706.00	Per Parcel	642	50,690	18.54
Residential	D3	1,651 sq. ft. to 1,800 sq. ft.	49	757.00	Per Parcel	688	33,712	12.33
Residential	D4	1,801 sq. ft. to 1,950 sq. ft.	24	807.00	Per Parcel	733	17,603	6.44
Residential	D5	1,951 sq. ft. to 2,100 sq. ft.	34	854.00	Per Parcel	776	26,390	9.65
Residential	D6	2,101 sq. ft. to 2,250 sq. ft.	41	901.00	Per Parcel	819	33,574	12.28
Residential	D7	2,251 sq. ft. to 2,400 sq. ft.	36	966.00	Per Parcel	878	31,606	11.56
Residential	D8	2,401 sq. ft. to 2,550 sq. ft.	45	1,110.00	Per Parcel	1,009	45,397	16.60
Residential	D9	Greater than 2,550 sq. ft.	<u>23</u>	1,225.00	Per Parcel	1,113	<u>25,607</u>	<u>9.37</u>
Total			346				\$ 273,400	100.00%

⁽¹⁾ Reflects Developed Property unless otherwise noted as Final Map Property.

⁽²⁾ Levied in an amount sufficient to cover debt service on the Bonds and pay Administrative Expenses of \$30,000.

Source: Webb Municipal Finance, LLC.

* Preliminary, subject to change.

Description of Authorized Facilities

Certain facilities are authorized to be constructed and acquired (the “Facilities”) by the District. These Facilities include, but are not limited to the following facilities which have been completed by the Developer:

- Lower Potrero Sewer System Improvements, including lift station
- Lower Potrero Sewer No. 2, including southern trunk main
- Potrero Blvd. Bridge and road improvements
- Highland Springs Ave. Bridge and road improvements

The estimated cost of the Facilities that are subject to reimbursement from proceeds of the Bonds is approximately \$8.4 million.

Assessed Value

The assessed value of the property within the District represents the secured assessed valuation established by the County Assessor. Assessed values do not necessarily represent market values. Article XIII A of the California Constitution (Proposition 13) defines “full cash value” to mean “the County assessor’s valuation of real property as shown on the 1975/76 roll under ‘full cash value’, or, thereafter, the appraised value of real property when purchased or newly constructed or when a change in ownership has occurred after the 1975 assessment,” subject to exemptions in certain circumstances of property transfer or reconstruction. The “full cash value” is subject to annual adjustment to reflect increases, not to exceed 2% for any year, or decreases in the consumer price index or comparable local data, or to reflect reductions in property value caused by damage, destruction or other factors. Because of the general limitation to 2% per year in increases in full cash value of properties which remain in the same ownership, the County tax roll does not reflect values uniformly proportional to actual market values. There can be no assurance that the assessed valuations of the properties within the District accurately reflect their respective market values, and the future fair market values of those properties may be lower than their current assessed valuations.

Table 2 below sets forth historic assessed values within the District from Fiscal Years 2016-17 through 2018-19.

**TABLE 2
CITY OF BEAUMONT
COMMUNITY FACILITIES DISTRICT NO. 2016-4
HISTORIC ASSESSED VALUES**

<i>Fiscal Year</i>	<i>Total Parcels</i>	<i>Parcels with Improvement Assessed Value</i>	<i>Land Assessed Value</i>	<i>Improvement Assessed Value</i>	<i>Total Property Assessed Value⁽¹⁾</i>	<i>Increase/(Decrease) in Property Assessed Value</i>
2016-17	1	0	\$2,468,638	\$0	\$2,468,638	N/A
2017-18	179	5	3,846,647	137,500	3,984,147	61.39%
2018-19	346	152	9,176,489	33,115,107	42,291,596	961.50

⁽¹⁾ As of January 1 of each year as shown on the County Assessor’s Rolls. Total Assessed Value is calculated as the sum of Land Assessed Value and Improvement Assessed Value.

Sources: Webb Municipal Finance, LLC; County Assessor.

Appraisal Report

The estimated assessed value of the property within the District, as shown on the County’s assessment roll for Fiscal Year 2018-19, is approximately \$42,291,596. However, as described above, due to Article XIII A of the California Constitution, a property’s assessed value is not necessarily indicative of its market

value. In order to provide information with respect to the value of the property within the District, the City engaged Integra Realty Resources, the Appraiser, to prepare the Appraisal Report. The Appraiser has an “MAI” designation from the Appraisal Institute and has prepared numerous appraisals for the sale of land-secured municipal bonds. The Appraiser was selected by the City through a request for proposal process and has no material relationships with the City, the District, or the owners of the land within the District other than the relationship represented by the engagement to prepare the Appraisal Report. The City instructed the Appraiser to prepare its analysis and report in conformity with City-approved guidelines and the Appraisal Standards for Land Secured Financings published in 1994 and revised in 2004 by the California Debt and Investment Advisory Commission. A copy of the Appraisal Report is included as APPENDIX H—“APPRAISAL REPORT” to this Official Statement.

The purpose of the Appraisal Report was to estimate the market value, by parcel, and aggregate value of the “as is” condition of certain of the property within the District subject to the Special Taxes that did not have an improved value on the Fiscal Year 2018-19 County Assessor’s roll. The remainder of the taxable property is valued in the Appraisal based on its assessed value. The estimate of market value takes into consideration and assumes the improvements to be funded with the proceeds of the Bonds have been installed and that the development costs provided to the Appraiser by the Developer include all of the costs necessary to bring the subject properties to a finished lot condition. Subject to the contingencies, assumptions and limiting conditions set forth in the Appraisal Report, the Appraiser concluded that, as of September 1, 2019 the value of the Taxable Parcels (based on not less than market and assessed values) within the District was \$106,815,487. Of the 346 lots within the District, the Appraisal Report appraised 248 of the lots and relied on the assessed value for the remaining 98 lots. See “INTRODUCTION—Appraisal Report.”

In estimating the market value, the Appraiser utilized a direct comparison approach and static residual analysis for all of the property owned by the Developer to derive a value indication for the finalized lots within each tract adjusted by any costs to complete such finished lots.

Reference is made to Appendix H for a complete list of the assumptions and limiting conditions and a full discussion of the appraisal methodology and the basis for the Appraiser’s opinions. In the event that any of the contingencies, assumptions and limiting conditions are not actually realized, the value of the property within the District may be less than the amount reported in the Appraisal Report. In any case, there can be no assurance that any portion of the property within the District would actually sell for the amount indicated by the Appraisal Report.

The Appraisal Report merely indicates the Appraiser’s opinion as to the market value of the property referred to therein as of the date and under the conditions specified therein. The Appraiser’s opinion reflects conditions prevailing in the applicable market as of the date of the Appraisal Report. The Appraiser’s opinion does not predict the future value of the subject property, and there can be no assurance that market conditions will not change adversely in the future.

It is a condition precedent to the issuance of the Bonds that the Appraiser deliver to the District a certification to the effect that, while the Appraiser has not updated the Appraisal Report since its date and has not undertaken any obligation to do so, nothing has come to the attention of the Appraiser subsequent to the date of the Appraisal Report that would cause the Appraiser to believe that the value of the property that it appraised in the District is less than the value reported in the Appraisal Report. However, the Appraiser notes that acts and events may have occurred since the date of the Appraisal Report which could result in both positive and negative effects on market value within the District.

Value-to-Lien Ratios

Table 3 below incorporates the values assigned to parcels in the Appraisal Report, the estimated principal amount of the Bonds allocable to each category of parcels based on the projected Fiscal Year 2020-21 Special Tax levy and development status as of September 1, 2019, and the estimated

assessed/appraised value-to-lien ratios for various categories of parcels based upon land values as of September 1, 2019 as set forth in the Appraisal Report and based on information received from the Developer. Based on the principal amount of the Bonds, the estimated assessed/appraised District-wide value-to-lien ratio including all Taxable Property as of September 1, 2019 is 24.93* -to-1. This ratio does not include other direct and overlapping debt within the District. See “—Direct and Overlapping Indebtedness” below. Taking that direct and overlapping debt into account, the ratio of the aggregate assessed/appraised value of the Taxable Property within the District to the total principal amount of all direct and overlapping bonded debt for the District is approximately 14.52* -to-1.

* Preliminary, subject to change.

**TABLE 3
CITY OF BEAUMONT
COMMUNITY FACILITIES DISTRICT NO. 2016-4
ASSESSED/APPAISED VALUE-TO-LIEN RATIOS
ALLOCATED BY PROPERTY OWNER***

<i>Property Owner⁽¹⁾</i>	<i>Parcels</i>	<i>Maximum Special Tax</i>	<i>Percent of Maximum Special Tax</i>	<i>Projected Fiscal Year 2020-21 Special Tax Levy⁽²⁾</i>	<i>Projected Percent of Fiscal Year 2020-21 Special Tax Levy</i>	<i>Assessed/ Appraised Value</i>	<i>Allocation of Bonds⁽³⁾</i>	<i>Aggregate Value-to-Lien Ratio⁽⁴⁾</i>
Developed – K. Hovnanian	34	\$ 31,198	9.12%	\$ 25,254	9.24%	\$ 5,925,006	\$ 395,812	14.97:1
Developed – Individual Owned	312	310,779	90.88	248,146	90.76	100,890,481	3,889,188	25.94:1
Totals	346	\$ 341,976	100.00%	\$ 273,400	100.00%	\$ 106,815,487	\$ 4,285,000	24.93:1

* Preliminary, subject to change.

(1) Ownership status is based on information from Appraisal and from the Developer as of September 1, 2019. Development status is as of September 1, 2019.

(2) Based on par amount of the Bonds plus Administrative Expenses in the amount of \$30,000.

(3) Based on projected Fiscal Year 2020-21 Special Tax levy.

(4) Aggregate Value-to-Lien based upon the par amount of the Bonds. Excludes direct and overlapping debt shown in Table 5.

Source: Webb Municipal Finance, LLC.

Table 4 below summarizes the assessed/appraised value-to-lien of the individual parcels within the District by value-to-lien range based on development status as of September 1, 2019.

**TABLE 4
CITY OF BEAUMONT
COMMUNITY FACILITIES DISTRICT NO. 2016-4
ASSESSED/APPAISED VALUE-TO-LIEN STRATIFICATION***

<i>Assessed/Appraised Value-to-Lien⁽¹⁾</i>	<i>No. of Parcels</i>	<i>Percent of Total Parcels</i>	<i>Projected Fiscal Year 2020-21 Special Tax Levy⁽⁴⁾</i>	<i>Projected Percent of Fiscal Year 2020-21 Levy</i>	<i>Projected Fiscal Year 2020-21 Assigned Special Tax</i>	<i>Projected Percent of Total Assigned Special Tax</i>	<i>Fiscal Year 2018-19 Assessed/Appraised Value</i>	<i>Percent of Fiscal Year 2018-19 Assessed/Appraised Value</i>	<i>Allocation of Bonds⁽⁵⁾</i>	<i>Aggregate Value-to-Lien</i>
Less than 8.00:1 ⁽²⁾	2	0.58%	\$ 1,756	0.64%	\$ 1,932	0.64%	\$ 216,546	0.20%	\$ 27,520	7.87:1
8.00:1 to 15.99:1	21	6.07	15,774	5.77	17,356	5.77	2,413,869	2.26	247,227	9.76:1
16.00:1 to 23.99:1	90	26.01	85,452	31.26	94,022	31.26	29,922,152	28.01	1,339,296	22.34:1
24.00:1 to 31.99:1	216	62.43	158,774	58.07	174,697	58.07	68,006,041	63.67	2,488,470	27.33:1
Greater than 31.99:1 ⁽³⁾	17	4.91	11,643	4.26	12,811	4.26	6,256,879	5.86	182,486	34.29:1
Total	346	100.00%	\$ 273,400	100.00%	\$ 300,818	100.00%	\$ 106,815,487	100.00%	\$ 4,285,000	24.93:1

* Preliminary, subject to change.

(1) Assessed/Appraised Value-to-Lien based upon par amount of the Bonds. Excludes direct and overlapping debt shown in Table 5.

(2) Minimum estimated appraised value-to-lien is 7.87*:1.

(3) Highest estimated appraised value-to-lien is 41.93*:1

(4) Based on par amount of the Bonds plus Administrative Expenses in the amount of \$30,000.

(5) Based on projected Fiscal Year 2020-21 Special Tax levy.

Source: Webb Municipal Finance, LLC.

Direct and Overlapping Debt

The District is included within the boundaries of overlapping local agencies providing governmental services. Some of these local agencies have outstanding bonds, and/or the authority to issue bonds, payable from taxes or assessments. The existing and authorized indebtedness payable from taxes and assessments that may be levied upon the property within the District is shown in Table 5 below. In addition to current debt, new community facilities districts and/or special assessment districts could be formed in the future encompassing all or a portion of the property within the District; and such districts or the agencies that formed them could issue more bonds and levy additional special taxes or assessments.

**TABLE 5
CITY OF BEAUMONT
COMMUNITY FACILITIES DISTRICT NO. 2016-4
DIRECT AND OVERLAPPING DEBT**

I. ASSESSED/APPAISED VALUE
Assessed/Appraised Valuation⁽¹⁾

\$106,815,487

II. LAND SECURED BOND INDEBTEDNESS

<u>Outstanding Direct and Overlapping Bonded Debt</u>	<u>Type</u>	<u>Issued</u>	<u>Outstanding</u>	<u>% Applicable</u>	<u>Parcels in 2016-4</u>	<u>Amount</u> <u>Applicable</u>
CFD 2016-4 BEAUMONT	CFD	\$4,285,000*	\$4,285,000*(2)	100.000%	346	\$4,285,000*
TOTAL OUTSTANDING LAND SECURED BONDED DEBT*						\$4,285,000*
<u>Authorized and Unissued Direct and Overlapping Bonded Debt</u>	<u>Type</u>	<u>Authorized</u>	<u>Unissued</u>	<u>% Applicable</u>	<u>Parcels in 2016-4</u>	<u>Amount</u> <u>Applicable</u>
CFD 2016-4 BEAUMONT	CFD	\$5,000,000	\$0*	100.00%	346	\$0*
TOTAL UNISSUED LAND SECURED INDEBTEDNESS (3)						\$0*
TOTAL OUTSTANDING AND UNISSUED LAND SECURED INDEBTEDNESS						\$4,285,000*

III. GENERAL OBLIGATION BOND INDEBTEDNESS

<u>Outstanding Direct and Overlapping Bonded Debt</u>	<u>Type</u>	<u>Issued</u>	<u>Outstanding</u>	<u>% Applicable (4)</u>	<u>Parcels in 2016-4</u>	<u>Amount</u> <u>Applicable</u>
Beaumont Unified School B & I (0.07432%)	GO	\$91,658,583	\$ 82,562,937	1.84%	346	\$1,520,337
MT San Jacinto Comm (0.01320%)	GO	190,000,000	164,385,000	0.12	346	\$197,928
San Gorgonio Memorial Healthcare District (0.08692%)	GO	108,000,000	106,565,000	1.27	346	\$1,352,846
San Gorgonio Pass Water Agency (0.18250%)	GO	0	0	1.18	346	\$0
TOTAL OUTSTANDING GENERAL OBLIGATION BONDED DEBT						\$3,071,111
<u>Authorized and Unissued Direct and Overlapping Indebtedness</u>	<u>Type</u>	<u>Authorized</u>	<u>Unissued</u>	<u>% Applicable (4)</u>	<u>Parcels in 2016-4</u>	<u>Amount</u> <u>Applicable</u>
Beaumont Unified School B & I (0.07432%)	GO	\$141,000,000	\$ 49,341,417	1.84%	346	\$909,586
MT San Jacinto Comm (0.01320%)	GO	295,000,000	105,000,000	0.12	346	\$126,426
San Gorgonio Memorial Healthcare District (0.08692%)	GO	108,000,000	0	1.27	346	\$0
San Gorgonio Pass Water Agency (0.18250%)	GO	0	0	1.18	346	\$0
TOTAL UNISSUED GENERAL OBLIGATION INDEBTEDNESS						\$1,035,012
TOTAL OUTSTANDING AND UNISSUED GENERAL OBLIGATION INDEBTEDNESS						\$4,108,506
TOTAL OF ALL OUTSTANDING DIRECT AND OVERLAPPING BONDED DEBT(5)						\$7,356,111*
TOTAL OF ALL OUTSTANDING AND UNISSUED DIRECT AND OVERLAPPING INDEBTEDNESS						\$8,391,123*

IV. Ratios to 2018-2019 Appraised Valuation

Outstanding Land Secured Bonded Debt	24.93:1*
Total Outstanding Bonded Debt	14.52:1*

* Preliminary, subject to change.

(1) Assessed/appraised value is per the Appraisal and as of September 1, 2019.

(2) Amount outstanding is equal to the initial principal amount of the Bonds.

(3) The District has covenanted in the Indenture not to issue additional bonds other than for refunding purposes. See "SOURCES OF PAYMENT FOR THE BONDS—Issuance of Parity Bonds."

(4) Percentage applicable determined by Fiscal Year 2018-19 Equalized Roll Assessed Value information.

Source: Webb Municipal Finance, LLC.

Annual Debt Service for the Bonds has been structured so that Assigned Special Taxes levied on all taxable parcels of Developed Property at buildout, assuming no delinquencies, will generate in each Fiscal Year not less than 110% of debt service payable with respect to the Bonds in the calendar year that begins in that Fiscal Year, plus estimated Administrative Expenses, assuming that Special Taxes are levied and collected on such Developed Property in the District pursuant to the Rate and Method.

Based on the principal amount of the Bonds, interest costs and estimated Administrative Expenses, and Fiscal Year 2018-19 tax rates for all other taxing jurisdictions within the District, the total projected Fiscal Year 2020-21 average effective tax rate for Developed Property in the District at buildout is estimated to be approximately 1.79%* of the average value.

The following Table 6 sets forth the estimated total tax obligation of Developed Property in the District at buildout based on the average home size and assessed values and appraised values, as applicable, in the District.

* Preliminary, subject to change.

**TABLE 6
CITY OF BEAUMONT
COMMUNITY FACILITIES DISTRICT NO. 2016-4
ESTIMATED AVERAGE TAX OBLIGATION AT BUILDOUT⁽¹⁾**

Average Home Value ⁽²⁾	\$	324,263
<i>Ad Valorem Property Taxes:</i>		
Ad-Valorem Tax Rate (1.00%)	\$	3,046.11
Beaumont Unified School District (0.07432%)		226.39
San Gorgonio Pass Memorial Hospital (0.08692%)		264.77
San Gorgonio Pass Water District (0.18250%)		555.92
Mt. San Jacinto Community College District (0.01320%)		40.21
Total Ad Valorem Property Taxes	\$	<u>4,400.06</u>
<i>Assessment, Special Taxes & Parcel Charges:</i>		
FLD CNTL STORMWATER/CLEANWATER	\$	3.27
SAN GORGONIO HOSPITAL MEASURE D		55.10
CFD No. 2016-4 ⁽³⁾		787.00
CFD No. 2016-4 BEAUMONT SERVICE ⁽⁴⁾		485.04
CFD No. 2016-4 BEAUMONT MAINT SERV ⁽⁵⁾		77.16*
Total Assessment Charges	\$	<u>1,407.57*</u>
Average Total Property Tax	\$	5,807.63*
Average Effective Tax Rate		1.79%*

* Preliminary, subject to change.

- (1) Average Fiscal Year 2020-21 tax rates based upon Fiscal Year 2018-19 Overlapping Taxes and Assessment Rates.
- (2) Average Home Value is based upon average assessed values and appraised values for developed parcels with improvement value for Fiscal Year 2018-19 per Riverside County Equalized Roll Data which have full structure and land value per the Appraisal Report and Riverside County Equalized Roll data.
- (3) Reflects the District's Average Fiscal Year 2019-20 Special Tax Levy for facilities for developed parcels with Improvement Assessed Value.
- (4) Reflects the District's Fiscal Year 2020-21 projected Special Tax Levy for Developed parcels. Per the RMA, the maximum special tax for public services for the prior fiscal year shall be adjusted by the greater of (i) an amount equal to the positive annual percent change in the Consumer Price Index for the Calendar Year ending in December of the prior fiscal year or (ii) five percent. As CPI data for December 2019 is not available, the percentage calculate pursuant to clause (i) in the preceding sentence cannot be precisely estimated. Instead, the most current data was used to estimate this amount, which rendered 5.00%.
- (5) Reflects the District's Fiscal Year 2020-21 projected Special Tax Levy for Developed parcels. Per the RMA, the maximum special tax for maintenance services for the prior fiscal year shall be adjusted by the greater of (i) an amount equal to the positive annual percent change in the Consumer Price Index for the Calendar Year ending in December of the prior fiscal year or (ii) two percent. As CPI data for December 2019 is not available, the percentage calculated pursuant to clause (i) in the preceding sentence cannot be precisely estimated. Instead, the most current data was used to estimate this amount, which rendered 2.60%.

Source: Webb Municipal Finance, LLC, based on assessed value information provided by the County.

Delinquency History

Fiscal Year 2017-18 was the first fiscal year in which Special Taxes were levied within the District. Unpaid amounts of the Special Taxes become delinquent after December 10 and April 10 of each Fiscal Year. Table 7 below summarizes the Special Tax delinquencies within the District for Fiscal Years 2017-18 and 2018-19, as of July 30, 2019.

**TABLE 7
CITY OF BEAUMONT
COMMUNITY FACILITIES DISTRICT NO. 2016-4
SPECIAL TAX LEVIES, DELINQUENCIES, AND DELINQUENCY RATES
FISCAL YEARS 2017-18 THROUGH 2018-19⁽¹⁾**

<i>Fiscal Year</i>	<i>Amount Levied</i>	<i>Parcels Levied</i>	<i>Delinquencies Following Fiscal Year End</i>			<i>Delinquencies as of July 30, 2019</i>		
			<i>Parcels Delinquent</i>	<i>Amount Delinquent</i>	<i>Percent Delinquent</i>	<i>Parcels Delinquent</i>	<i>Amount Delinquent</i>	<i>Percent Delinquent</i>
2017-18 ⁽²⁾	\$ 49,341.00	57	0	\$ 0.00	0.00%	0	\$0.00	0.00%
2018-19	154,156.00	172	1	966.00	0.63	0	0.00	0.00

⁽¹⁾ Delinquency information is as of July 30, 2019.

⁽²⁾ The Special Tax was first levied in Fiscal Year 2017-18.

Source: Webb Municipal Finance, LLC and Riverside County Tax Collector

Top Taxpayers

As of September 1, 2019, individual homeowners owned 312 of the 346 parcels in the District. Based on ownership and development status as of September 1, 2019, individual homeowners are projected to be responsible for 90.76% of the Special Taxes to be levied in Fiscal Year 2020-21, with the Developer projected to be responsible for 9.24%. The District is not aware of any individual, other than the Developer, who owns more than one parcel within the District.

PROPERTY OWNERSHIP AND THE DEVELOPMENT

The information regarding the development and ownership of the Property contained under this caption, "PROPERTY OWNERSHIP AND THE DEVELOPMENT," has been provided by representatives of K. Hovnanian's Four Seasons at Beaumont, LLC (the "Developer"), and has not been independently confirmed or verified by the Underwriter, the City or the District. The Underwriter, the City and the District make no representation as to the accuracy or adequacy of the information contained under this caption. There may be material adverse changes in this information after the date of this Official Statement. Neither the Bonds nor the Special Taxes securing the Bonds are personal obligations of the Developer or any affiliate thereof, or any other property owner and, in the event that any property owner defaults in the payment of its Special Taxes, the District may proceed with judicial foreclosure but has no direct recourse to the assets of any property owner or any affiliate thereof. See "SPECIAL RISK FACTORS" herein.

The Developer is developing the property within the District. The District consists of approximately 86.41 gross acres and approximately 50.97 net acres. All of the property within the District is located within Tract Map Nos. 33096-12 and 33096-13. The property within the District is being developed into a residential development of 346 single family detached homes within the master planned community known as "K. Hovnanian's Four Seasons." The Developer is an indirect, wholly-owned subsidiary of Hovnanian Enterprises, Inc., a Delaware corporation ("Hovnanian"), which is based in Red Bank, New Jersey, and has been in the business of developing residential real estate communities in California since 1994.

Hovnanian is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and in accordance therewith files reports, proxy statements, and other information, including financial statements, with the Securities and Exchange Commission (the "SEC"). Such filings, particularly Hovnanian's Annual Report on Form 10-K for the fiscal year ended October 31, 2018, as filed by Hovnanian with the SEC on December 20, 2018, and its Quarterly Report on Form 10-Q for the quarterly period ended July 31, 2019, as filed by Hovnanian with the SEC on September 5, 2019, set forth certain data relative to the consolidated results of operations and financial position of Hovnanian and its subsidiaries, including the Developer, as of such dates. The SEC maintains an Internet web site that contains

reports, proxy and information statements and other information regarding registrants that file electronically with the SEC, including Hovnanian. The address of such Internet web site is www.sec.gov. All documents subsequently filed by Hovnanian, pursuant to the requirements of the Exchange Act after the date of this Official Statement will be available for inspection in such manner as the SEC prescribes. Copies of Hovnanian's Annual Report and each of its other quarterly and current reports, including any amendments, are available from Hovnanian's website at www.khov.com. These Internet addresses and references to filings with the SEC are included for reference only, and the information on these Internet sites and on file with the SEC are not a part of this Official Statement and are not incorporated by reference into this Official Statement.

The SEC maintains an Internet web site that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC, including Hovnanian. The address of such Internet web site is www.sec.gov. All documents subsequently filed by Hovnanian pursuant to the requirements of the Exchange Act after the date of this Official Statement will be available for inspection in such manner as the SEC prescribes. Copies of Hovnanian's Annual Report and each of its other quarterly and current reports, including any amendments, are available from Hovnanian's website at www.khov.com. The foregoing Internet addresses and references to filings with the SEC are included for reference only, and the information on these Internet sites and on file with the SEC are not a part of this Official Statement and are not incorporated by reference into this Official Statement.

General. Home sales and closings within the District began in April 2017. Of the 346 lots within the District, as of September 1, 2019, 312 had been completed and conveyed to individual homeowners, 12 had been completed and were owned by the Developer, and 22 homes were under construction and owned by the Developer. As of September 1, 2019, all 346 lots had building permits pulled and will be classified and levied against as Developed Property beginning in Fiscal Year 2020-21. As of October 1, 2019, an additional 4 homes within the District had been conveyed to individual homeowners. As of October 1, 2019, 24 of the remaining homes within the District were sold and under contract to individual homebuyers leaving six unsold homes within the District. Homes under contract to individual homebuyers may not result in closed escrows as sales contracts are subject to cancellation. As of October 1, 2019, all homes are complete and all backbone and intract infrastructure relating to the development within the District is complete, with the exception of final punch list items related to various improvements. The Developer anticipates that complete buildout of the District and that the remaining units will be transferred to individual homeowners by the end of 2019.

SPECIAL RISK FACTORS

The purchase of the Bonds involves significant risks and is not an appropriate investment for all investors. The following is a discussion of certain risk factors which should be considered, in addition to other matters set forth herein, in evaluating the investment quality of the Bonds. The Bonds have not been rated by a rating agency. This discussion does not purport to be comprehensive or definitive and does not purport to be a complete statement of all factors which may be considered as risks in evaluating the credit quality of the Bonds. The occurrence of one or more of the events discussed herein could adversely affect the ability or willingness of property owners in the District to pay their Special Taxes when due. Such failures to pay Special Taxes could result in the inability of the District to make full and punctual payments of debt service on the Bonds. In addition, the occurrence of one or more of the events discussed herein could adversely affect the value of the property in the District. See “—Property Values” and “—Limited Secondary Market.”

Concentration of Ownership

Based on ownership and development status as of October 1, 2019 and assuming no additional home closings, approximately 8.03% of the Special Taxes projected to be levied in Fiscal Year 2020-21 will be payable by the Developer. Failure of the Developer, entities affiliated with the Developer or any successor(s), to pay the annual Special Taxes when due could result in a draw on the Reserve Account of the Special Tax Fund, and ultimately a default in payments of the principal of, and interest on, the Bonds, when due. No

assurance can be given that the Developer or any of its successors, will complete the remaining intended construction and development in the District. See “—Failure to Develop Properties.”

Risks of Real Estate Secured Investments Generally

The Bond owners will be subject to the risks generally incident to an investment secured by real estate, including, without limitation, (i) adverse changes in local market conditions, such as changes in the market value of real property in the vicinity of the District, the supply of or demand for competitive properties in such area, and the market value of residential property or buildings and/or sites in the event of sale or foreclosure; (ii) changes in real estate tax rates and other operating expenses, governmental rules (including, without limitation, zoning laws and laws relating to endangered species and hazardous materials) and fiscal policies; and (iii) natural disasters (including, without limitation, earthquakes, fires and floods), which may result in uninsured losses.

No assurance can be given that any future homeowners within the District will pay Special Taxes in the future or that they will be able to pay such Special Taxes on a timely basis. See “—Bankruptcy and Foreclosure” below, for a discussion of certain limitations on the City’s ability to pursue judicial proceedings with respect to delinquent parcels.

Tax Cuts and Jobs Act

H.R. 1 of the 115th U.S. Congress, known as the “Tax Cuts and Jobs Act,” was enacted into law on December 22, 2017 (the “Tax Act”). The Tax Act makes significant changes to many aspects of the Code. For example, the Tax Act reduces the amount of mortgage interest expense and state and local income tax and property tax expense that individuals may deduct from their gross income for federal income tax purposes, which could increase the cost of home ownership within the District. However, neither the City nor the District can predict the effect that the Tax Act may have on the cost of home ownership or the price of homes in the District or the ability or willingness of homeowners to pay Special Taxes or property taxes.

Limited Obligations

The Bonds and interest thereon are not payable from the general funds of the City. Except with respect to the Special Taxes, neither the faith and credit nor the taxing power of the District or the City is pledged for the payment of the Bonds or the interest thereon, and, except as provided in the Indenture, no owner of the Bonds may compel the exercise of any taxing power by the District or the City or force the forfeiture of any City or District property. The principal of, premium, if any, and interest on the Bonds are not a debt of the City or a legal or equitable pledge, charge, lien or encumbrance upon any of the City’s or the District’s property or upon any of the City’s or the District’s income, receipts or revenues, except the Net Taxes and other amounts pledged under the Indenture.

Insufficiency of Special Taxes

Under the Rate and Method, the annual amount of Special Tax to be levied on each taxable parcel in the District will generally be based on the land use class to which a parcel of Developed Property is assigned. See APPENDIX A—“RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX” and “SOURCES OF PAYMENT FOR THE BONDS—Special Taxes—*Rate and Method of Apportionment of Special Tax.*”

In order to pay debt service on the Bonds, it is necessary that the Special Taxes be paid in a timely manner. The District will establish and fund upon the issuance of the Bonds a Reserve Account of the Special Tax Fund in an amount equal to the Reserve Requirement to pay debt service on the Bonds to the extent other funds are not available. See “SOURCES OF PAYMENT FOR THE BONDS—Reserve Account of the Special Tax Fund.” The District will covenant to maintain in the Reserve Account of the Special Tax Fund an amount equal to the Reserve Requirement subject, however, to the limitation that the District may not levy the

Special Tax in the District in any fiscal year at a rate in excess of the maximum amounts permitted under the Rate and Method and the Act. As a result, if a significant number of delinquencies occurs, the District could be unable to replenish the Reserve Account of the Special Tax Fund to the Reserve Requirement due to the limitations on the maximum Special Tax. If such defaults were to continue in successive years, the Reserve Account of the Special Tax Fund could be depleted and a default on the Bonds could occur. See “SOURCES OF PAYMENT FOR THE BONDS—Special Taxes—*Limitation on Special Tax Levy and Potential Impact on Coverage.*”

The District will covenant in the Indenture that, under certain conditions, it will institute foreclosure proceedings to sell any property with delinquent Special Taxes in order to obtain funds to pay debt service on the Bonds. If foreclosure proceedings were ever instituted, any mortgage or deed of trust holder could, but would not be required to, advance the amount of the delinquent Special Tax to protect its security interest. See “SOURCES OF PAYMENT FOR THE BONDS—Special Taxes—*Proceeds of Foreclosure Sales*” for provisions which apply in the event of such foreclosure and which the District is required to follow in the event of delinquencies in the payment of the Special Tax.

In the event that sales or foreclosures of property are necessary, there could be a delay in payments to owners of the Bonds (if the Reserve Account of the Special Tax Fund has been depleted) pending such sales or the prosecution of such foreclosure proceedings and receipt by the District of the proceeds of sale. The District may adjust the future Special Tax levied on taxable parcels in the District, subject to the limitation on the maximum Special Tax, to provide an amount required to pay interest on, principal of, and redemption premiums, if any, on the Bonds, and the amount, if any, necessary to replenish the Reserve Account of the Special Tax Fund to an amount equal to the Reserve Requirement and to pay all current expenses. There is, however, no assurance that the total amount of the Special Tax that could be levied and collected against taxable parcels in the District will be at all times sufficient to pay the amounts required to be paid by the Indenture, even if the Special Tax is levied at the maximum Special Tax rates. See “—Bankruptcy and Foreclosure” for a discussion of potential delays in foreclosure actions.

The Rate and Method governing the levy of the Special Tax provides that no Special Tax shall be levied on property that is not located in the District. No Special Tax shall be levied on Exempt Property. See APPENDIX A—“RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX.” If for any reason property within the District becomes exempt from taxation by reason of ownership by a non-taxable entity such as the federal government or another public agency, subject to the limitations of the maximum authorized rates, the Special Tax will be reallocated to the remaining taxable properties within the District. This would result in the owners of such property paying a greater amount of the Special Tax and could have an adverse impact upon the ability and willingness of the owners of such property to pay the Special Tax when due.

The Rate and Method governing the levy of the Special Tax provides that, once a parcel is classified as Taxable Property, it will remain subject to a Special Tax levy even if it is subsequently acquired by a public agency. The Act provides that, if any property within the District not otherwise exempt from the Special Tax is acquired by a public entity through a negotiated transaction, or by gift or devise, the Special Tax will continue to be levied on and enforceable against the public entity that acquired the property. In addition, the Act provides that, if property subject to the Special Tax is acquired by a public entity through eminent domain proceedings, the obligation to pay the Special Tax with respect to that property is to be treated as if it were a special assessment and be paid from the eminent domain award. The constitutionality and operation of these provisions of the Act have not been tested in the courts. Due to problems of collecting taxes from public agencies, if a substantial portion of land within the District was to become owned by public agencies, collection of the Special Tax might become more difficult and could result in collections of the Special Tax which might not be sufficient to pay principal of and interest on the Bonds when due and a default could occur with respect to the payment of such principal and interest.

Natural Disasters

The District, like all California communities, may be subject to unpredictable seismic activity, fires, floods, or other natural disasters. Southern California is a seismically active area. Seismic activity represents a potential risk for damage to buildings, roads, and property within the District. In addition, land susceptible to seismic activity may be subject to liquefaction during the occurrence of such event. The property within the District is not located in an Alquist Priolo Earthquake Study Zone though it is located less than 10 miles from the San Andreas Fault. The District is not located in a flood plain area.

In recent years, wildfires have caused extensive damage throughout the State. In some instances, entire neighborhoods have been destroyed. Several of the fires that occurred in recent years damaged or destroyed property in areas that were not previously considered to be at risk from such events. Some commentators believe that climate change will lead to even more frequent and more damaging wildfires in the future. Additionally, wildfires increase the risk of mudslides in areas like the District that are surrounded by hillsides. In general, property damage due to wildfire or mudslides could result in a significant decrease in the market value of property in the District and in the ability or willingness of property owners to pay Special Taxes.

Western Riverside County, in which the District is located, has previously experienced large scale wildfires that resulted in the destruction of homes and businesses. According to the City's Municipal Code, which incorporates portions of the County's Ordinance 787 and the California Fire Code by reference, the District is not located in a Very High Fire Hazard Severity Zone. More information regarding Fire Hazard Severity Zones, including the most recent Fire Hazard Severity Zone Maps, can be found at the California Department of Forestry and Fire Protection website at <http://frap.fire.ca.gov/index>, though such website is not incorporated herein by reference. Homeowner's insurance is available to property owners within the District, and the coverage provided by such insurance typically insures against fire damage, although there is no assurance that homeowners within the District will purchase or maintain such insurance.

In the event of a severe earthquake, fire, flood or other natural disaster, there may be significant damage to both property and infrastructure in the District. As a result, a substantial portion of the property owners may be unable or unwilling to pay the Special Taxes when due. In addition, the value of land in the District could be diminished in the aftermath of such a natural disaster, reducing the resulting proceeds of foreclosure sales in the event of delinquencies in the payment of the Special Taxes.

Hazardous Substances

The presence of hazardous substances on a parcel may result in a reduction in the value of a parcel. In general, the owners and operators of a parcel may be required by law to remedy conditions of the parcel relating to releases or threatened releases of hazardous substances. The Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as "CERCLA" or the "Superfund Act," is the most well-known and widely applicable of these laws, but California laws with regard to hazardous substances are also stringent and similar. Under many of these laws, the owner or operator is obligated to remedy a hazardous substance condition of property whether or not the owner or operator has anything to do with creating or handling the hazardous substance. The effect, therefore, should any of the taxed parcels be affected by a hazardous substance, is to reduce the marketability and value of the parcel by the costs of remedying the condition, because the purchaser, upon becoming the owner, will become obligated to remedy the condition just as is the seller.

Further, it is possible that liabilities may arise in the future with respect to any of the parcels resulting from the existence, currently, on the parcel of a substance presently classified as hazardous but which has not been released or the release of which is not presently threatened, or may arise in the future resulting from the existence, currently, on the parcel of a substance not presently classified as hazardous but which may in the future be so classified. Further, such liabilities may arise not simply from the existence of a hazardous

substance but from the method of handling such substance. All of these possibilities could significantly affect the value of a parcel that is realizable upon a delinquency and the willingness or ability of the owner of any parcel to pay the Special Tax installments.

The value of the taxable property within the District, as set forth in the various tables in this Official Statement, does not reflect the presence of any hazardous substance or the possible liability of the owner (or operator) for the remedy of a hazardous substance condition of the property. The District has not independently verified, but is not aware, that any owner (or operator) of any of the parcels within the District has such a current liability with respect to any such parcel. However, it is possible that such liabilities do currently exist and that the District is not aware of them.

Payment of the Special Tax is not a Personal Obligation of the Property Owners

An owner of a taxable parcel is not personally obligated to pay the Special Tax. Rather, the Special Tax is an obligation which is secured only by a lien against the taxable parcel. If the value of a taxable parcel is not sufficient, taking into account other liens imposed by public agencies, to secure fully the Special Tax, the District has no recourse against the property owner.

Property Values

The value of the property within the District is a critical factor in determining the investment quality of the Bonds. If a property owner is delinquent in the payment of Special Taxes, the District's only remedy is to commence foreclosure proceedings against the delinquent parcel in an attempt to obtain funds to pay the Special Taxes. Reductions in property values due to a downturn in the economy, physical events such as earthquakes, fires or floods, stricter land use regulations, delays in development or other events will adversely impact the security underlying the Special Taxes. See "THE COMMUNITY FACILITIES DISTRICT—Value-to-Lien Ratios."

The Appraiser has estimated, on the basis of certain definitions, assumptions and limiting conditions contained in the Appraisal Report that as of September 1, 2019, the value (assessed and appraised) of the Taxable Parcels within the District was not less than \$106,815,487. The Appraisal Report is based on a number of assumptions and limiting conditions as stated in APPENDIX H—"APPRAISAL REPORT." The Appraisal Report does not reflect any possible negative impact which could occur by reason of future slow or no growth voter initiatives, an economic downturn, any potential limitations on development occurring due to time delays, an inability of any landowner to obtain any needed development approval or permit, the presence of hazardous substances or other adverse soil conditions within the District, the listing of endangered species or the determination that habitat for endangered or threatened species exists within the District, or other similar situations.

Prospective purchasers of the Bonds should not assume that the land and improvements within the District could be sold for the amount stated in the Appraisal Report at a foreclosure sale for delinquent Special Taxes. In arriving at the estimate of market value of the appraised parcels in the Appraisal, the Appraiser assumes that any sale will be sold in a competitive market after a reasonable exposure time, and assuming that neither the buyer or seller is under duress, which is not always present in a foreclosure sale. See APPENDIX H—"APPRAISAL REPORT" for a description of other assumptions made by the Appraiser and for the definitions and limiting conditions used by the Appraiser. Any event which causes one of the Appraiser's assumptions to be untrue could result in a reduction of the value of the land within the District from that estimated by the Appraiser.

The assessed values set forth in this Official Statement or in the Appraisal do not represent market values arrived at through an appraisal process and generally reflect only the sales price of a parcel when acquired by its current owner, adjusted annually by an amount determined by the County Assessor, generally

not to exceed an increase of more than 2% per fiscal year. No assurance can be given that a parcel could actually be sold for its assessed value.

No assurance can be given that any bid will be received for a parcel with delinquent Special Taxes offered for sale at foreclosure or, if a bid is received, that such bid will be sufficient to pay all delinquent Special Taxes. See APPENDIX D—“SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE—COVENANTS AND WARRANTY—Covenants—*Commence Foreclosure Proceedings*.”

Parity Taxes and Special Assessments

Property within the District is subject to taxes and assessments imposed by other public agencies also having jurisdiction over the land within the District. See “THE COMMUNITY FACILITIES DISTRICT—Direct and Overlapping Indebtedness.”

The Special Taxes and any penalties thereon will constitute a lien against the lots and parcels of land on which they will be annually imposed until they are paid. Such lien is on a parity with all special taxes and special assessments levied by other agencies and is co-equal to and independent of the lien for general property taxes regardless of when they are imposed upon the same property. The Special Taxes have priority over all existing and future private liens imposed on the property except, possibly, for liens or security interests held by the Federal Deposit Insurance Corporation. See “—Bankruptcy and Foreclosure.”

Neither the District nor the City has control over the ability of other entities and districts to issue indebtedness secured by special taxes, *ad valorem* taxes or assessments payable from all or a portion of the property within the District. In addition, the landowners within the District may, without the consent or knowledge of the District, petition other public agencies to issue public indebtedness secured by special taxes and *ad valorem* taxes or assessments. Any such special taxes or assessments may have a lien on such property on a parity with the Special Taxes and could reduce the estimated value-to-lien ratios for the property within the District described herein. See “SOURCES OF PAYMENT FOR THE BONDS” and “THE COMMUNITY FACILITIES DISTRICT—Direct and Overlapping Indebtedness” and “—Value-to-Lien Ratios.”

Disclosures to Future Purchasers

The willingness or ability of an owner of a parcel to pay the Special Tax even if the value is sufficient may be affected by whether or not the owner was given due notice of the Special Tax authorization at the time the owner purchased the parcel, was informed of the amount of the Special Tax on the parcel should the Special Tax be levied at the maximum tax rate and the risk of such a levy and, at the time of such a levy, has the ability to pay it as well as pay other expenses and obligations. The District has caused a notice of the Special Tax to be recorded in the Office of the Recorder for the County of Riverside against each parcel. While title companies normally refer to such notices in title reports, there can be no guarantee that such reference will be made or, if made, that a prospective purchaser or lender will consider such Special Tax obligation in the purchase of a property within the District or lending of money thereon.

The Act requires the subdivider (or its agent or representative) of a subdivision to notify a prospective purchaser or long-term lessor of any lot, parcel, or unit subject to a special tax under the Act of the existence and maximum amount of such special tax using a statutorily prescribed form. California Civil Code Section 1102.6b requires that in the case of transfers other than those covered by the above requirement, the seller must at least make a good faith effort to notify the prospective purchaser of the special tax lien in a format prescribed by statute. Failure by an owner of the property to comply with the above requirements, or failure by a purchaser or lessor to consider or understand the nature and existence of the Special Tax, could adversely affect the willingness and ability of the purchaser or lessor to pay the Special Tax when due.

Special Tax Delinquencies

Under provisions of the Act, the Special Taxes, from which funds necessary for the payment of principal of, and interest on, the Bonds are derived, will be billed to the properties within the District on the regular *ad valorem* property tax bills sent to owners of such properties by the County of Riverside Tax Collector. The Act currently provides that such Special Tax installments are due and payable, and bear the same penalties and interest for non-payment, as do *ad valorem* property tax installments.

See APPENDIX D—“SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE—COVENANTS AND WARRANTY—Covenants—*Commence Foreclosure Proceedings*” for a discussion of the provisions which apply, and procedures which the District is obligated to follow under the Indenture, in the event of delinquencies in the payment of Special Taxes. See “—Bankruptcy and Foreclosure” for a discussion of the policy of the Federal Deposit Insurance Corporation regarding the payment of special taxes and assessment and limitations on the District’s ability to foreclosure on the lien of the Special Taxes in certain circumstances.

The District does not participate in the County’s Teeter Plan. Accordingly, the collection of Special Taxes is subject to delinquencies. See “THE COMMUNITY FACILITIES DISTRICT—Delinquency History” for a discussion on delinquent Special Taxes in the District.

FDIC/Federal Government Interests in Properties

General. The ability of the District to foreclose the lien of delinquent unpaid Special Tax installments may be limited with regard to properties in which the Federal Deposit Insurance Corporation (the “FDIC”), the Drug Enforcement Agency, the Internal Revenue Service, or other federal agency has or obtains an interest.

The supremacy clause of the United States Constitution reads as follows: “This Constitution, and the Laws of the United States which shall be made in Pursuance thereof; and all Treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, any Thing in the Constitution or Laws of any State to the contrary notwithstanding.”

This means that, unless Congress has otherwise provided, if a federal governmental entity owns a parcel that is subject to Special Taxes within the District but does not pay taxes and assessments levied on the parcel (including Special Taxes), the applicable state and local governments cannot foreclose on the parcel to collect the delinquent taxes and assessments.

Moreover, unless Congress has otherwise provided, if the federal government has a mortgage interest in the parcel and the District wishes to foreclose on the parcel as a result of delinquent Special Taxes, the property cannot be sold at a foreclosure sale unless it can be sold for an amount sufficient to pay delinquent taxes and assessments on a parity with the Special Taxes and preserve the federal government’s mortgage interest. In *Rust v. Johnson* (9th Circuit; 1979) 597 F.2d 174, the United States Court of Appeal, Ninth Circuit held that the Federal National Mortgage Association (“FNMA”) is a federal instrumentality for purposes of this doctrine, and not a private entity, and that, as a result, an exercise of state power over a mortgage interest held by FNMA constitutes an exercise of state power over property of the United States.

The District has not undertaken to determine whether any federal governmental entity currently has, or is likely to acquire, any interest (including a mortgage interest) in any of the parcels subject to the Special Taxes within the District, and therefore expresses no view concerning the likelihood that the risks described above will materialize while the Bonds are outstanding.

FDIC. In the event that any financial institution making any loan which is secured by real property within the District is taken over by the FDIC, and prior thereto or thereafter the loan or loans go into default,

resulting in ownership of the property by the FDIC, then the ability of the District to collect interest and penalties specified by State law and to foreclose the lien of delinquent unpaid Special Taxes may be limited. The FDIC's policy statement regarding the payment of state and local real property taxes (the "Policy Statement") provides that property owned by the FDIC is subject to state and local real property taxes only if those taxes are assessed according to the property's value, and that the FDIC is immune from real property taxes assessed on any basis other than property value. According to the Policy Statement, the FDIC will pay its property tax obligations when they become due and payable and will pay claims for delinquent property taxes as promptly as is consistent with sound business practice and the orderly administration of the institution's affairs, unless abandonment of the FDIC's interest in the property is appropriate. The FDIC will pay claims for interest on delinquent property taxes owed at the rate provided under state law, to the extent the interest payment obligation is secured by a valid lien. The FDIC will not pay any amounts in the nature of fines or penalties and will not pay nor recognize liens for such amounts. If any property taxes (including interest) on FDIC-owned property are secured by a valid lien (in effect before the property became owned by the FDIC), the FDIC will pay those claims. The Policy Statement further provides that no property of the FDIC is subject to levy, attachment, garnishment, foreclosure or sale without the FDIC's consent. In addition, the FDIC will not permit a lien or security interest held by the FDIC to be eliminated by foreclosure without the FDIC's consent.

The Policy Statement states that the FDIC generally will not pay non-*ad valorem* taxes, including special assessments, on property in which it has a fee interest unless the amount of tax is fixed at the time that the FDIC acquires its fee interest in the property, nor will it recognize the validity of any lien to the extent it purports to secure the payment of any such amounts. Special taxes imposed under the Act and a special tax formula which determines the special tax due each year are specifically identified in the Policy Statement as being imposed each year and therefore covered by the FDIC's federal immunity. The Ninth Circuit has issued a ruling on August 28, 2001 in which it determined that the FDIC, as a federal agency, is exempt from special taxes under the Act.

The District is unable to predict what effect the application of the Policy Statement would have in the event of a delinquency in the payment of Special Taxes on a parcel within the District in which the FDIC has or obtains an interest, although prohibiting the lien of the Special Taxes to be foreclosed out at a judicial foreclosure sale could reduce or eliminate the number of persons willing to purchase a parcel at a foreclosure sale. Such an outcome could cause a draw on the Reserve Account and perhaps, ultimately, if enough property were to become owned by the FDIC, a default in payment on the Bonds.

Bankruptcy and Foreclosure

Bankruptcy, insolvency and other laws generally affecting creditors' rights could adversely impact the interests of owners of the Bonds in at least two ways. First, the payment of property owners' taxes and the ability of the District to foreclose the lien of a delinquent unpaid Special Tax pursuant to its covenant to pursue judicial foreclosure proceedings may be limited by bankruptcy, insolvency or other laws generally affecting creditors' rights or by the laws of the State relating to judicial foreclosure. See "SOURCES OF PAYMENT FOR THE BONDS—Special Taxes—*Proceeds of Foreclosure Sales*." In addition, the prosecution of a foreclosure could be delayed due to many reasons, including crowded local court calendars or lengthy procedural delays.

Second, the Bankruptcy Code might prevent moneys on deposit in the Acquisition and Construction Fund from being applied to pay interest on the Bonds and/or to redeem Bonds if bankruptcy proceedings were brought by or against a landowner or other party and if the court found that the landowner or other party had an interest in such moneys within the meaning of Section 541(a)(1) of the Bankruptcy Code.

Although a bankruptcy proceeding would not cause the Special Taxes to become extinguished, the amount of any Special Tax lien could be modified if the value of the property falls below the value of the lien. If the value of the property is less than the lien, such excess amount could be treated as an unsecured claim by

the bankruptcy court. In addition, bankruptcy of a property owner could result in a delay in prosecuting Superior Court foreclosure proceedings. Such delay would increase the likelihood of a delay or default in payment of delinquent Special Tax installments and the possibility of delinquent Special Tax installments not being paid in full.

On July 30, 1992, the United States Court of Appeals for the Ninth Circuit issued its opinion in a bankruptcy case entitled *In re Glasply Marine Industries*. In that case, the court held that *ad valorem* property taxes levied by Snohomish County in the State of Washington after the date that the property owner filed a petition for bankruptcy were not entitled to priority over a secured creditor with a prior lien on the property. Although the court upheld the priority of unpaid taxes imposed before the bankruptcy petition, unpaid taxes imposed after the filing of the bankruptcy petition were declared to be “administrative expenses” of the bankruptcy estate, payable after all secured creditors. As a result, the secured creditor was able to foreclose on the property and retain all the proceeds of the sale except the amount of the pre-petition taxes.

The Bankruptcy Reform Act of 1994 (the “Bankruptcy Reform Act”) included a provision which excepts from the Bankruptcy Code’s automatic stay provisions, “the creation of a statutory lien for an *ad valorem* property tax imposed by . . . a political subdivision of a state if such tax comes due after the filing of the petition [by a debtor in bankruptcy court].” This amendment effectively makes the *Glasply* holding inoperative as it relates to *ad valorem* real property taxes. However, it is possible that the original rationale of the *Glasply* ruling could still result in the treatment of post-petition special taxes as “administrative expenses,” rather than as tax liens secured by real property, at least during the pendency of bankruptcy proceedings.

According to the court’s ruling, as administrative expenses, post-petition taxes would be paid, assuming that the debtor had sufficient assets to do so. In certain circumstances, payment of such administrative expenses may be allowed to be deferred. Once the property is transferred out of the bankruptcy estate (through foreclosure or otherwise), it would at that time become subject to current *ad valorem* taxes.

The Act provides that the Special Taxes are secured by a continuing lien which is subject to the same lien priority in the case of delinquency as *ad valorem* taxes. No case law exists with respect to how a bankruptcy court would treat the lien for Special Taxes levied after the filing of a petition in bankruptcy court. *Glasply* is controlling precedent on bankruptcy courts in the State. If the *Glasply* precedent was applied to the levy of the Special Taxes, the amount of Special Taxes received from parcels whose owners declare bankruptcy could be reduced.

The various legal opinions to be delivered concurrently with the delivery of the Bonds (including Bond Counsel’s approving legal opinion) will be qualified, as to the enforceability of the various legal instruments, by moratorium, bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

No Acceleration Provision

The Bonds do not contain a provision allowing for the acceleration of the Bonds in the event of a payment default or other default under the terms of the Bonds or the Indenture or in the event interest on the Bonds becomes included in gross income for federal income tax purposes. Pursuant to the Indenture, an owner is given the right for the equal benefit and protection of all owners of the Bonds similarly situated to pursue certain remedies described in APPENDIX D—“SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE—EVENTS OF DEFAULT; REMEDIES” and “—Limitations on Remedies.”

Loss of Tax Exemption

As discussed under the caption “TAX MATTERS” herein, interest on the Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date the Bonds were issued as a result of future acts or omissions of the District in violation of its covenants in the Indenture with

respect to compliance with certain provisions of the Internal Revenue Code of 1986. Should such an event of taxability occur, the Bonds are not subject to early redemption and will remain outstanding until maturity or until redeemed under the redemption provisions contained in the Indenture.

Limited Secondary Market

There can be no guarantee that there will be a secondary market for the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. Although the District has committed to provide certain statutorily required financial and operating information, there can be no assurance that such information will be available to Bondowners on a timely basis. See "CONTINUING DISCLOSURE." Any failure to provide annual financial information, if required, does not give rise to monetary damages but merely an action for specific performance. Occasionally, because of general market conditions, lack of current information, the absence of a credit rating for the Bonds or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices in connection with a particular issue are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then prevailing circumstances. Such prices could be substantially different from the original purchase price.

Proposition 218

An initiative measure commonly referred to as the "Right to Vote on Taxes Act" (the "Initiative") was approved by the voters of the State at the November 5, 1996 general election. The Initiative added Article XIII C and Article XIII D to the California Constitution. According to the "Title and Summary" of the Initiative prepared by the California Attorney General, the Initiative limits "the authority of local governments to impose taxes and property-related assessments, fees and charges." The provisions of the Initiative as they may relate to community facilities district are subject to interpretation by the courts. The Initiative could potentially impact the Special Taxes available to the District to pay the principal of and interest on the Bonds as described below.

Among other things, Section 3 of Article XIIC states that “. . . the initiative power shall not be prohibited or otherwise limited in matters of reducing or repealing any local tax, assessment, fee or charge.” The Act provides for a procedure which includes notice, hearing, protest and voting requirements to alter the rate and method of apportionment of an existing special tax. However, the Act prohibits a legislative body from adopting any resolution to reduce the rate of any special tax or terminate the levy of any special tax pledged to repay any debt incurred pursuant to the Act unless such legislative body determines that the reduction or termination of the special tax would not interfere with the timely retirement of that debt. On July 1, 1997, a bill was signed into law by the Governor of the State enacting Government Code Section 5854, which states that:

“Section 3 of Article XIIC of the California Constitution, as adopted at the November 5, 1996, general election, shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after that date, assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights protected by Section 10 of Article I of the United States Constitution.”

Accordingly, although the matter is not free from doubt, it is likely that the Initiative has not conferred on the voters the power to repeal or reduce the Special Taxes if such reduction would interfere with the timely retirement of the Bonds.

It may be possible, however, for voters or the City Council, acting as the legislative body of the District, to reduce the Special Taxes in a manner which does not interfere with the timely repayment of the Bonds, but which does reduce the maximum amount of Special Taxes that may be levied in any year below the existing levels. Furthermore, no assurance can be given with respect to the future levy of the Special Taxes in amounts greater than the amount necessary for the timely retirement of the Bonds. Therefore, no assurance can be given with respect to the levy of Special Taxes for Administrative Expenses. Nevertheless, to the maximum extent that the law permits it to do so, the District will covenant that it will not initiate proceedings under the Act to reduce the maximum Special Tax rates on parcels within the District. In connection with the foregoing covenant, the City Council has made a legislative finding and determination that any elimination or reduction of Special Taxes below the foregoing level would interfere with the timely retirement of the Bonds. The District will also covenant that, in the event an initiative is adopted which purports to alter the Rate and Method, it will commence and pursue legal action in order to preserve its ability to comply with the foregoing covenant. However, no assurance can be given as to the enforceability of the foregoing covenants.

The California Court of Appeal, Fourth Appellate District, Division One, issued its opinion in *City of San Diego v. Melvin Shapiro, et al.* (D063997) (the “San Diego Decision”). The case involved a Convention Center Facilities District (the “CCFD”) established by the City of San Diego (“San Diego”). The CCFD is a financing district much like a community facilities district established under the provisions of the Act. The CCFD is comprised of all of the real property in San Diego. However, the special tax to be levied within the CCFD was to be levied only on hotel properties located within the CCFD.

The election authorizing the special tax was limited to owners of hotel properties and lessees of real property owned by a governmental entity on which a hotel is located. Thus, the election was not a registered voter election. Such approach to determining who would constitute the qualified electors of the CCFD was modeled after Section 53326(c) of the Act, which generally provides that, if a special tax will not be apportioned in any tax year on residential property, the legislative body may provide that the vote shall be by the landowners of the proposed district whose property would be subject to the special tax. The Court held that the CCFD special tax election was invalid under the California Constitution because Article XIII A, Section 4 thereof and Article XIIC, Section 2 thereof require that the electors in such an election be the registered voters within the district.

The facts of the San Diego Decision show that there were thousands of registered voters within the CCFD (*viz.*, all of the registered voters in San Diego). The elections held in the District had less than 12 registered voters at the time of the election to authorize the Special Tax. In the San Diego Decision, the Court expressly stated that it was not addressing the validity of landowner voting to impose special taxes pursuant to the Act in situations where there are fewer than 12 registered voters. Thus, by its terms, the Court's holding does not apply to the Special Tax election in the District. Moreover, Section 53341 of the Act provides that any "action or proceeding to attack, review, set aside, void or annul the levy of a special tax...shall be commenced within 30 days after the special tax is approved by the voters." Similarly, Section 53359 of the Act provides that any action to determine the validity of bonds issued pursuant to the Act be brought within 30 days of the voters approving the issuance of such bonds.

The interpretation and application of Article XIII C and Article XIII D will ultimately be determined by the courts with respect to a number of the matters discussed above, and it is not possible at this time to predict with certainty the outcome of such determination or the timeliness of any remedy afforded by the courts. See "SPECIAL RISK FACTORS—Limitations on Remedies."

No Ratings – Limited Secondary Market

The District has not applied to have the Bonds rated by any nationally recognized bond rating company, and it does not expect to do so in the future. See "—Limited Secondary Market."

Ballot Initiatives

Articles XIII A, XIII B, XIII C and XIII D were adopted pursuant to measures qualified for the ballot pursuant to California's constitutional initiative process and the State Legislature has in the past enacted legislation which has altered the spending limitations or established minimum funding provisions for particular activities. On March 6, 1995, in the case of *Rossi v. Brown*, the State Supreme Court held that an initiative can repeal a tax ordinance and prohibit the imposition of further such taxes and that the exemption from the referendum requirements does not apply to initiatives. From time to time, other initiative measures could be adopted by California voters or legislation enacted by the legislature. The adoption of any such initiative or legislation might place limitations on the ability of the State, the City, or local districts to increase revenues or to increase appropriations within the District.

Potential Early Redemption of Bonds from Prepayments or Other Sources

Property owners within the District, including the Developer, and any individual property owner, are permitted to prepay their Special Taxes at any time. Such Prepayments could also be made from the proceeds of bonds issued by or on behalf of an overlapping special assessment district or community facilities district. Such Prepayments will result in an extraordinary redemption of the Bonds on the Interest Payment Date for which timely notice may be given under the Indenture following the receipt of the Prepayment. The resulting extraordinary redemption of Bonds that were purchased at a price greater than par could reduce the otherwise expected yield on such Bonds. See the caption "THE BONDS—Redemption—Extraordinary Redemption from Special Tax Prepayments."

Limitations on Remedies

Remedies available to the owners of the Bonds may be limited by a variety of factors and may be inadequate to assure the timely payment of principal of and interest on the Bonds or to preserve the tax-exempt status of interest on the Bonds.

Bond Counsel has limited its opinion as to the enforceability of the Bonds and of the Indenture to the extent that enforceability may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium, or other similar laws affecting generally the enforcement of creditor's rights, by equitable principles and by the exercise of judicial discretion and by limitations on remedies against public agencies in the State of California. The Bonds are not subject to acceleration. The lack of availability of certain remedies or the limitation of remedies may entail risks of delay, limitation or modification of the rights of the owners.

CONTINUING DISCLOSURE

Pursuant to a Continuing Disclosure Certificate (the "Continuing Disclosure Certificate"), the District will agree to provide, or cause to be provided, to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access (EMMA) website, or other repository authorized under Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission (the "Rule"), certain annual financial information and operating data concerning the District. The District Reports are to be filed not later than February 10 of each year, beginning February 10, 2020. The District Reports will include the audited financial statements of the City, if any are prepared. The District does not currently prepare audited financial statements and does not anticipate doing so in the future. The full text of the Continuing Disclosure Certificate is set forth in APPENDIX E—"FORM OF CONTINUING DISCLOSURE CERTIFICATE."

Notwithstanding any provision of the Indenture, failure of the District to comply with the Continuing Disclosure Certificate shall not be an event of default under the Indenture. However, any Owner or Beneficial Owner of the Bonds may take such action as is necessary and appropriate, including seeking mandate or a judgment for specific performance, to cause the District to comply with its obligations with respect to the Continuing Disclosure Certificate.

In connection with the SEC Order, the BFA conducted a review of noncompliance with all existing continuing disclosure undertakings of the City of Beaumont Community Facilities District No. 93-1 ("CFD No. 93-1") with respect to bonds issued by the BFA. See the caption "INTRODUCTION—SEC Order." The BFA identified omissions and deficiencies in prior continuing disclosure filings for Fiscal Years 2003 through 2017. Such omissions and deficiencies included the late filing of annual reports, the late filing of or failure to file the City's audited financial statements, the failure to file completed information on the status of facilities being constructed with bond proceeds, and information concerning the certificates of occupancy and certificates of final inspection. Such omissions and deficiencies also included the failure to report certain information concerning the assessed valuation date, special tax delinquency data and reserve fund balances, cash flow management fund balances, rate stabilization fund balances, improvement fund balances, residual fund balances, special escrow fund balances, the aggregate number of building permits issued, statements of the reserve requirement, cash flow management fund requirement and rate stabilization fund requirement, and to link certain annual reports to all relevant CUSIPs. See Appendix G – "SECURITIES AND EXCHANGE COMMISSION ORDER."

The BFA has caused CFD No. 93-1 to make corrective filings for Fiscal Years 2014 through 2018 with EMMA, including the filing of audited and unaudited financial statements for Fiscal Years 2014 through 2018, supplements to certain prior continuing disclosure annual reports and notices of the failure to file certain continuing disclosure annual reports and audited financial statements.

The City will assist the District in preparing the District Reports. In order to ensure ongoing compliance by the District with its continuing disclosure undertaking, (i) City staff will take steps to ensure that the filing due date is correctly documented in policies and procedures and a single City staff member has been assigned primary responsibility to monitor compliance; and (ii) the City has contracted with a consultant to assist in filing accurate, complete and timely disclosure reports on behalf of the District.

STATE AND FEDERAL INVESTIGATIONS AND CRIMINAL CHARGES INVOLVING FORMER CITY OFFICIALS

On April 22, 2015, the Federal Bureau of Investigation and the Riverside County District Attorney's Office served search warrants on Beaumont City Hall and two other locations. The search warrants and the subsequent investigation resulted in charges for corruption and embezzlement being brought against seven (7) former City officials: former City Manager Alan Kapanicas, former Economic Development Director David Dillon, former City Planner Ernest Egger, former Finance Director William Aylward, former Police Chief Francis Dennis Coe Jr., former Public Works Director Deepak Moorjani and former City Attorney Joseph Sandy Aklufi. All seven (7) of these former City officials have pled guilty to date with several of them having agreed to pay restitution in connection with their plea arrangements. All of the former officials either resigned or were terminated by 2015.

In addition to the SEC Order described under the caption "INTRODUCTION- SEC Order" and attached as Appendix G, in August 2017, the SEC entered into settlements with former City Manager Alan Kapanicas, the BFA's former underwriter, O'Connor & Company Securities, Inc., and former investment banker Anthony Wetherbee in connection with the BFA's failure to meet its annual continuing disclosure obligations from 2003 to 2013. In consenting to the SEC settlement without admitting or denying the findings, Mr. Kapanicas agreed to be barred from participating in any future municipal offerings and pay a penalty of \$37,500. Additionally, in consenting to the SEC settlement without admitting or denying the findings, O'Connor & Company Securities, Inc., agreed to comply with a number of undertakings and pay a \$150,000 penalty, and Mr. Wetherbee agreed to serve a suspension from the securities industry for six (6) months and pay a \$15,000 penalty.

On May 11, 2017, the Riverside County District Attorney on behalf of the Criminal Grand Jury of the County of Riverside filed an indictment against former Beaumont City Councilmember Mark Orozco accusing him of ten (10) felony counts, including attempting to solicit a bribe from Pardee Homes. On September 28, 2017, Mr. Orozco pleaded guilty to one (1) felony count of bribery and one (1) felony count of perjury. Mr. Orozco resigned from the City Council on October 24, 2017, and agreed not to seek another public office.

STATE CONTROLLER INVESTIGATION

In May 2015, the State Controller began an investigation into the City's internal accounting controls. In November 2015, the State Controller published its report that included a determination that 75 of the 79 internal control elements evaluated were found to be inadequate. In response, the City immediately took action to address the concerns of the State Controller, and the City has revised its internal control practices to align with the State Controller's recommendations. As a result of the issuance of the audit for Fiscal Year 2016-17, the City believes it is now in compliance with all 79 internal control elements.

TAX MATTERS

In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California ("Bond Counsel"), under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described herein, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals. In the further opinion of Bond Counsel, interest on the Bonds is exempt from State of California personal income tax.

The difference between the issue price of a Bond (the first price at which a substantial amount of the Bonds of the same maturity is to be sold to the public) and the stated redemption price at maturity with respect to such Bond constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to a Bond Owner before receipt of cash attributable to such

excludable income. The amount of original issue discount deemed received by the Bond Owner will increase the Bond Owner's basis in the Bond. In the opinion of Bond Counsel, the amount of original issue discount that accrues to the owner of a Bond is excluded from the gross income of such owner for federal income tax purposes, is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals, and is exempt from State of California personal income tax.

Bond Counsel's opinion as to the exclusion from gross income of interest (and original issue discount) on the Bonds is based upon certain representations of fact and certifications made by the District, the City and others and is subject to the condition that the District, the City and others making such representations comply with all requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the issuance of the Bonds to assure that interest (and original issue discount) on the Bonds will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements of the Code might cause the interest (and original issue discount) on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The District and the City will covenant to comply with all such requirements.

The amount by which a Bond Owner's original basis for determining loss on sale or exchange in the applicable Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable Bond premium, which must be amortized under Section 171 of the Code; such amortizable Bond premium reduces the Bond Owner's basis in the applicable Bond (and the amount of tax-exempt interest received), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of Bond premium may result in a Bond Owner realizing a taxable gain when a Bond is sold by the Owner for an amount equal to or less (under certain circumstances) than the original cost of the Bond to the Owner. Purchasers of the Bonds should consult their own tax advisors as to the treatment, computation and collateral consequences of amortizable Bond premium.

The Internal Revenue Service (the "IRS") has initiated an expanded program for the auditing of tax-exempt bond issues, including both random and targeted audits. It is possible that the Bonds will be selected for audit by the IRS. It is also possible that the market value of the Bonds might be affected as a result of such an audit of the Bonds (or by an audit of other similar bonds). No assurance can be given that in the course of an audit, as a result of an audit, or otherwise, Congress or the IRS might not change the Code (or interpretation thereof) subsequent to the issuance of the Bonds to the extent that it adversely affects the exclusion from gross income of interest (and original issue discount) on the Bonds or their market value.

SUBSEQUENT TO THE ISSUANCE OF THE BONDS THERE MIGHT BE FEDERAL, STATE, OR LOCAL STATUTORY CHANGES (OR JUDICIAL OR REGULATORY CHANGES TO OR INTERPRETATIONS OF FEDERAL, STATE, OR LOCAL LAW) THAT AFFECT THE FEDERAL, STATE, OR LOCAL TAX TREATMENT OF THE BONDS INCLUDING THE IMPOSITION OF ADDITIONAL FEDERAL INCOME OR STATE TAXES BEING IMPOSED ON OWNERS OF TAX-EXEMPT STATE OR LOCAL OBLIGATIONS, SUCH AS THE BONDS. THESE CHANGES COULD ADVERSELY AFFECT THE MARKET VALUE OR LIQUIDITY OF THE BONDS. NO ASSURANCE CAN BE GIVEN THAT SUBSEQUENT TO THE ISSUANCE OF THE BONDS STATUTORY CHANGES WILL NOT BE INTRODUCED OR ENACTED OR JUDICIAL OR REGULATORY INTERPRETATIONS WILL NOT OCCUR HAVING THE EFFECTS DESCRIBED ABOVE. BEFORE PURCHASING ANY OF THE BONDS, ALL POTENTIAL PURCHASERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING POSSIBLE STATUTORY CHANGES OR JUDICIAL OR REGULATORY CHANGES OR INTERPRETATIONS, AND THEIR COLLATERAL TAX CONSEQUENCES RELATING TO THE BONDS.

Bond Counsel's opinions may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds. Bond Counsel has not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. The Indenture and the Tax Certificate relating to the Bonds permit certain actions to be taken or to be omitted if a favorable opinion of Bond Counsel

is provided with respect thereto. Bond Counsel expresses no opinion as to the effect on the exclusion from gross income of interest (and original issue discount) on the Bonds for federal income tax purposes with respect to any Bond if any such action is taken or omitted based upon the advice of counsel other than Stradling Yocca Carlson & Rauth, a Professional Corporation.

Although Bond Counsel will render an opinion that interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes provided that the District and the City continue to comply with certain requirements of the Code, the ownership of the Bonds and the accrual or receipt of interest (and original issue discount) with respect to the Bonds may otherwise affect the tax liability of certain persons. Bond Counsel expresses no opinion regarding any such tax consequences. Accordingly, before purchasing any of the Bonds, all potential purchasers should consult their tax advisors with respect to collateral tax consequences relating to the Bonds.

Should interest on the Bonds (including any original issue discount) become includable in gross income for federal income tax purposes, the Bonds are not subject to early redemption and will remain outstanding until maturity or until redeemed in accordance with the Indenture.

A copy of the proposed form of opinion of Bond Counsel is attached hereto as Appendix B.

LEGAL MATTERS

The legal opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, Bond Counsel, approving the validity of the Bonds in substantially the form set forth as Appendix B hereto, will be made available to purchasers at the time of original delivery. Certain legal matters will be passed upon for the District and the City by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, as Disclosure Counsel and for the Underwriter by Kutak Rock LLP, Irvine, California, as counsel to the Underwriter. Bond Counsel expresses no opinion to the Owners of the Bonds as to the accuracy, completeness or fairness of this Official Statement or other offering materials relating to the Bonds and expressly disclaims any duty to do so.

ABSENCE OF LITIGATION

No litigation is pending or threatened concerning the validity of the Bonds and a certificate of the District to that effect will be furnished to the Underwriter at the time of the original delivery of the Bonds. Neither the City nor the District is aware of any litigation pending or threatened which questions the existence of the District or the City or contests the authority of the District to levy and collect the Special Taxes or to issue and retire the Bonds.

NO RATING

The District has not made and does not contemplate making application to any rating agency for the assignment of a rating to the Bonds.

UNDERWRITING

The Bonds are being purchased by the Underwriter. The Underwriter has agreed to purchase the Bonds at a price of \$_____, being \$_____ aggregate principal amount thereof, [plus/less] [net] original issue [premium/discount] of \$_____ and less Underwriter's discount of \$_____). The purchase contract relating to the Bonds provides that the Underwriter will purchase all of the Bonds if any are purchased. The obligation to make such purchase is subject to certain terms and conditions set forth in the purchase contract, the approval of certain legal matters by counsel and certain other conditions.

The Underwriter may offer and sell the Bonds to certain dealers and others at prices lower than the offering price stated on the cover page thereof. The offering price may be changed from time to time by the Underwriter.

FINANCIAL INTERESTS

The fees being paid to the Underwriter, Bond Counsel, Disclosure Counsel, Municipal Advisor to the City, the Special Tax Consultant, the Trustee and Underwriter’s Counsel are contingent upon the issuance and delivery of the Bonds. The fees being paid to the Appraiser are not contingent upon the issuance and delivery of the Bonds. From time to time, Bond Counsel represents the Underwriter on matters unrelated to the Bonds.

PENDING LEGISLATION

The District is not aware of any significant pending legislation which would have material adverse consequences on the Bonds or the ability of the District to pay the principal of and interest on the Bonds when due.

ADDITIONAL INFORMATION

The purpose of this Official Statement is to supply information to prospective buyers of the Bonds. Quotations and summaries and explanations of the Bonds and documents contained in this Official Statement do not purport to be complete, and reference is made to such documents for full and complete statements and their provisions. Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact.

The execution and delivery of this Official Statement by the City Manager of the City has been duly authorized by the City Council acting in its capacity as the legislative body of the District.

CITY OF BEAUMONT COMMUNITY FACILITIES
DISTRICT NO. 2016-4

By: _____
City Manager

APPENDIX A

RATE AND METHOD OF APPORTIONMENT FOR COMMUNITY FACILITIES DISTRICT NO. 2016-4 (FOUR SEASONS)

A Special Tax as hereinafter defined shall be levied on and collected in City of Beaumont Community Facilities District No. 2016-4 (Four Seasons) (“CFD No. 2016-4”) each Fiscal Year, in an amount determined by the City Council of the City of Beaumont through the application of the appropriate Special Tax for “Developed Property”, “Final Map Property” and “Undeveloped Property”. All of the real property in CFD No. 2016-4, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

SECTION A DEFINITIONS

The terms hereinafter set forth have the following meanings:

“**Acre**” or “**Acreage**” means the land area of an Assessor’s Parcel as shown on an Assessor’s Parcel Map, or if the land area is not shown on an Assessor’s Parcel Map, the land area shown on the applicable final map, parcel map, condominium plan, or other recorded County parcel map or instrument. The square footage of an Assessor’s Parcel is equal to the Acreage multiplied by 43,560.

“**Act**” means the Mello-Roos Communities Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2 of Title 5 of the Government Code of the State of California.

“**Administrative Expenses**” means the following actual or reasonably estimated costs directly related to the administration of CFD No. 2016-4: the costs of computing the amount of Special Taxes to be levied and preparing the annual Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Special Taxes (whether by the City or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 2016-4 or any designee thereof of complying with arbitrage rebate requirements; the costs to the City, CFD No. 2016-4 or any designee thereof of complying with City or obligated persons disclosure requirements associated with applicable federal and state securities laws and of the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs associated with the release of funds from an escrow account; the costs associated with the issuance of Bonds, and the City’s annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 2016-4 for any other administrative purposes, including attorney’s fees and other costs related to commencing and pursuing to completion any foreclosure, or otherwise addressing the disposition of delinquent Special Taxes.

“**Assessor’s Parcel**” means a lot or parcel of land designated on an Assessor’s Parcel Map with an assigned Assessor’s Parcel Number within the boundaries of CFD No. 2016-4.

“**Assessor’s Parcel Map**” means an official map of the Assessor of the County designating parcels by Assessor’s Parcel Number.

“**Assigned Special Tax for Facilities**” means the Special Tax of that name described in Section D below.

“**Backup Special Tax for Facilities**” means the Special Tax of that name described in Section E below.

“Bonds” means any obligation to repay a sum of money, including obligations in the form of bonds, notes, certificates of participation, long-term leases, loans from government agencies, or loans from banks, other financial institutions, private businesses, or individuals, or long-term contracts, or any refunding thereof, to which Special Taxes for Facilities have been pledged.

“Building Permit” means a permit for new construction for a residential dwelling or non-residential structure. For purpose of this definition, “Building Permit” shall not include permits for construction or installation, retaining walls, utility improvements, or other such improvements not intended for human habitation.

“Building Square Footage” or **“BSF”** means the square footage of assessable internal living space, exclusive of garages or other structures not used as living space, as determined by reference to the Building Permit application for such Assessor’s Parcel, as determined by the CFD Administrator.

“Calendar Year” means the period commencing January 1 and ending the following December 31.

“CFD Administrator” means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement for Facilities, the Special Tax Requirement for Maintenance Services, the Special Tax Requirement for Public Services, and providing for the levy and collection of the Special Taxes.

“CFD No. 2016-4” or **“CFD”** means City of Beaumont Community Facilities District No. 2016-4 (Four Seasons) established by the City under the Act.

“City” means the City of Beaumont, State of California.

“City Council” means the City Council of the City, acting as the legislative body of CFD No. 2016-4.

“Consumer Price Index” means the index published monthly by the U.S. Department of Labor, Bureau of Labor Statistics for all urban consumers in the Los Angeles-Riverside-Orange County area.

“County” means the County of Riverside, State of California.

“Developed Property” means all Assessor’s Parcels for which Building Permits were issued on or before March 1 of the prior Fiscal Year, provided that such Assessor’s Parcels were created on or before January 1 of the prior Fiscal Year and that each such Assessor Parcel is associated with a Lot, as determined by the CFD Administrator.

“Dwelling Unit” means each separate residential dwelling unit that comprises an independent” facility capable of conveyance or rental separate from adjacent residential dwelling units.

“Exempt Property” means all Assessor’s Parcels designated as being exempt from Special Taxes as provided for in Section J, as determined by the CFD Administrator.

“Final Map” means a subdivision of property evidenced by the recordation of a final map, parcel map, or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or the recordation of a condominium plan pursuant to California Civil Code 1352 that creates individual lots for which building permits may be issued without further subdivision.

“Final Map Property” means Assessor’s Parcels: (i) that are included in a Final Map that was recorded prior to the January 1 preceding the Fiscal Year in which the Special Tax is being levied, and (ii) for which a Building Permit was not issued on or before March 1 preceding the Fiscal Year in which the Special Tax is being levied, as determined by the CFD Administrator.

“Fiscal Year” means the period commencing on July 1 and ending the following June 30.

“Indenture” means the indenture, fiscal agent agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time.

“Lot” means an individual legal lot created by a Final Map for which a Building Permit could be issued.

“Maintenance Services” means the services permitted under the Act including, without limitation, street sweeping, traffic signal maintenance, the maintenance, landscaping and lighting of publicly owned parks, parkways, streets, roads and open spaces, flood and storm protection services, and the operation of storm drainage systems contained within the boundaries of CFD No. 2016-4 and the City.

“Maximum Special Tax” means, individually or collectively as the context requires, the Maximum Special Tax for Facilities, the Maximum Special Tax for Maintenance Services, and the Maximum Special Tax for Public Services.

“Maximum Special Tax for Facilities” means for each Fiscal Year and each Assessor’s Parcel, the maximum Special Tax for Facilities, determined in accordance with Section C, which can be levied by CFD No. 2016-4 in such Fiscal Year on such Assessor’s Parcel.

“Maximum Special Tax for Maintenance Services” means for each Fiscal Year and each Assessor’s Parcel, the maximum Special Tax for Maintenance Services, determined in accordance with Section C, which can be levied by CFD No. 2016-4 in such Fiscal Year on such Assessor’s Parcel.

“Maximum Special Tax for Public Services” means for each Fiscal Year and each Assessor’s Parcel, the maximum Special Tax for Public Services, determined in accordance with Section C, which can be levied by CFD No. 2016-4 in such Fiscal Year on such Assessor’s Parcel.

“Minimum Acreage” means the smallest allowable amount of taxable acreage. For CFD No. 2016-4, it shall be 46.82 acres.

“Non-Residential Property” means all Assessor’s Parcels of Developed Property for which a building permit was issued for any type of non-residential use, as determined by the CFD Administrator.

“Operating Fund for Maintenance Services” means a fund that shall be maintained for CFD No. 2016-4 for any Fiscal Year to pay for the actual costs of providing the Maintenance Services and the Administrative Expenses attributable to providing such Maintenance Services.

“Operating Fund for Public Services” means a fund that shall be maintained for CFD No. 2016-4 for any Fiscal Year to pay for the actual costs of providing the Public Services and the Administrative Expenses attributable to providing such Public Services.

“Operating Fund Balance” means the amount of funds in either or both, as the context requires, of the Operating Fund for Maintenance Services or the Operating Fund for Public Services at the end of the preceding Fiscal Year.

“Partial Prepayment Amount” means the amount required to prepay a portion of the Special Tax for the Facilities obligation for an Assessor’s Parcel, as described in Section H.

“Prepayment Amount” means the amount required to prepay the Special Tax for the Facilities obligation in full for an Assessor’s Parcel, as described in Section G.

“Property Owner’s Association Property” means all Assessor’s Parcels which, as of July 1st of the Fiscal Year in which the Special Tax is being levied, have been conveyed, dedicated to, or irrevocably offered for dedication to a property owner association, including any master or sub-association.

“Proportionately” means that the ratio of the applicable actual Special Tax levy to the applicable Maximum Special Tax is equal for all applicable Assessors’ Parcels.

“Public Property” means all Assessor’s Parcels which, as of July 1st of the Fiscal Year in which the Special Tax is being levied, are used for rights-of-way or any other purpose and is owned by, dedicated to, or irrevocably offered for dedication to the federal government, the State of California, the County, or any other local jurisdiction, provided, however, that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified according to its use.

“Public Services” means the services permitted under the Act including, without limitation, police and fire protection, and ambulance and paramedic services provided within the boundaries of CFD No. 2016-4 and the City.

“Residential Property” means all Assessor’s Parcels of Developed Property for which a Building Permit has been issued for purposes of constructing one or more Dwelling Units, as determined by the CFD Administrator.

“Special Tax(es)” means, individually or collectively as the context requires, the Special Tax for Facilities, the Special Tax for Maintenance Services, and the Special Tax for Public Services.

“Special Tax for Facilities” means any of the Special Taxes authorized to be levied within CFD No. 2016-4 pursuant to the Act to fund the Special Tax Requirement for Facilities.

“Special Tax for Maintenance Services” means any of the Special Taxes authorized to be levied by CFD No. 2016-4 pursuant to the Act to fund the Special Tax Requirement for Maintenance Services.

“Special Tax for Public Services” means any of the Special Taxes authorized to be levied by CFD No. 2016-4 pursuant to the Act to fund the Special Tax Requirement for Public Services.

“Special Tax Requirement for Facilities” means the amount required in any Fiscal Year to pay: (i) the debt service or the periodic costs on all outstanding Bonds due in the Calendar Year that commences in such Fiscal Year, (ii) Administrative Expenses, (iii) the costs associated with the release of funds from an escrow account, (iv) any amount required to establish or replenish any reserve funds established in association with the Bonds, (v) the collection or accumulation of funds for the acquisition or construction of facilities authorized by CFD No. 2016-4 provided that the inclusion of such amount does not cause an increase in the levy of Special Tax for Facilities on Final Map Property or Undeveloped Property, less (vi) any amounts available to pay debt service or other periodic costs on the Bonds pursuant to any applicable bond Indenture, fiscal agent agreement, or trust agreement.

“Special Tax Requirement for Maintenance Services” means that amount to be collected in any Fiscal Year to pay for certain costs as required to meet the needs of CFD No. 2016-4 for Maintenance Services in both the current Fiscal Year and the next Fiscal Year. The costs to be covered shall be the (i) direct costs for Maintenance Services (ii) amount necessary to fund an operating reserve for the costs of Maintenance Services as determined by the CFD Administrator, and (iii) Administrative Expenses, less (iv) a credit in an amount equal to the Operating Fund Balance for the Operating Fund for Maintenance Services. Under no circumstances shall the Special Tax Requirement for Maintenance Services include funds for Bonds.

“Special Tax Requirement for Public Services” means the amount to be collected in any Fiscal Year to pay for certain costs as required to meet the needs of CFD No. 2016-4 for Public Services in both the current Fiscal Year and the next Fiscal Year. The costs to be covered shall be the (i) direct costs for Public Services (ii) amount necessary to fund an operating reserve for the costs of Public Services as determined by the CFD Administrator, and (iii) Administrative Expenses, less (iv) a credit in an amount equal to the Operating Fund

Balance for the Operating Fund for Public Services. Under no circumstances shall the Special Tax Requirement for Public Services include funds for Bonds.

“**Taxable Property**” means all Assessor’s Parcels within CFD No. 2016-4, which are not Exempt Property, as determined by the CFD Administrator.

“**Trustee**” means the firm that holds and administers assets on behalf of CFD No. 2016-4 under and pursuant to the Indenture.

“**Undeveloped Property**” means all Assessor’s Parcels of Taxable Property which are not Developed Property or Final Map Property.

**SECTION B
CLASSIFICATION OF ASSESSOR’S PARCELS**

Each Fiscal Year, beginning with Fiscal Year 2017-18, each Assessor’s Parcel shall be classified as Taxable Property or Exempt Property. In addition, each Assessor’s Parcel of Taxable Property shall be further classified as Developed Property, Final Map Property or Undeveloped Property. Lastly, each Assessor’s Parcel of Developed Property shall further be classified as Residential Property or Non-Residential Property.

**SECTION C
MAXIMUM SPECIAL TAXES**

1. Developed Property

a. The Maximum Special Tax for Facilities for each Assessor’s Parcel of Residential Property that is classified as Developed Property in any Fiscal Year shall be the amount determined by the greater of (i) the application of the Assigned Special Tax for Facilities in the tables included in Section D below or (ii) the application of the Backup Special Tax for Facilities. The Maximum Special Tax for Facilities for each Assessor’s Parcel of Non-Residential Property that is classified as Developed Property in any Fiscal Year shall be the Assigned Special Tax for Facilities in the Table 1 included in Section D below.

b. The Maximum Special Tax for Maintenance Services for each Assessor’s Parcel of Developed Property that is classified as Residential Property in Fiscal Year 2017-18 shall be \$71 per unit. The Maximum Special Tax for Maintenance Services for each Assessor’s Parcel of Developed Property that is classified as Non-Residential Property in Fiscal Year 2017-18 shall be \$513 per Acre.

On each July 1, commencing July 1, 2018, the Maximum Special Tax for Maintenance Services for the prior Fiscal Year shall be adjusted by the greater of (i) an amount equal to the positive annual percentage change in the Consumer Price Index for the Calendar Year ending in December of the prior Fiscal Year or (ii) two percent (2%).

c. The Maximum Special Tax for Public Services for each Assessor’s Parcel of Developed Property that is classified as Residential Property in Fiscal Year 2017-18 shall be \$419 per unit.

On each July 1, commencing July 1, 2018, the Maximum Special Tax for Public Services for the prior Fiscal Year shall be adjusted by the greater of (i) an amount equal to the positive annual percentage change in the Consumer Price Index for the Calendar Year ending in December of the prior Fiscal Year or (ii) five percent (5%).

2. Final Map Property

- a. The Maximum Special Tax for Facilities for each Assessor's Parcel classified as Final Map Property shall be the Assigned Special Tax for Facilities for Final Map Property set forth in Section D below.
- b. The Maximum Special Tax for Maintenance Services for each Assessor's Parcel of Final Map Property in Fiscal Year 2017-18 shall be \$513 per Acre.

On each July 1, commencing July 1, 2018, the Maximum Special Tax for Maintenance Services for the prior Fiscal Year shall be adjusted by the greater of i) an amount equal to the positive annual percentage change in the Consumer Price Index for the Calendar Year ending in December of the prior Fiscal Year or ii) two percent (2%).

- c. Final Map Property shall not be subject to the Maximum Special Tax for Public Services.

3. Undeveloped Property

- a. The Maximum Special Tax for Facilities for each Assessor's Parcel classified as Undeveloped Property shall be the Assigned Special Tax for Undeveloped Property set forth in Section D below.
- b. Undeveloped Property shall not be subject to the Maximum Special Tax for Maintenance Services.
- c. Undeveloped Property shall not be subject to the Maximum Special Tax for Public Services.

**SECTION D
ASSIGNED SPECIAL TAX FOR FACILITIES**

1. Developed Property

Each Fiscal Year, beginning with Fiscal Year 2017-18, each Assessor's Parcel of Developed Property shall be subject to an Assigned Special Tax for Facilities. The Assigned Special Tax for Facilities applicable to an Assessor's Parcel of Developed Property for any Fiscal Year shall be determined pursuant to Table 1 below.

**TABLE 1
ASSIGNED SPECIAL TAX RATES FOR FACILITIES
FOR DEVELOPED PROPERTY
ALL FISCAL YEARS**

Land Use Category	Building Square Footage	Assigned Special Tax
Residential Property	< 1,501	\$647 per Dwelling Unit
Residential Property	1,501 – 1,650	\$706 per Dwelling Unit
Residential Property	1,651 – 1,800	\$757 per Dwelling Unit
Residential Property	1,801 – 1,950	\$807 per Dwelling Unit
Residential Property	1,951 – 2,100	\$854 per Dwelling Unit
Residential Property	2,101 – 2,250	\$901 per Dwelling Unit
Residential Property	2,251 – 2,400	\$966 per Dwelling Unit
Residential Property	2,401 – 2,550	\$1,110 per Dwelling Unit
Residential Property	>2,550	\$1,225 per Dwelling Unit
Non-Residential Property	N/A	\$6,450 per Acre

2. Final Map Property and Undeveloped Property

Each Fiscal Year, beginning with Fiscal Year 2017-18, each Assessor’s Parcel of Final Map Property and Undeveloped Property shall be subject to an Assigned Special Tax for Facilities. The Assigned Special Tax for Facilities applicable to an Assessor’s Parcel of Final Map Property and Undeveloped Property for any Fiscal Year shall be \$6,450 per Acre.

**SECTION E
BACKUP ANNUAL SPECIAL TAX FOR FACILITIES**

Each Fiscal Year, beginning with Fiscal Year 2017-18, each Assessor’s Parcel of Developed Property classified as Residential Property shall be subject to a Backup Special Tax for Facilities. In each Fiscal Year, the Backup Special Tax for Facilities rate for Developed Property classified as Residential Property shall be the rate per Lot calculated according to the following formula:

$$B = \frac{R \times A}{L}$$

The terms above have the following meanings:

- B = Backup Special Tax for Facilities per Lot in each Fiscal Year.
- R = Maximum Special Tax for Facilities rate per Acre for Undeveloped Property.
- A = Acreage of Taxable Property classified or to be classified as Residential Property.
- L = Total number of Lots which are classified or to be classified as Residential Property.

Notwithstanding the foregoing, if Assessor’s Parcels classified as Residential Property or Assessor’s Parcels of Final Map Property to be classified as Residential Property are subsequently changed or modified by recordation of a lot line adjustment or similar instrument, then the Backup Special Tax for Facilities for the area that has been changed or modified shall be a rate per square foot of Acreage calculated as follows:

1. Determine the total Backup Special Tax for Facilities anticipated to apply to the changed or modified Final Map area prior to the change or modification.

2. The result of paragraph 1 above shall be divided by the Acreage of Taxable Property classified or to be classified as Residential Property which is ultimately expected to exist in such changed or modified Final Map area, as reasonably determined by the CFD Administrator.
3. The result of paragraph 2 above shall be divided by 43,560. The result is the Backup Special Tax for Facilities per square foot of Acreage which shall be applicable to Assessor's Parcels of Developed Property classified as Residential Property in such changed or modified Final Map area for all remaining Fiscal Years in which the Special Tax for Facilities may be levied.

**SECTION F
METHOD OF APPORTIONMENT OF THE SPECIAL TAXES**

1. Commencing with Fiscal Year 2017-18 and for each subsequent Fiscal Year until terminated pursuant to Section I, the City Council shall levy Special Taxes for Facilities on all Taxable Property until the amount of Special Tax for Facilities equals the Special Tax Requirement for Facilities in accordance with the following steps:

Step One: The Special Tax for Facilities shall be levied Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Assigned Special Tax for Facilities rates in Table 1 of Section D as needed to satisfy the Special Tax Requirement for Facilities.

Step Two: If additional moneys are needed to satisfy the Special Tax Requirement for Facilities after the first step has been completed, the Special Tax for Facilities shall be levied Proportionately on each Assessor's Parcel of Final Map Property, at up to 100% of the Assigned Special Tax for Facilities applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement for Facilities.

Step Three: If additional moneys are needed to satisfy the Special Tax Requirement for Facilities after the first two steps have been completed, the Special Tax for Facilities shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property, at up to 100% of the Assigned Special Tax for Facilities applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement for Facilities.

Step Four: If additional moneys are needed to satisfy the Special Tax Requirement for Facilities after the first three steps have been completed, then for each Assessor's Parcel of Developed Property for which the Maximum Special Tax for Facilities is the Backup Special Tax for Facilities, the levy of the Special Tax for Facilities shall be increased Proportionately from the Assigned Special Tax for Facilities up to 100% of the Backup Special Tax for Facilities as needed to satisfy the Special Tax Requirement for Facilities.

Step Five: If additional moneys are needed to satisfy the Special Tax Requirement for Facilities after the first four steps have been completed, the Special Tax for Facilities shall be levied Proportionately on each Assessor's Parcel of Property Owner's Association Property and Public Property, found not to be exempt pursuant to Section J, at up to 100% of the Maximum Special Tax for Facilities applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement for Facilities.

2. Commencing with Fiscal Year 2017-18 and for each subsequent Fiscal Year, the City Council shall levy Special Taxes for Maintenance Services on all Taxable Property until the amount of Special Tax for Maintenance Services equals the Special Tax Requirement for Maintenance Services in accordance with the following steps:

Step One: The Special Tax for Maintenance Services shall be levied Proportionately on each Assessor’s Parcel of Developed Property at up to 100% of the applicable Maximum Special Tax for Maintenance Services as needed to satisfy the Special Tax Requirement for Maintenance Services.

Step Two: If additional moneys are needed to satisfy the Special Tax Requirement for Maintenance Services after the first step has been completed, the Special Tax for Maintenance Services shall be levied Proportionately on each Assessor’s Parcel of Final Map Property, at up to 100% of the Maximum Special Tax for Maintenance Services applicable to each such Assessor’s Parcel as needed to satisfy the Special Tax Requirement for Maintenance Services.

3. Commencing with Fiscal Year 2017-18 and for each subsequent Fiscal Year, the City Council shall levy the Special Tax for Public Services Proportionately on each Assessor’s Parcel of Developed Property at up to 100% of the applicable Maximum Special Tax for Public Services as needed to satisfy the Special Tax Requirement for Public Services.

Under no circumstances will the Special Tax for Facilities, the Special Tax for Maintenance Services, or the Special Tax for Public Services levied against any Assessor’s Parcel used as a private residence be increased as a consequence of delinquency or default by the owner of any other Assessor’s Parcel or Parcels within the CFD by more than ten percent (10%) of the Special Tax that would have been levied in that Fiscal Year, had there never been any such delinquencies or defaults, pursuant to California Government Code Section 53321(d), as in effect on the date of formation of CFD No. 2016-4.

**SECTION G
PREPAYMENT OF SPECIAL TAX FOR FACILITIES**

The following additional definitions apply to this Section G:

“CFD Public Facilities” means \$3,000,000, or such lesser amount as determined by the CFD Administrator, expressed in 2017 dollars, which shall increase by the Construction Inflation Index on January 1, 2018, and on each January 1 thereafter, or such lower amount as (i) shall be determined by the City as sufficient to provide the public facilities under the authorized bonding program for CFD No. 2016-4, or (ii) determined by the City Council concurrently with a covenant that it will not issue any more Bonds to be supported by Special Taxes for Facilities levied under this Rate and Method of Apportionment.

“Construction Fund” means an account specifically identified in the Indenture or functionally equivalent to hold funds, which are currently available for expenditure to acquire or construct public facilities eligible under CFD No. 2016-4.

“Construction Inflation Index” means the annual positive percentage change in the Engineering News-Record Building Cost Index for the City of Los Angeles, measured as of the previous Calendar Year. In the event this index ceases to be published, the Construction Inflation Index shall be another index as determined by the City that is reasonably comparable to the Engineering News-Record Building Cost Index for the City of Los Angeles.

“Future Facilities Costs” means the CFD Public Facilities minus public facility costs funded or available to be funded through existing construction or escrow accounts that have been funded by the Outstanding Bonds, and minus public facility costs funded by interest earnings on the Construction Fund actually earned prior to the date of prepayment.

“Outstanding Bonds” means all previously issued Bonds issued and secured by the levy of Special Taxes for Facilities which will remain outstanding after the first interest and/or principal payment date following the current Fiscal Year, excluding Bonds to be redeemed at a later date with the proceeds of prior prepayments of Special Taxes for Facilities.

The Special Tax for Facilities obligation of an Assessor’s Parcel of Developed Property, an Assessor’s Parcel of Final Map Property or Undeveloped Property for which a Building Permit has been issued may be prepaid in full, provided that there are no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor’s Parcel at the time the Special Tax for Facilities obligation would be prepaid. The Prepayment Amount for an Assessor’s Parcel eligible for prepayment shall be determined as described below.

An owner of an Assessor’s Parcel intending to prepay the Special Tax for Facilities obligation shall provide the City with written notice of intent to prepay, and within 5 days of receipt of such notice, the City shall notify such owner of the amount of the non-refundable deposit determined to cover the cost to be incurred by CFD No. 2016-4 in calculating the proper amount of a prepayment. Within 15 days of receipt of such non-refundable deposit, the City shall notify such owner of the prepayment amount of such Assessor’s Parcel. Under no circumstances shall the Special Tax for Maintenance Services or the Special Tax for Public Services be eligible for prepayment of any kind.

The Prepayment Amount for each applicable Assessor’s Parcel shall be calculated according to the following formula (capitalized terms defined below):

	Bond Redemption Amount
plus	Redemption Premium
plus	Future Facilities Amount
plus	Defeasance
plus	Administrative Fee
less	<u>Reserve Fund Credit</u>
equals	Prepayment Amount

As of the date of prepayment, the Prepayment Amount shall be calculated as follows:

2. For Assessor’s Parcels of Developed Property, compute the Assigned Special Tax for Facilities and the Backup Special Tax for Facilities applicable to the Assessor’s Parcel. For Assessor’s Parcels of Final Map Property or Undeveloped Property, compute the Assigned Special Tax for Facilities and the Backup Special Tax for Facilities as though it was already designated as Developed Property based upon the Building Permit issued or to be issued for that Assessor’s Parcel.
3. For each Assessor’s Parcel of Developed Property, Final Map Property or Undeveloped Property to be prepaid, (a) divide the Assigned Special Tax for Facilities computed pursuant to paragraph 1 for such Assessor’s Parcel by the sum of the estimated Assigned Special Tax for Facilities applicable to all Assessor’s Parcels of Taxable Property at buildout, as reasonably determined by the CFD Administrator, and (b) divide the Backup Special Tax for Facilities computed pursuant to paragraph 1 for such Assessor’s Parcel by the sum of the estimated Backup Special Tax for Facilities applicable to all Assessor’s Parcels of Taxable Property at buildout, as reasonably determined by the CFD Administrator.
4. Multiply the larger quotient computed pursuant to paragraph 2(a) or 2(b) by the Outstanding Bonds. The product shall be the “Bond Redemption Amount”.
5. Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed. The product is the “Redemption Premium.”

6. Compute the Future Facilities Cost.
6. Multiply the larger quotient computed pursuant to paragraph 2(a) or 2(b) by the amount determined pursuant to paragraph 5 to determine the Future Facilities Cost to be prepaid (the "Future Facilities Amount").
7. Compute the amount needed to pay interest on the Bond Redemption Amount, the Redemption Premium, and the Reserve Fund Credit (see step 11) to be redeemed with the proceeds of the Prepayment Amount until the earliest redemption date for the Outstanding Bonds.
8. Estimate the amount of interest earnings to be derived from the reinvestment of the Bond Redemption Amount plus the Redemption Premium until the earliest call date for the Outstanding Bonds.
9. Subtract the amount computed pursuant to paragraph 8 from the amount computed pursuant to paragraph 7. This difference is the "Defeasance."
10. Estimate the administrative fees and expenses associated with the prepayment, including the costs of computation of the Prepayment Amount, the costs of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption. This amount is the "Administrative Fee."
11. Calculate the "Reserve Fund Credit" as the lesser of: (a) the expected reduction in the applicable reserve requirements, if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirements in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the applicable reserve funds on the prepayment date. Notwithstanding the foregoing, if the reserve fund requirement is satisfied by a surety bond or other instrument at the time of the prepayment, then no Reserve Fund Credit shall be given. Notwithstanding the foregoing, the Reserve Fund Credit shall in no event be less than 0.
12. The Prepayment Amount is equal to the sum of the Bond Redemption Amount, the Redemption Premium, the Future Facilities Amount, the Defeasance, and the Administrative Fee, less the Reserve Fund Credit.

With respect to a Special Tax for Facilities obligation that is prepaid pursuant to this Section H, the City Council shall indicate in the records of CFD No. 2016-4 that there has been a prepayment of the Special Tax for Facilities obligation and shall cause a suitable notice to be recorded in compliance with the Act within thirty (30) days of receipt of such prepayment to indicate the prepayment of the Special Tax for Facilities obligation and the release of the Special Tax for Facilities lien on such Assessor's Parcel and the obligation of the owner of such Assessor's Parcel to pay such Special Taxes for Facilities shall cease.

From the Prepayment Amount, the amounts computed pursuant to paragraphs 3, 4, 9 and 11 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make debt service payments. The amount computed pursuant to paragraph 6 shall be deposited into the Construction Fund. The amount computed pursuant to paragraph 10 shall be retained by CFD No. 2016-4.

Notwithstanding the foregoing, no prepayment will be allowed unless the amount of Special Tax for Facilities that may be levied on Taxable Property in each future Fiscal Year, net of Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all currently Outstanding Bonds in each future Fiscal Year.

**SECTION H
PARTIAL PREPAYMENT OF SPECIAL TAX FOR FACILITIES**

The Special Tax for Facilities obligation of an Assessor’s Parcel of Developed Property, or an Assessor’s Parcel of Final Map Property or Undeveloped Property for which a Building Permit has been issued and will be classified as Developed Property in the next Fiscal Year may be partially prepaid, as calculated in this Section H below, provided that there are no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor’s Parcel at the time the Special Tax for Facilities obligation would be partially prepaid. Under no circumstances shall the Special Tax for Maintenance Services or the Special Tax for Public Services be eligible for prepayment of any kind.

The Partial Prepayment Amount shall be calculated according to the following formula:

$$PP = P_G F$$

The terms above have the following meanings:

PP = the Partial Prepayment Amount.

P_G = the Prepayment Amount calculated according to Section G.

F = the percent by which the owner of the Assessor’s Parcel is partially prepaying the Special Tax for Facilities obligation.

With respect to any Assessor’s Parcel that is partially prepaid, the City Council shall indicate in the record of CFD No. 2016-4 that there has been a partial prepayment of the Special Tax for Facilities obligation and shall cause a suitable notice to be recorded in compliance with the Act within thirty (30) days of receipt of such partial prepayment of the Special Tax for Facilities obligation, to indicate the partial prepayment of the Special Tax for Facilities obligation and the partial release of the Special Tax for Facilities lien on such Assessor’s Parcel, and the obligation of the owner of such Assessor’s Parcel to pay such prepaid portion of the Special Tax for Facilities shall cease. With respect to any Assessor’s Parcel for which the Special Tax for Facilities is partially prepaid, the City shall distribute the funds remitted in accordance with Section G.

Notwithstanding the foregoing, no partial prepayment will be allowed unless the amount of Special Tax for Facilities that may be levied on Taxable Property in each future Fiscal Year after such partial prepayment, net of Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all currently Outstanding Bonds in each future Fiscal Year.

**SECTION I
TERMINATION OF SPECIAL TAX**

For each Fiscal Year that any Bonds are outstanding, the Special Tax for Facilities shall be levied on all Assessor’s Parcels subject to the Special Tax for Facilities, but if any delinquent Special Tax for Facilities remain uncollected prior to or after all Bonds are retired, the Special Tax for Facilities may be levied to the extent necessary to reimburse CFD No. 2016-4 for uncollected Special Taxes for Facilities associated with the levy of such Special Taxes for Facilities, but in any event no later than the 2056-57 Fiscal Year. The Special Tax for Maintenance Services and the Special Tax for Public Services shall be levied as long as each is needed to meet the Special Tax Requirement for Maintenance Services and the Special Tax Requirement for Public Services, as determined at the sole discretion of the City Council.

**SECTION J
EXEMPTIONS**

The City shall classify as Exempt Property (i) Assessor’s Parcels classified as Public Property, (ii) Assessor’s Parcels which are used as places of worship and are exempt from ad valorem property taxes because they are owned by a religious organization, (iii) Assessor’s Parcels used exclusively by a property owner’s association,

or (iv) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement, provided that no such classification would reduce the sum of the Taxable Property to less than the Minimum Acreage. Notwithstanding the above, the City Council shall not classify an Assessor's Parcel as Exempt Property if such classification would reduce the sum of the Taxable Property to less than the Minimum Acreage. Assessor's Parcels which cannot be classified as Exempt Property because such classification would reduce the Acreage of all Taxable Property to less than the Minimum Acreage will continue to be classified as Taxable Property, and will continue to be subject to Special Taxes for Facilities but will not be subject to the Special Taxes for Maintenance Services or the Special Taxes for Public Services.

Tax-exempt status will be assigned by the CFD Administrator in chronological order. If an Assessor's Parcel's classification is changed after the initial status is assigned, then its tax-exempt status will be revoked.

**SECTION K
APPEALS**

Any taxpayer may file a written appeal of the Special Taxes on his/her Assessor's Parcel(s) with the CFD Administrator, provided that the appellant is current in his/her payments of Special Taxes. During pendency of an appeal, all Special Taxes previously levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination. If the CFD Administrator agrees with the appellant, the CFD Administrator shall take any of the following actions, in order of priority, in order to correct the error:

- (i) amend the Special Tax levy for the current Fiscal Year prior to the payment date;
- (ii) require the CFD to reimburse the taxpayer the amount of the overpayment to the extent of the available funds of CFD No. 2016-4; or
- (iii) grant a credit against, eliminate or reduce the future Special Taxes levied on the taxpayer's property within CFD No. 2016-4 in the amount of the overpayment provided that the CFD Administrator can certify there are sufficient Special Taxes to pay for the Special Tax Requirements for Facilities.

**SECTION L
MANNER OF COLLECTION**

The Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that CFD No. 2016-4 may collect the Special Tax at a different time or in a different manner if necessary to meet its financial obligations.

**SECTION M
INTERPRETATIONS**

The City Council may interpret this Rate and Method of Apportionment of Special Tax by ordinance or resolution for purposes of clarifying any vagueness or ambiguity. Any decision of the City Council shall be final and binding as to all persons.

APPENDIX B

FORM OF OPINION OF BOND COUNSEL

Bond Counsel will deliver an opinion for the Bonds substantially in the form set forth below:

_____, 2019

City of Beaumont
 Community Facilities District No. 2016-4
 Beaumont, California

*Re: \$ _____ City of Beaumont Community Facilities District No. 2016-4
 2019 Special Tax Bonds*

Ladies and Gentlemen:

We have examined the Constitution and the laws of the State of California, a certified record of the proceedings of the City of Beaumont (the “City”) taken in connection with the authorization and issuance by the City of Beaumont Community Facilities District No. 2016-4 (the “District”) of its 2019 Special Tax Bonds in the aggregate principal amount of \$ _____ (the “Bonds”) and such other information and documents as we consider necessary to render this opinion. In rendering this opinion, we have relied upon certain representations of fact and certifications made by the District, the initial purchasers of the Bonds and others. We have not undertaken to verify through independent investigation the accuracy of the representations and certifications relied upon by us.

The Bonds have been issued pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (comprising Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California), a resolution adopted by the City Council of the City, acting in its capacity as the legislative body of the District, on October 15, 2019, and the Bond Indenture dated as of November 1, 2019 (the “Indenture”), by and between the District and Wilmington Trust, National Association, as trustee. All capitalized terms not defined herein shall have the meaning set forth in the Indenture.

Based upon our examination of the foregoing, and in reliance thereon and on all matters of fact as we deem relevant under the circumstances, and upon consideration of applicable laws, we are of the opinion that:

(1) The Bonds have been duly and validly authorized by the District and are legal, valid and binding limited obligations of the District, enforceable in accordance with their terms and the terms of the Indenture. The Bonds are limited obligations of the District but are not a debt of the City, the County of Riverside, the State of California or any other political subdivision thereof within the meaning of any constitutional or statutory limitation, and, except for the Special Taxes, neither the faith and credit nor the taxing power of the City, the County of Riverside, the State of California, or any of its political subdivisions is pledged for the payment thereof.

(2) The execution and delivery of the Indenture has been duly authorized by the District, and the Indenture is valid and binding upon the District and is enforceable in accordance with its terms; provided, however, we express no opinion as to the enforceability of the covenant of the District contained in the Indenture to levy Special Taxes for the payment of Administrative Expenses and we express no opinion as to any provisions with respect to indemnification, penalty, contribution, choice of law, choice of forum or waiver provisions contained therein.

(3) Under existing statutes, regulations, rulings and judicial decisions, interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals.

(4) Interest (and original issue discount) on the Bonds is exempt from State of California personal income tax.

(5) The difference between the issue price of a Bond (the first price at which a substantial amount of the Bonds of a maturity are to be sold to the public) and the stated redemption price at maturity with respect to such Bond constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to a Bondowner before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by a Bondowner will increase the Bondowner's basis in the applicable Bond. Original issue discount that accrues for the Bondowner is excluded from the gross income of such owner for federal income tax purposes, is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and is exempt from State of California personal income tax.

(6) The amount by which a Bondowner's original basis for determining loss on sale or exchange in the applicable Bond (generally the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable Bond premium which must be amortized under Section 171 of the Internal Revenue Code of 1986, as amended (the "Code"); such amortizable Bond premium reduces the Bondowner's basis in the applicable Bond (and the amount of tax-exempt interest received), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of Bond premium may result in a Bondowner realizing a taxable gain when a Bond is sold by the owner for an amount equal to or less (under certain circumstances) than the original cost of the Bond to the owner.

The opinion expressed in paragraphs (3) and (5) above as to the exclusion from gross income for federal income tax purposes of interest (and original issue discount) on the Bonds is subject to the condition that the District complies with all requirements of the Code, that must be satisfied subsequent to the issuance of the Bonds to assure that such interest (and original issue discount) will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements of the Code might cause interest (and original issue discount) on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The District has covenanted to comply with all such requirements. Except as set forth in paragraphs (3), (4), (5) and (6) above, we express no opinion as to any tax consequences related to the Bonds.

The opinions expressed herein are based upon our analysis and interpretation of existing laws, regulations, rulings and judicial decisions and cover certain matters not directly addressed by such authorities. We call attention to the fact that the rights and obligations of the District under the Indenture and the Bonds are subject to and may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws affecting creditors' rights, to the application of equitable principles if equitable remedies are sought, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against public agencies in the State.

Our opinion is limited to matters governed by the laws of the State of California and federal law. We assume no responsibility with respect to the applicability or the effect of the laws of any other jurisdiction and express no opinion as to the enforceability of the choice of law provisions contained in the Indenture.

We express no opinion herein as to the accuracy, completeness or sufficiency of the Official Statement relating to the Bonds or other offering material relating to the Bonds and expressly disclaim any duty to advise the owners of the Bonds with respect to matters contained in the Official Statement.

Certain requirements and procedures contained or referred to in the Indenture and Tax Certificate may be changed, and certain actions may be taken or omitted, under the circumstances and subject to the terms and conditions set forth in the Indenture and Tax Certificate relating to the Bonds, upon the advice or with the approving opinion of counsel nationally recognized in the area of tax-exempt obligations. We express no opinion as to the effect on the exclusion from gross income for federal income tax purposes of the interest (and original issue discount) on any Bonds if any such change occurs or action is taken or omitted upon the advice or approval of counsel other than Stradling Yocca Carlson & Rauth, a Professional Corporation.

We call attention to the fact that the foregoing opinions may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. We have not undertaken to determine, or to inform any person, whether such actions or events are taken (or not taken) or do occur (or do not occur). Our engagement as bond counsel to the District terminates upon the issuance of the Bonds.

Respectfully submitted,

APPENDIX C

**DEMOGRAPHIC INFORMATION REGARDING THE COUNTY OF RIVERSIDE
AND THE CITY OF BEAUMONT**

The Bonds are not obligations of the City of Beaumont (the “City”) or the County of Riverside (the “County”) and do not represent a lien or charge against any funds or property of the City or the County. The following information is provided only to give prospective investors an overview of the general economic condition of the City, the County and the State of California (the “State”).

General

The City was incorporated in 1912 under the General Laws of the State. The City is located approximately 78 miles east of Los Angeles and encompasses an area of 30.9 square miles. The City currently has an estimated population of approximately 48,401 persons.

Population

The following table offers population figures for the City, the County and the State for 2015 through 2019.

<i>Area</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>
City of Beaumont	42,937	44,746	45,167	46,545	48,401
County of Riverside	2,321,837	2,350,992	2,384,660	2,412,536	2,440,124
State of California	38,952,462	39,214,803	39,504,609	39,740,508	39,927,315

Source: California State Department of Finance, Demographic Research Unit. March 2010 Benchmark.

Building Activity

The following tables provide summaries of the building permit valuations and the number of new dwelling units authorized in the City and County from 2014 through 2018.

**BUILDING PERMIT VALUATIONS
City of Beaumont
2014-2018**

	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>
Valuation (\$000):					
Residential	\$73,329	\$78,326	\$85,627	\$121,802	\$183,245
Non-residential	<u>5,375</u>	<u>6,911</u>	<u>33,002</u>	<u>10,219</u>	<u>271,487</u>
Total*	<u>\$79,204</u>	<u>\$85,237</u>	<u>\$118,629</u>	<u>\$132,021</u>	<u>\$454,732</u>
Residential Units:					
Single family	435	452	443	715	656
Multiple family	<u>0</u>	<u>0</u>	<u>38</u>	<u>2</u>	<u>112</u>
Total	435	452	481	717	768

* Totals may not add to sums because of rounding.
Source: Construction Industry Research Board.

**BUILDING PERMIT VALUATIONS
County of Riverside
2014-2018**

	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>
Valuation (\$000):					
Residential	\$1,621,751	\$1,536,742	\$1,759,535	\$1,903,417	\$2,558,081
Non-residential	<u>814,990</u>	<u>911,465</u>	<u>1,346,019</u>	<u>1,433,691</u>	<u>1,959,680</u>
Total*	<u>\$2,436,741</u>	<u>\$2,448,207</u>	<u>\$3,105,554</u>	<u>\$3,337,108</u>	<u>\$4,517,761</u>
Residential Units:					
Single family	5,007	5,007	5,662	6,265	7,540
Multiple family	<u>1,931</u>	<u>1,189</u>	<u>1,039</u>	<u>1,070</u>	<u>1,628</u>
Total	6,938	6,196	6,701	7,335	9,168

* Totals may not add to sums because of rounding.
Source: Construction Industry Research Board.

Employment

The following tables show the largest employers located in the County as of fiscal year 2018.

**LARGEST EMPLOYERS
County of Riverside
2018**

<i>Rank</i>	<i>Name of Business</i>	<i>Employees</i>	<i>Type of Business</i>
1.	County of Riverside	22,038	County Government
2.	March Air Reserve Base	9,000	Military Reserve Base
3.	University of California-Riverside	8,829	University
4.	Kaiser Permanente Riverside Medical Center	5,500	Medical Center
5.	Corona-Norco Unified School District	5,478	School District
6.	Pechanga Resort and Casino	4,750	Casino & Resort
7.	Riverside Unified School District	4,200	School District
8.	Hemet Unified School District	4,058	School District
9.	Riverside University Health Systems-Medical Center	3,965	Medical Center
10.	Morongo Casino, Resort & Spa	3,800	Casino & Resort

Source: County of Riverside Comprehensive Annual Financial Report for the year ending June 30, 2018.

Employment and Industry

Employment data by industry is not separately reported on an annual basis for the City but is compiled for the Riverside-San Bernardino-Ontario Metropolitan Statistical Area (the “MSA”), which includes all of Riverside and San Bernardino Counties. In addition to varied manufacturing employment, the MSA has large and growing commercial and service sector employment, as reflected in the table below.

The following table represents the Annual Average Labor Force and Industry Employment for the County for the period from 2014 through 2018.

**RIVERSIDE-SAN BERNARDINO-ONTARIO MSA
INDUSTRY EMPLOYMENT & LABOR FORCE - BY ANNUAL AVERAGE**

	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>
Civilian Labor Force	1,916,000	1,954,200	1,983,300	2,017,700	2,053,400
Civilian Employment	1,761,200	1,825,800	1,865,200	1,914,900	1,966,800
Civilian Unemployment	155,300	128,500	118,000	102,800	86,600
Civilian Unemployment Rate	8.1%	6.6%	6.0%	5.1%	4.2%
Total Farm	14,400	14,800	14,600	14,500	14,500
Total Nonfarm	1,290,400	1,354,400	1,403,200	1,454,900	1,504,200
Total Private	1,061,600	1,121,100	1,160,900	1,203,900	1,246,600
Goods Producing	170,300	183,100	191,600	197,600	207,300
Mining and Logging	1,300	1,300	900	1,000	1,200
Construction	77,600	85,700	92,000	97,400	104,800
Manufacturing	91,400	96,200	98,700	99,200	101,300
Service Providing	1,120,100	1,171,200	1,211,700	1,257,300	1,296,900
Trade, Transportation and Utilities	314,800	333,100	347,900	365,500	378,300
Wholesale Trade	58,100	60,500	61,600	62,600	64,900
Retail Trade	169,600	174,400	178,300	180,900	180,800
Transportation, Warehousing and Utilities	87,100	98,100	108,000	122,100	132,600
Information	11,300	11,400	11,500	11,300	11,200
Financial Activities	42,900	44,000	44,600	44,200	43,700
Professional and Business Services	138,700	147,400	144,900	146,900	150,600
Educational and Health Services	195,900	206,300	215,700	226,700	240,000
Leisure and Hospitality	144,800	151,700	160,200	166,300	170,000
Other Services	43,000	44,000	44,600	45,400	45,600
Government	<u>228,800</u>	<u>233,300</u>	<u>242,300</u>	<u>251,000</u>	<u>257,500</u>
Total, All Industries	<u>1,304,800</u>	<u>1,369,100</u>	<u>1,417,900</u>	<u>1,469,400</u>	<u>1,518,700</u>

Note: Does not include proprietors, self-employed, unpaid volunteers or family workers, domestic workers in households and persons involved in labor-management trade disputes. Employment reported by place of work. Items may not add to total due to independent rounding. The “Total, All Industries” data is not directly comparable to the employment data found in this Appendix C.

Source: State of California, Employment Development Department, March 2018 Benchmark.

The following table summarizes the labor force, employment and unemployment figures for the period from 2014 through 2018 for the City, the County, the State and the nation as a whole.

**CITY OF BEAUMONT,
COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA AND UNITED STATES
Average Annual Civilian Labor Force, Employment and Unemployment**

<i>Year and Area</i>	<i>Labor Force</i>	<i>Employment⁽¹⁾</i>	<i>Unemployment⁽²⁾</i>	<i>Unemployment Rate (%)⁽³⁾</i>
2014				
Beaumont	18,500	17,600	900	4.9%
Riverside County	1,011,100	928,300	82,900	8.2
State of California	18,758,400	17,351,300	1,407,100	7.5
United States ⁽⁴⁾	155,922,000	146,305,000	9,617,000	6.2
2015				
Beaumont	19,500	18,800	800	3.9%
Riverside County	1,034,200	965,000	69,300	6.7
State of California	18,896,500	17,724,800	1,171,700	6.2
United States ⁽⁴⁾	157,130,000	148,834,000	8,296,000	5.3
2016				
Beaumont	20,600	19,600	1,000	4.8%
Riverside County	1,052,600	988,200	64,500	6.1
State of California	19,093,700	18,048,800	1,044,800	5.5
United States ⁽⁴⁾	159,187,000	151,436,000	7,751,000	4.9
2017				
Beaumont	21,500	20,600	900	4.0%
Riverside County	1,072,500	1,016,200	56,300	5.2
State of California	19,312,000	18,393,100	918,900	4.8
United States ⁽⁴⁾	160,320,000	153,337,000	6,982,000	4.4
2018				
Beaumont	21,900	21,200	700	3.3%
Riverside County	1,092,400	1,044,600	47,800	4.4
State of California	19,398,200	18,582,800	815,400	4.2
United States ⁽⁴⁾	162,075,000	155,761,000	6,314,000	3.9

(1) Includes persons involved in labor-management trade disputes.

(2) Includes all persons without jobs who are actively seeking work.

(3) The unemployment rate is computed from unrounded data; therefore, it may differ from rates computed from rounded figures in this table.

(4) Not strictly comparable with data for prior years.

Source: California Employment Development Department, March 2018 Benchmark and U.S. Department of Labor, Bureau of Labor Statistics.

Personal Income

Personal Income is the income that is received by all persons from all sources. It is calculated as the sum of wage and salary disbursements, supplements to wages and salaries, proprietors' income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment, personal dividend income, personal interest income, and personal current transfer receipts, less contributions for government social insurance.

The personal income of an area is the income that is received by, or on behalf of, all the individuals who live in the area; therefore, the estimates of personal income are presented by the place of residence of the income recipients.

Total personal income in Riverside County increased by 52% between 2006 and 2017. The following tables summarize personal income for Riverside County for 2006 through 2017.

PERSONAL INCOME
Riverside County
2006-2017
(Dollars in Thousands)

<i>Year</i>	<i>Riverside County</i>	<i>Annual Percent Change</i>
2006	\$62,418,784	N/A
2007	65,610,952	5.1%
2008	66,723,925	1.7
2009	65,369,622	(2.0)
2010	67,568,045	3.4
2011	71,949,357	6.5
2012	74,075,529	3.0
2013	76,493,787	3.3
2014	80,637,967	5.4
2015	86,092,487	6.8
2016	90,273,976	4.9
2017	95,140,992	5.4

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

The following table summarizes per capita personal income for Riverside County, California and the United States for 2006-2017. This measure of income is calculated as the personal income of the residents of the area divided by the resident population of the area.

PER CAPITA PERSONAL INCOME
Riverside County, State of California and the United States
2006-2017

<i>Year</i>	<i>Riverside County</i>	<i>California</i>	<i>United States</i>
2006	\$31,018	\$42,139	\$38,114
2007	31,617	43,669	39,844
2008	31,627	43,895	40,904
2009	30,451	42,050	39,284
2010	30,685	43,609	40,545
2011	32,179	46,145	42,727
2012	32,707	48,751	44,582
2013	33,383	49,173	44,826
2014	34,732	52,237	47,025
2015	36,603	55,679	48,940
2016	37,827	57,497	49,831
2017	39,261	59,796	51,640

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Taxable Sales

The table below presents taxable sales for the years 2011 through 2018 for the City.

**TAXABLE SALES
City of Beaumont
2011-2018⁽¹⁾
(Dollars in Thousands)**

<i>Year</i>	<i>Permits</i>	<i>Taxable Transactions</i>
2011	1,016	\$317,192
2012	1,101	334,876
2013	1,046	352,449
2014	1,064	370,748
2015 ⁽¹⁾	1,208	394,993
2016	1,264	414,906
2017	1,281	429,066
2018	1,382	455,472

⁽¹⁾ Beginning in 2015, the outlet counts in these reports show the number of outlets that were active during the reporting period. Retailers that operate part-time are now tabulated with store retailers. Industry-level data for 2015 are not comparable to that of prior years.

Source: "Taxable Sales in California (Sales & Use Tax)" - California State Board of Equalization for 2011-2014; Taxable Sales in California, California Department of Tax and Fee Administration for 2015-2018.

The table below presents taxable sales for the years 2011 through 2018 for the County.

**TAXABLE SALES
County of Riverside
2011-2018⁽¹⁾
(Dollars in Thousands)**

<i>Year</i>	<i>Permits</i>	<i>Taxable Transactions</i>
2011	46,886	\$25,641,497
2012	46,316	28,096,009
2013	46,805	30,065,467
2014	48,453	32,035,687
2015 ⁽¹⁾	55,857	33,166,660
2016	57,742	34,483,694
2017	58,969	36,408,460
2018	61,433	38,919,498

⁽¹⁾ Beginning in 2015, the outlet counts in these reports show the number of outlets that were active during the reporting period. Retailers that operate part-time are now tabulated with store retailers. Industry-level data for 2015 are not comparable to that of prior years.

Source: "Taxable Sales in California (Sales & Use Tax)" - California State Board of Equalization for 2011-2014; Taxable Sales in California, California Department of Tax and Fee Administration for 2015-2018.

APPENDIX D

SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE

The following is a summary of certain definitions and provisions of the Indenture which is not described elsewhere in the Official Statement. This Summary does not purport to be comprehensive and reference should be made to the Indenture for a full and complete statement of its provisions.

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate dated November __, 2019 (the “Disclosure Certificate”) is executed and delivered by City of Beaumont Community Facilities District No. 2016-4 (the “District”) in connection with the issuance and delivery by the District of its \$_____ 2019 Special Tax Bonds (the “Bonds”). The Bonds are being issued pursuant to a resolution adopted on October 15, 2019, by the City Council of the City of Beaumont, acting as the legislative body of the District, and the Bond Indenture dated as of November 1, 2019, by and between the District and Wilmington Trust, National Association, as trustee. The District covenants as follows:

Section 1. Purpose of the Disclosure Agreement. This Disclosure Certificate is being executed and delivered by the District for the benefit of the Owners and Beneficial Owners of the Bonds and in order to assist the Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission.

Section 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the District pursuant to, and as described in, Section 3 and 4 of this Disclosure Certificate.

“Beneficial Owner” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income purposes.

“City” means the City of Beaumont.

“Disclosure Representative” shall mean the City Manager, or his or her designee, or such other officer or employee as the District shall designate in writing to the Dissemination Agent from time to time.

“Dissemination Agent” shall mean, initially, WEBB Municipal Finance, LLC, or any successor Dissemination Agent designated in writing by the District and which has filed with the then current Dissemination Agent a written acceptance of such designation.

“District” shall mean City of Beaumont Community Facilities District No. 2016-4.

“EMMA” shall mean the Electronic Municipal Market Access system of the MSRB.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board and any successor entity designated under the Rule as the repository for filings made pursuant to the Rule.

“Official Statement” shall mean that certain Official Statement for the Bonds dated October __, 2019.

“Owners” shall mean the registered owners of the Bonds as set forth in the registration books maintained by the Trustee.

“Repository” shall mean the MSRB or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Unless otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the EMMA website of the MSRB, currently located at <http://emma.msrb.org>.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State” shall mean the State of California.

“Trustee” means Wilmington Trust, National Association or such other entity appointed by the District pursuant to the Indenture to act as the trustee under the Indenture.

“Underwriter” shall mean any underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

Section 3. Provision of Annual Reports.

(a) The District shall, or, if the Dissemination Agent is other than the District, upon written direction shall cause the Dissemination Agent to, not later than February 10 after the end of the District’s Fiscal Year (June 30) commencing with the report due by February 10, 2020, provide to the Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate; provided, however, that the report due by February 10, 2020 shall consist only of the Official Statement and the City’s audited financial statements for the fiscal year ending June 30, 2019. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the City, if any exist, may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the District’s fiscal year changes, the District shall give notice of such change in the same manner as for a Listed Event under Section 5(d).

(b) In the event that the Dissemination Agent is an entity other than the District, then the provisions of this Section 3(b) shall apply. Not later than fifteen (15) Business Days prior to the date specified in subsection (a) for providing the Annual Report, the District shall provide the Annual Report to the Dissemination Agent. If by fifteen (15) Business Days prior to the due date for an Annual Report the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the District to determine if the District will be filing the Annual Report in compliance with subsection (a). The District shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by it hereunder. The Dissemination Agent may conclusively rely upon such certification of the District and shall have no duty or obligation to review such Annual Report.

(c) If the Dissemination Agent is unable to verify that an Annual Report has been provided to EMMA by the date required in subsection (a), the Dissemination Agent shall send, in a timely manner, a notice to EMMA, in the form required by EMMA.

(d) If the Dissemination Agent is other than the District, the Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of the repository if other than the MSRB through EMMA; and

(ii) promptly after receipt of the Annual Report, file a report with the District certifying that the Annual Report has been provided to EMMA and the date it was provided.

(e) Notwithstanding any other provision of this Disclosure Certificate, all filings shall be made in accordance with the MSRB's EMMA system or in another manner approved under the Rule.

Section 4. Content of Annual Reports. The District's first Annual Report shall consist solely of the Official Statement and the City's audited financial statements for the fiscal year ended June 30, 2019. Thereafter, the Annual Report shall contain or include by reference the following:

(a) Financial Statements. The audited financial statements of the City for the prior fiscal year, if any have been prepared and which, if prepared, shall be prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board; provided, however, that the City may, from time to time, if required by federal or state legal requirements, modify the basis upon which its financial statements are prepared. In the event that the City shall modify the basis upon which its financial statements are prepared, the District shall provide the information referenced in Section 8 below regarding such modification. If the City is preparing audited financial statements and such audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Financial and Operating Data. The Annual Report shall contain or incorporate by reference the following:

(i) the principal amount of the Bonds outstanding as of the September 2 preceding the filing of the Annual Report;

(ii) the balance in each fund under the Indenture and the Reserve Requirement as of the September 30 preceding the filing of the Annual Report;

(iii) any changes to the Rate and Method of Apportionment of the Special Taxes approved or submitted to the qualified electors of the District for approval prior to the filing of the Annual Report;

(iv) an update of the estimated assessed value-to-lien ratio for the District substantially in the form of Table 3 in the Official Statement based upon the most recent Special Tax levy preceding the date of the Annual Report and on the assessed values of property for the current fiscal year;

(v) the status of any foreclosure actions being pursued by the District with respect to delinquent Special Taxes;

(vi) a statement whether the District has been included in the County of Riverside's Teeter Plan;

(vii) a description of the collection and delinquency rate of Special Taxes in the District for the Fiscal Year then ended; and

(viii) any information not already included under (i) through (vii) above that the District is required to file in its annual report pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended, with the California Debt and Investment Advisory Commission.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which have been submitted to EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB through EMMA. The District shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the District shall give, or cause the Dissemination Agent to give, notice filed with the Repository of the occurrence of any of the following events with respect to the Bonds in a timely manner not more than ten (10) business days after the event:

1. principal and interest payment delinquencies;
2. unscheduled draws on debt service reserves reflecting financial difficulties;
3. unscheduled draws on credit enhancements reflecting financial difficulties;
4. substitution of credit or liquidity providers, or their failure to perform;
5. adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability or of a Notice of Proposed Issue (IRS Form 5701-TEB);
6. tender offers;
7. defeasances;
8. ratings changes; and
9. bankruptcy, insolvency, receivership or similar proceedings.

Note: for the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

10. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(b) Pursuant to the provisions of this Section 5, the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

1. unless described in paragraph 5(a)(5) above, notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;

2. the consummation of a merger, consolidation or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
3. appointment of a successor or additional paying agent or the change of the name of a paying agent;
4. nonpayment related defaults;
5. modifications to the rights of Owners of the Bonds;
6. bond calls
7. release, substitution or sale of property securing repayment of the Bonds; and
8. incurrence of a financial obligation of the obligated person, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders.

(c) Upon the occurrence of a Listed Event under Section 5(b) above, the District shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If the District determines that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, the District shall file a notice of such occurrence with the Repository in a timely manner not more than 10 business days after the event.

(e) The District hereby agrees that the undertaking set forth in this Disclosure Certificate is the responsibility of the District and that the Dissemination Agent, if other than the District, shall not be responsible for determining whether the District's instructions to the Dissemination Agent under this Section 5 comply with the requirements of the Rule.

(f) For purposes of the events identified in subparagraphs (a)(10) and (b)(8) under this Section 5, the term "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule and a continuing disclosure undertaking has been entered into.

Section 6. Termination of Reporting Obligation. The District's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

Section 7. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be WEBB Municipal Finance, LLC. The Dissemination Agent, if other than the District, shall not be responsible in any manner for the content of any notice or report prepared by the District pursuant to this Disclosure Certificate. If at any time there is not any other designated Dissemination Agent, the Trustee shall be the Dissemination Agent. The initial Dissemination Agent shall be the District. The Dissemination Agent may resign by providing thirty (30) days written notice to the District and the Trustee.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver is related to the provisions of Sections 3(a), 4, or 5, it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking hereunder, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Owners of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Owners or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the District shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the District. In addition, if the amendment related to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(a), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the District shall have no obligation under this Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the District to comply with any provision of this Disclosure Certificate, the Trustee at the written direction of any Underwriter or the Owners of at least 25% aggregate principal amount of Outstanding Bonds, shall, or any Owner or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Certificate, but only to the extent funds have been provided to it or it has been otherwise indemnified to its satisfaction from any cost, liability, expense or additional charges of the Trustee whatsoever, including, without limitation, fees and expenses of its attorney. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. Where an entity other than the District is acting as the Dissemination Agent, the Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the District agrees to indemnify and save the Dissemination Agent and its officers, directors, employees and agents, harmless against any loss, expense and

liabilities which they may incur arising out of or in the exercise or performance of their powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the District under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 12. Notices. Any notices or communications to or among any of the parties to this Disclosure Certificate may be given as follows:

District: City of Beaumont
Community Facilities District No. 2016-4
55 East Sixth Street
Beaumont, CA 92223
Attn: City Manager

Underwriter: Stifel, Nicolaus & Company, Incorporated
515 South Figueroa Street, Suite 1800
Los Angeles, CA 90071
Attn: Public Finance

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notice or communications should be sent.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Trustee, the Dissemination Agent, the Underwriter and Owners and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

This Disclosure Certificate is executed as of the date and year first set forth above.

CITY OF BEAUMONT COMMUNITY FACILITIES
DISTRICT NO. 2016-4

By: _____
Disclosure Representative

APPENDIX F**BOOK-ENTRY ONLY SYSTEM**

The information in this section concerning DTC and DTC's book-entry only system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the completeness or accuracy thereof. The following description of the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, premium, if any, accreted value and interest on the Bonds to DTC Participants or Beneficial Owners, confirmation and transfers of beneficial ownership interests in the Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC to the District which the District believes to be reliable, but the District and the Underwriter do not and cannot make any independent representations concerning these matters and do not take responsibility for the accuracy or completeness thereof. Neither the DTC, Direct Participants, Indirect Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond will be issued for each annual maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited through the facilities of DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of "AA+." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive Bonds representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts

such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as prepayments, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being prepaid, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Bond Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to the Trustee, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to the Trustee. The requirement for physical delivery of Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to the Trustee's DTC account.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, physical certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Bonds will be printed and delivered to DTC.

THE PAYING AGENT, AS LONG AS A BOOK-ENTRY ONLY SYSTEM IS USED FOR THE BONDS, WILL SEND ANY NOTICE OF REDEMPTION OR OTHER NOTICES TO OWNERS ONLY TO DTC. ANY FAILURE OF DTC TO ADVISE ANY DTC PARTICIPANT, OR OF ANY DTC PARTICIPANT TO NOTIFY ANY BENEFICIAL OWNER, OF ANY NOTICE AND ITS CONTENT OR EFFECT WILL NOT AFFECT THE VALIDITY OF SUFFICIENCY OF THE PROCEEDINGS RELATING TO THE REDEMPTION OF THE BONDS CALLED FOR REDEMPTION OR OF ANY OTHER ACTION PREMISED ON SUCH NOTICE.

APPENDIX G
SECURITIES AND EXCHANGE COMMISSION ORDER

APPENDIX H
APPRAISAL REPORT



Staff Report

TO: Mayor and City Council Members

FROM: Elizabeth Gibbs, Community Services Director

DATE: October 15, 2019

SUBJECT: Award of Contract to M. Brey Electric, Inc., for City-Wide Electrical Services

Background and Analysis:

Pursuant to the Beaumont Municipal Code, Chapter 3.01.040, City staff published an invitation to bid for City-wide electrical services on August 30, 2019. The invitation was posted in the trade journal, Dodge Construction Central, as well as on the City's website, with a closing bid date of September 16, 2019.

The scope of work included a requirement that all work be done in accordance with generally accepted industry standards, as well as all Federal, State, and local code requirements. Additionally, the successful bidder must be licensed with the State of California's Contractors State Licensing Board (CSLB), with all work being performed under the direct supervision of a master electrician who is also licensed with the State. The successful bidder must be available for routine electrical work during normal business hours. For those emergency situations involving public health and safety, the successful bidder must be available 24 hours a day, 7 days a week and respond within a one-hour timeframe.

The following facilities and equipment were included in the bid as a general scope of the various areas that electrical services may be required. The bid specifies that there may be additional facilities that may require service. Those facilities include:

- City Hall Campus (including two generators and transfer switch)
- Police Department Building (including generator and transfer switch)
- Police Department Annex Building
- Albert A. Chatigny Center (including generator and transfer switch)
- Beaumont Municipal Plunge
- Fire Station 66
- Wastewater Treatment Plant (including generator and transfer switch)
- Four Season Lift Station (including generator and transfer switch)
- Mesa Lift Station (including generator and transfer switch)

- Seneca Lift Station (including generator and transfer switch)
- Marshal Lift Station (including generator and transfer switch)
- Noble Lift Station (including generator and transfer switch)
- Upper Oak Lift Station (including generator and transfer switch)
- Lower Oak Lift Station (including generator and transfer switch)
- Little Lower Lift Station (including generator and transfer switch)
- Cooper Lift Station (including generator and transfer switch)
- Olivewood Lift Station (including generator and transfer switch)
- Grounds Maintenance Yard
- Grace Ave Building
- VFW Building
- Stewart Park, restroom and pavilion buildings
- Sports Park, restroom and concession building
- Wildflower Park
- Mt. View Park
- Three Rings Park
- Shadow Creek Park
- Fallen Heroes Park
- DeForge Park
- Trevino Park
- Palmer Park
- Nicklaus Park

Staff received one bid from M. Brey Electric, Inc. (MBE). MBE's bid was reviewed by staff and is in conformance with the terms outlined in the bidding instructions. The City Attorney drafted a Public Works Repair and Maintenance Agreement outlining the terms and conditions for both parties (Attachment A).

Fiscal Impact:

The Fiscal Impact varies across multiple funding sources and departments, including the General Fund, Transit Services Fund, and the Wastewater Treatment Plant Fund. The cost to prepare this staff report was approximately \$500.

Recommendation:

1. Award a public works repair and maintenance agreement for City-wide electrical services to M. Brey Electric, Inc. for a period not-to-exceed three years, and authorize the Mayor to execute the agreement on behalf of the City of Beaumont.



City Manager Review: Todd Parton
City Manager

Attachments:

[Attachment A - Contract](#)

CITY OF BEAUMONT
PUBLIC WORKS REPAIR AND MAINTENANCE AGREEMENT

This PUBLIC WORKS REPAIR AND MAINTENANCE AGREEMENT (“Agreement”) is made and effective October 16, 2019 (“Effective Date”) by and between the City of Beaumont, a municipal corporation (“CITY”), and M. Brey Electric, Inc. a California corporation (“CONTRACTOR”). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

I. SCOPE OF WORK

The CONTRACTOR shall perform within the time set forth in Article 2 of this Agreement and shall furnish all labor, materials, equipment, tools, utility services, and transportation and perform and complete all work required in connection with the City-Wide Electrical Services, Invitation to Bid (“Invitation”) advertised August 20, 2019 and September 2, 2019, and the Bid, as defined below, (hereinafter “Project”) as more specifically provided in one or more written Work Orders issued by the City. Contractor shall not perform work unless specifically directed by a written Work Order executed by a department head of the City. Work performed in the absence of such a Work Order shall not be subject to compensation.

CONTRACTOR’s Bid in response to the Invitation, dated September 13, 2019 and the Invitation are attached hereto as **Exhibits “A” and “B”**, respectively and incorporated herein by this reference. The Scope of Work for the Project is set forth in the Invitation. In the event that any terms of the Bid are different from the Invitation for Bids, the Invitation for Bids shall control. Any additional terms in the Bid other than the price and the services that purport to bind the City to any additional terms not contained in this Agreement and related attachments shall not be binding on the City.

By entering into this Agreement, CONTRACTOR acknowledges that there may be other contractors on the site whose work will be coordinated with that of its own. CONTRACTOR expressly warrants and agrees that it will cooperate with other contractors and will do nothing to delay, hinder, or interfere with the work of other separate contractors, the CITY, the Construction Manager, the Engineer, or utilities. CONTRACTOR also expressly agrees that, in the event its work is hindered, delayed, interfered with, or otherwise affected by a separate contractor, its sole remedy will be a direct action against the separate contractor. To the extent allowed by law, the CONTRACTOR will have no remedy, and hereby expressly waives any remedy against the CITY, the Construction Manager (if any), and the Engineer on account of delay, hindrance, interference or other events.

II. TIME FOR PROJECT COMPLETION; TERMINATION FOR CONVENIENCE

All of CONTRACTOR’s work on the Project shall be completed within durations established for the individual activities as set forth in the written work order (“Work Order”) issued by the appropriate department head of the City and incorporated herein by this reference. All work shall commence within the time frame stated in the appropriate

Work Order and shall be completed within the time stated in the Work Order. The term of this Agreement shall commence on the Effective Date and shall expire on the date that is three years after the Effective Date. In addition, the City Council may extend this Agreement by up to three additional terms of one year each at its discretion for a maximum possible term of five (5) years. Notwithstanding the forgoing, City may terminate this Agreement without cause for convenience upon providing Contractor with thirty (30) days advanced written notice and the subsequent payment to Contractor of all amounts due through the date of termination for services rendered by Contractor.

III. THE CONTRACT SUM

The CITY shall pay to the CONTRACTOR for the performance of this Agreement, on an hourly basis at the rates contained in the Bid.

IV. PROGRESS PAYMENTS

Based upon Applications for Payment submitted to the City Engineer by the CONTRACTOR and Certificates for Payment issued by the Engineer, the CITY shall make progress payments on account of the Contract Sum to the CONTRACTOR as provided in the General Conditions, which are fully incorporated into this Agreement by this reference.

This Agreement is subject to the provisions of Article 1.7 (commencing at Section 20104.50) of Division 2, Part 3 of the Public Contract Code regarding prompt payment of contractors by local governments. Article 1.7 mandates certain procedures for the payment of undisputed and properly submitted payment requests within 30 days after receipt, for the review of payment requests, for notice to Contractor of improper payment requests, and provides for the payment of interest on progress payment requests which are not timely made in accordance with that Article. This Agreement hereby incorporates the provisions of Article 1.7 as though fully set forth herein.

CONTRACTOR shall submit to CITY, on or before the fifteenth (15th) of each month, itemized invoices for the Services rendered in the previous month. The CITY shall not be obligated to pay any invoice that is submitted more than sixty (60) days after the due date of such invoice. CITY shall have the right to review and audit all invoices prior to or after payment to CONTRACTOR. This review and audit may include, but not be limited to CITY's:

- a. Determination that any hourly fee charged is consistent with this Agreement's approved hourly rate schedule;
- b. Determination that the multiplication of the hours billed times the approved rate schedule dollars is correct;
- c. Determination that each item charged is the usual, customary, and reasonable charge for the particular item. If CITY determines an item charged is greater than usual, customary, or reasonable, or is duplicative, ambiguous, excessive, or inappropriate, CITY

shall either return the bill to CONTRACTOR with a request for explanation or adjust the payment accordingly and give notice to CONTRACTOR of the adjustment.

V. INDEMNITY, DEFENSE AND HOLD HARMLESS AGREEMENT

CONTRACTOR shall indemnify, defend with legal counsel approved by CITY, and hold harmless CITY, its officers, officials, employees and volunteers from and against all liability, loss, damage, expense, cost (including without limitation reasonable legal counsel fees, expert fees and all other costs and fees of litigation) of every nature arising out of or in connection with CONTRACTOR's negligence, recklessness or willful misconduct in the performance of work hereunder or its failure to comply with any of its obligations contained in this Agreement, except such loss or damage which is caused by the sole or active negligence or willful misconduct of the CITY. Should conflict of interest principles preclude a single legal counsel from representing both CITY and CONTRACTOR, or should CITY otherwise find CONTRACTOR's legal counsel unacceptable, then CONTRACTOR shall reimburse the CITY its costs of defense, including without limitation reasonable legal counsels' fees, expert fees and all other costs and fees of litigation. The CONTRACTOR shall promptly pay any final judgment rendered against the CITY (and its officers, officials, employees and volunteers) with respect to claims determined by a trier of fact to have been the result of the CONTRACTOR's negligent, reckless or wrongful performance. It is expressly understood and agreed that the foregoing provisions are intended to be as broad and inclusive as is permitted by the law of the State of California and will survive termination of this Agreement.

CONTRACTOR obligations under this section apply regardless of whether or not such claim, charge, damage, demand, action, proceeding, loss, stop notice, cost, expense, judgment, civil fine or penalty, or liability was caused in part or contributed to by an Indemnitee. However, without affecting the rights of CITY under any provision of this agreement, CONTRACTOR shall not be required to indemnify and hold harmless CITY for liability attributable to the active negligence of CITY, provided such active negligence is determined by agreement between the parties or by the findings of a court of competent jurisdiction. In instances where CITY is shown to have been actively negligent and where CITY active negligence accounts for only a percentage of the liability involved, the obligation of CONTRACTOR will be for that entire portion or percentage of liability not attributable to the active negligence of CITY.

VI. PREVAILING WAGES

- A. Contractor shall comply with all applicable laws and regulations relating to prevailing wages. Wage rates for this Project shall be in accordance with the "General Wage Determination Made By the Director of Industrial Relations Pursuant To California Labor Code, Part 7, Chapter 1, Article 2, Sections 1770, 1773 and 1773.1", for Riverside County. Wage rates shall conform with those posted at Beaumont City Hall and the Project site.
- B. The following Labor Code sections are hereby referenced and made a part of this Agreement:

1. Section 1775 - Penalty for Failure to Comply with Prevailing Wage Rates.
2. Section 1777.4 - Apprenticeship Requirements.
3. Section 1777.5 - Apprenticeship Requirements.
4. Section 1813 - Penalty for Failure to Pay Overtime.
5. Sections 1810 and 1811 - Working Hour Restrictions.
6. Section 1775 - Payroll Records.
7. Section 1773.8 - Travel and Subsistence Pay.

VII. RECORD AUDIT

In accordance with Government Code, Section 8546.7, records of both the CITY and the CONTRACTOR shall be subject to examination and audit by the Auditor General for a period of three (3) years after final payment.

VIII. RESERVED

IX. CONTRACTOR'S FAILURE TO PROCURE COMPLETION OF PROJECT

In the event CONTRACTOR fails to furnish tools, equipment, or labor in the necessary quantity or quality, or fails to prosecute the work or any part thereof contemplated by this Agreement in a diligent and workmanlike manner, and if the CONTRACTOR for a period of three (3) calendar days after receipt of written demand from CITY or its designated representative to do so, fails to furnish tools, equipment, or labor in the necessary quantity or quality, and to prosecute its work and all parts thereof in a diligent and workmanlike manner, or after commencing to do so within said three (3) calendar days, fails to continue to do so; then the CITY may exclude the CONTRACTOR from the premises, or any portion thereof, and take possession of said premises or any portion thereof, together with all material and equipment thereon, and may complete the work contemplated by this Agreement or any portion of said work, either by furnishing the tools, equipment, labor or material necessary, or by letting the unfinished portion of said work, or the portion taken over by the CITY to another contractor or by a combination of such methods. In any event, the procuring of the completion of said work, or the portion thereof taken over by the CITY, shall be a charge against the CONTRACTOR, and may be deducted from any money due or becoming due to CONTRACTOR from the CITY, or the CONTRACTOR shall pay the CITY the amount of said charge, or the portion thereof unsatisfied. The sureties provided for under this Agreement shall become liable for payment should CONTRACTOR fail to pay in full any said cost incurred by the CITY.

X. INSURANCE

Prior to the beginning of and throughout the duration of the Project, CONTRACTOR and its subcontractors shall maintain insurance in conformance with the requirements set forth below. CONTRACTOR will use existing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth herein, CONTRACTOR agrees to amend, supplement or endorse the existing coverage to do so.

CONTRACTOR acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. Any insurance proceeds available to CONTRACTOR or its subcontractors in excess of the limits and coverage identified in this Agreement and which is applicable to a given loss, claim or demand, will be equally available to CITY.

A. Types of Insurance

Without limiting CONTRACTOR's indemnification of CITY, and prior to commencement of Work, CONTRACTOR shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and, in a form, satisfactory to CITY:

1. **General liability insurance.** CONTRACTOR shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$1,000,000 per occurrence, \$2,000,000 general aggregate, for bodily injury, personal injury, and property damage, and \$2,000,000 completed operations aggregate. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.
2. **Automobile liability insurance.** CONTRACTOR shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the CONTRACTOR arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.
3. **Umbrella or excess liability insurance.** If CONTRACTOR is using umbrella coverage to meet part of its liability insurance requirements under Paragraph 1 of this Section, CONTRACTOR shall obtain and maintain an umbrella or excess liability insurance that will provide bodily injury, personal injury, completed operations and property damage liability coverage at least as broad as the primary coverages set forth above, including commercial general liability and employer's liability. Such policy or policies shall include the following terms and conditions:
 - A drop-down feature requiring the policy to respond in the event that any primary insurance that would otherwise have applied proves to be uncollectable in whole or in part for any reason;
 - Pay on behalf of wording as opposed to reimbursement;
 - Concurrency of effective dates with primary policies;
 - Policies shall "follow form" to the underlying primary policies; and
 - Insureds under primary policies shall also be insureds under the umbrella or excess policies.

4. **Workers' compensation insurance.** CONTRACTOR shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000) for CONTRACTOR's employees in accordance with the laws of the State of California, Section 3700 of the Labor Code. In addition, CONTRACTOR shall require each subcontractor to similarly maintain Workers' Compensation Insurance and Employer's Liability Insurance in accordance with the laws of the State of California, Section 3700 for all of the subcontractor's employees.

CONTRACTOR shall submit to CITY, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of CITY, its officers, agents, employees and volunteers.

5. **Pollution liability insurance.** Environmental Impairment Liability Insurance shall be written on a CONTRACTOR's Pollution Liability form or other form acceptable to CITY providing coverage for liability arising out of sudden, accidental and gradual pollution and remediation. The policy limit shall be no less than \$1,000,000 dollars per claim and in the aggregate. All activities contemplated in this Agreement shall be specifically scheduled on the policy as "covered operations." The policy shall provide coverage for the hauling of waste from the project site to the final disposal location, including non-owned disposal sites.

Products/completed operations coverage shall extend a minimum of three (3) years after project completion. Coverage shall be included on behalf of the insured for covered claims arising out of the actions of independent contractors. If the insured is using subcontractors, the Policy must include work performed "by or on behalf" of the insured. Policy shall contain no language that would invalidate or remove the insurer's duty to defend or indemnify for claims or suits expressly excluded from coverage. Policy shall specifically provide for a duty to defend on the part of the insurer. The CITY, its officials, officers, agents, and employees, shall be included as insureds under the policy.

6. **Builder's risk insurance.** Upon commencement of construction and with approval of CITY, CONTRACTOR shall obtain and maintain builder's risk insurance for the entire duration of the Project until only the CITY has an insurable interest. The Builder's Risk coverage shall include the coverages as specified below.

The named insureds shall be CONTRACTOR and CITY, including its officers, officials, employees, and agents. All Subcontractors (excluding those solely responsible for design Work) of any tier and suppliers shall be included as additional insureds as their interests may appear. CONTRACTOR shall not be required to maintain property insurance for any portion of the Project following transfer of control thereof to CITY. The policy shall contain a provision that all proceeds from the builder's risk policy shall be made payable to the CITY. The CITY will act as a fiduciary for all other interests in the Project.

Policy shall be provided for replacement value on an “all risk” basis for the completed value of the project. There shall be no coinsurance penalty or provisional limit provision in any such policy. Policy must include: (1) coverage for any ensuing loss from faulty workmanship, Nonconforming Work, omission or deficiency in design or specifications; (2) coverage against machinery accidents and operational testing; (3) coverage for removal of debris, and insuring the buildings, structures, machinery, equipment, materials, facilities, fixtures and all other properties constituting a part of the Project; (4) Ordinance or law coverage for contingent rebuilding, demolition, and increased costs of construction; (5) transit coverage (unless insured by the supplier or receiving contractor), with sub-limits sufficient to insure the full replacement value of any key equipment item; (6) Ocean marine cargo coverage insuring any Project materials or supplies, if applicable; (7) coverage with sub-limits sufficient to insure the full replacement value of any property or equipment stored either on or off the Site or any staging area. Such insurance shall be on a form acceptable to CITY to ensure adequacy of terms and sublimits and shall be submitted to the CITY prior to commencement of construction.

B. Other provisions or requirements

1. **Proof of insurance.** CONTRACTOR shall provide certificates of insurance to CITY as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers’ compensation. Insurance certificates and endorsements must be approved by CITY’s risk manager prior to commencement of performance. Current certification of insurance shall be kept on file with CITY at all times during the term of this contract. CITY reserves the right to require complete, certified copies of all required insurance policies, at any time.
2. **Duration of coverage.** CONTRACTOR shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Work hereunder by CONTRACTOR, his agents, representatives, employees or subcontractors. CONTRACTOR must maintain general liability and umbrella or excess liability insurance for as long as there is a statutory exposure to completed operations claims. CITY and its officers, officials, employees, and agents shall continue as additional insureds under such policies.
3. **Primary/noncontributing.** Coverage provided by CONTRACTOR shall be primary and any insurance or self-insurance procured or maintained by CITY shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-

contributory basis for the benefit of CITY before the CITY's own insurance or self-insurance shall be called upon to protect it as a named insured.

4. **CITY's rights of enforcement.** In the event any policy of insurance required under this Agreement does not comply with these requirements or is canceled and not replaced, CITY has the right but not the duty to obtain the insurance it deems necessary and any premium paid by CITY will be promptly reimbursed by CONTRACTOR or CITY will withhold amounts sufficient to pay premium from CONTRACTOR payments. In the alternative, CITY may cancel this Agreement.
5. **Acceptable insurers.** All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the CITY's risk manager.
6. **Waiver of subrogation.** All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against CITY, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow CONTRACTOR or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. CONTRACTOR hereby waives its own right of recovery against CITY and shall require similar written express waivers and insurance clauses from each of its subconsultants.
7. **Enforcement of contract provisions (non estoppel).** CONTRACTOR acknowledges and agrees that any actual or alleged failure on the part of the CITY to inform CONTRACTOR of non-compliance with any requirement imposes no additional obligations on the CITY nor does it waive any rights hereunder.
8. **Requirements not limiting.** Requirements of specific coverage features, or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the CONTRACTOR maintains higher limits than the minimums shown above, the CITY requires and shall be entitled to coverage for the higher limits maintained by the CONTRACTOR. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the CITY.
9. **Notice of cancellation.** CONTRACTOR agrees to oblige its insurance agent or broker and insurers to provide to CITY with a thirty (30) day notice of

cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

- 10. Additional insured status.** General liability policies shall provide or be endorsed to provide that CITY and its officers, officials, employees, agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.
- 11. Prohibition of undisclosed coverage limitations.** None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to CITY and approved of in writing.
- 12. Separation of insureds.** A severability of interest's provision must apply for all additional insureds ensuring that CONTRACTOR's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.
- 13. Pass through clause.** CONTRACTOR agrees to ensure that its subconsultants, subcontractors, and any other party involved with the project who is brought onto or involved in the project by CONTRACTOR, provide the same minimum insurance coverage and endorsements required of CONTRACTOR. CONTRACTOR agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. CONTRACTOR agrees that upon request, all agreements with consultants, subcontractors, and others engaged in the project will be submitted to CITY for review.
- 14. CITY's right to revise requirements.** The CITY reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the CONTRACTOR a ninety (90) day advance written notice of such change. If such change results in substantial additional cost to the CONTRACTOR, the CITY and CONTRACTOR may renegotiate CONTRACTOR's compensation.
- 15. Self-insured retentions.** Any self-insured retentions must be declared to and approved by CITY. CITY reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by CITY.
- 16. Timely notice of claims.** CONTRACTOR shall give CITY prompt and timely notice of claims made or suits instituted that arise out of or result from CONTRACTOR's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

17. Additional insurance. CONTRACTOR shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the Work.

XI. CONTRACTOR’S LICENSE

CONTRACTOR must possess at the time of commencing work and throughout the Project duration, a Contractor’s License, issued by the State of California, which is current and in good standing. CONTRACTOR shall ensure that any subcontractor working on the Project possesses at the time of commencing work and throughout the Project duration, a Contractor’s License, issued by the State of California, which is current and in good standing.

XII. REGISTRATION REQUIREMENTS

A. Pursuant to Section 1771.1(a) of the Labor Code:

“A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code or engage in the performance of any contract for public work, as defined in this chapter, unless currently registered and qualified to perform public work pursuant to Section 1725.5. It is not 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 Section 10164 or 20103.5 of the Public Contract Code, provided the contractor is registered to perform public work pursuant to Section 1725.5 at the time the contract is awarded.”

B. CONTRACTOR must be registered with the Department of Industrial Relations (DIR) of the State of California in order to be eligible to work on public works projects. CONTRACTOR must ensure registration with the DIR that is active and in good standing.

C. No contractor or subcontractor may be listed on a bid proposal for a public works project (submitted on or after March 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].

No contractor or subcontractor may be awarded a contract for public work on a public works project (awarded on or after April 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5.

This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

D. The CONTRACTOR is not subject to public works requirements (including registration with the DIR) if the public works project is under \$1,000, unless the CITY knows that the same CONTRACTOR will be awarded total project costs in excess of \$1,000 for a given year.

XIII. CORPORATION IN GOOD STANDING

If CONTRACTOR is a corporation, the undersigned hereby represents and warrants that the corporation is duly incorporated and in good standing in the State of California, and that Matthew Brey, whose title is President, is authorized to act for and bind the corporation.

XIV. PROVISIONS REQUIRED BY LAW

Each and every provision of law and clause required by law to be inserted in this Agreement shall be deemed to be inserted herein and the Agreement shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not currently inserted, then upon application of either party the Agreement shall forthwith be physically amended to make such insertion or correction.

XV. SUBSURFACE HAZARDOUS MATERIALS

- A. In the event trenches or other excavations extend deeper than four (4) feet below the surface, the CONTRACTOR shall promptly, and before the following conditions are disturbed, notify the CITY in writing of any:
1. Material that the CONTRACTOR believes may be material that is hazardous waste, as defined in Section 25117 of the Health and Safety Code that is required to be removed to a Class I, Class II or Class III disposal site in accordance with the provisions of existing law.
 2. Subsurface or latent physical conditions at the site differing from those indicated.
 3. Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in the Work or the character provided for in the CONTRACT.
- B. Upon receipt of said notification the CITY will investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase in the CONTRACTOR's cost of or the time required for performance of any part of the work, the CITY will issue a change order under the procedures described in the General Conditions.
- C. In the event that a dispute arises between the CITY and the CONTRACTOR whether the conditions materially differ, or involve hazardous waste or cause a decrease or increase in the CONTRACTOR's cost of or time required for performance of any part of the work, the CONTRACTOR shall not be excused from any scheduled completion date provided for by the Agreement, but shall proceed with all work to be performed under the Agreement. The CONTRACTOR shall retain any and all rights provided either by Agreement or by law which pertain to the resolution of disputes and protests between the contracting parties.

XVI. COMPONENT PARTS OF THE CONTRACT

This Agreement entered into consists of the following CONTRACT DOCUMENTS, all of which are component parts of the Agreement as if herein set out in full or attached hereto:

- | | |
|---|---|
| <input type="checkbox"/> Notice Inviting Bids | <input type="checkbox"/> Information Required of Bidder |
| <input type="checkbox"/> Scope of Work Summary | <input type="checkbox"/> Construction Services Agreement |
| <input type="checkbox"/> Information for Bidders | <input type="checkbox"/> Certificate Regarding Worker's |
| <input type="checkbox"/> Bid Form | <input type="checkbox"/> Compensation |
| <input type="checkbox"/> Non-Collusion Affidavit | <input type="checkbox"/> Drug-free Workplace Certification |
| <input type="checkbox"/> Site Visit Certification | <input type="checkbox"/> Plans and Specifications |
| <input type="checkbox"/> Faithful Performance Bond | <input type="checkbox"/> Addenda |
| <input type="checkbox"/> Labor and Materials Payment Bond | <input type="checkbox"/> Drawings |
| <input type="checkbox"/> General and Supplemental Conditions | <input type="checkbox"/> Change Orders |
| <input type="checkbox"/> Special Conditions | <input type="checkbox"/> Shop Drawing Transmittals |
| <input type="checkbox"/> Project Construction Schedule | <input type="checkbox"/> Contractor's Certificate Regarding |
| <input type="checkbox"/> Proposed Subcontractors | <input type="checkbox"/> Non-Asbestos Containing Materials |
| <input type="checkbox"/> Bid Bond | |

All of the above-named CONTRACT DOCUMENTS are intended to be complementary. Work required by one of the above-named CONTRACT DOCUMENTS and not by others shall be done as if required by all.

XVII. ENTIRE CONTRACT

This Agreement constitutes the entire contract of the parties. No other agreements or contracts, whether oral or written, pertaining to the work to be performed, exists between the parties. This Agreement can be modified only by an amendment in writing, signed by both parties.

[Signatures on following page.]

SIGNATURE PAGE TO

**CITY OF BEAUMONT
PUBLIC WORKS AGREEMENT
(M. Brey Electric, Inc.)**

CITY:
CITY OF BEAUMONT

CONTRACTOR:
M. Brey Electric, Inc., a California corporation

By: _____
Julio Martinez III, Mayor

By: _____

Print Name: _____

Title: _____

ATTEST:

By: _____
Steven Mehlman, City Clerk

APPROVED AS TO FORM:

By: _____
John O. Pinkney, City Attorney

**CITY OF BEAUMONT
PUBLIC WORKS AGREEMENT**

EXHIBIT "A"

CITY'S INVITATION FOR BIDS



City of Beaumont

INVITATION TO BID

Bid Name: **City-Wide Electrical Services**

Advertisement Dates:	August 30, 2019
Pre- Bid Meeting:	none
Location:	550 E. 6th Street, Beaumont, Ca 92223
Bonds:	None
Insurance:	Yes
Closing (Due) Date:	September 16, 2019 @ 2:00 p.m, City Hall Council Chambers

An original and two signed copies of this bid must be returned, before the closing date and time listed above, addressed to the City of Beaumont, Project Manager, with the bid name and number on the front of a sealed envelope. Bids may not be altered, amended or withdrawn after the official opening. The following proposal/bid is made for furnishing the materials/services for the City of Beaumont, California. The undersigned declares that the amount and nature of the materials/services to be furnished is understood and that the nature of this proposal is in strict accordance with the conditions set forth and is a part of this proposal, and that there will at no time be a misunderstanding as to the intent of the specifications or conditions to be overcome or pleaded after the proposals are opened. The undersigned hereby proposes to furnish the items, F.O.B. Beaumont, California, freight pre-paid at the unit prices quoted herein after notice of proposal award. The undersigned affirms that they are duly authorized to execute this contract and that this company, corporation, firm, partnership or individual has not prepared this proposal in collusion with any other proposer and that the contents of this proposal as to prices, terms or conditions of said proposal have not been communicated by the undersigned nor by any employee or agent to any other person engaged in this type of business prior to the official opening of this proposal.

Aftab Hussain **Assistant Director of Community Services**
 (P) 951-769-8520 Ext 365
ahussain@beaumontca.gov

Company Name (printed)

Printed Name

Vendor Signature X

Date

Signature X

Date

GENERAL TERMS & CONDITIONS

ACCESSIBILITY

The City of Beaumont City Hall Building is wheelchair accessible. For accommodations or sign interpretive services needed for proposal openings, please contact the City Hall or Project Manger 48 hours in advance at (951) 769-8520.

ADDENDA

Any interpretations, corrections or changes to this invitation to bid and specifications will be made by addenda. Sole issuing authority of addenda shall be vested in the City of Beaumont's authorized Agent. Addenda will be published on www.publicpurchase.com to all who are known to have received a copy of this bid. Bidders shall acknowledge receipt of all addenda. **It is the responsibility of the vendor to check for addenda.**

ASSIGNMENT OF BID/CONTRACT

The successful bidder may not assign their rights and duties under and award without the written consent of the City's Project manager. Such consent shall not relieve the assignor of liability in event of default by their assignee.

BID AWARD

The City reserves the right to award any combination of the sections as is deemed in the best interest of the City. The City also reserves the right to not award one or all sections.

BID CONSIDERATION / TABULATION

After bids are opened and publicly read, the bids will be tabulated for comparison on the basis of the bid prices and quantities (lowest responsible contractor/vendor) or by the best value. Until final award of the Contract the City reserves the right to reject any or all bids, to waive technicalities and to re-advertise for new bids, or propose to do the work otherwise in the best interests of the City.

The following items will be considered when an award is based on best value:

- the purchase price;
- the reputation of the bidder and of the bidder's goods or services;
- the quality of the bidders' goods or services;
- previous experience of bidder in working for the City of Beaumont;
- experience of bidder in working for other municipalities.

BID SUBMISSION

Bids may be submitted in person or by mail. **Facsimile Transmittals Will Not Be Accepted.**

- Submit sealed bids in person to 550 E 6th Street, Beaumont, California, 92223
- Submit sealed bids via mail to 550 E 6th Street, Beaumont, California, 92223
- Bids will not be accepted in any format without a signature.

- The City is not responsible for mail service. If mail is delayed by the postal service, courier service, or in the internal mail system of the City of Beaumont beyond the date and hour set for the proposal opening, proposals thus delayed will not be considered and will be returned unopened.

Any proposal received after stated closing time will be returned unopened. If proposals are sent by mail to the Project manager, the proposer shall be responsible for actual delivery of the proposal to the Project manager before the advertised date and hour for opening of proposals.

BRAND NAMES

If items for which bids have been called for have been identified by a “brand name or equal” description, such identification is intended to be descriptive, but not restrictive, and is to indicate the quality and characteristics of products that will be satisfactory. Bids offering “equal” products will be considered for award if such products are clearly identified in the bids and are determined by the Project Manager and requesting Department to be equal in all material respects to the brand name products referenced. **Unless the bidder clearly indicates in their bid that they are offering an “equal product”, their bid shall be considered as offering a brand name product referenced in the Proposal Schedule.**

CANCELLATION OF BIDS

Bids may be cancelled with 30 days written notice with good cause.

CHANGES OR ALTERATIONS

No part of this bid may be changed/alterd in any way. Vendors must submit written requests to change any specifications/conditions with their proposal. ***Changes made without submission of a written request to this bid will result in disqualification.***

COMPLETING INFORMATION

Bidder must fill in all information asked for in the blanks provided under each item. Failure to comply may result in rejection of the Bid at the City’s option.

CONFLICT OF INTEREST

No public official shall have interest in this contract, in accordance with California Codes, Public Contract Code, Article 4. Conflict of Interest Section 10515-10518.

CONTRACT CLAUSE

This bid, when properly accepted by the City of Beaumont, shall constitute a contract equally binding between the successful bidder and the City. No different or additional terms will become a part of this contract with the exception of change orders.

DEFAULT

In case of default of the successful bidder, the city of Beaumont may procure the articles from other sources and hold the bidder responsible for any excess cost occasioned thereby.

DELIVERY

The City reserves the right to demand bond or penalty to guarantee delivery by the date indicated. If order is given and the Bidder fails to furnish the materials by the guaranteed date, the City reserves the right to cancel the order without liability on its part. All prices are to be F.O.B. Beaumont, California all freight prepaid.

DELIVERY DATE

Delivery date is an important factor to the City and may be required to be a part of each bid. The City of Beaumont considers delivery time to be that period elapsing from the time the individual order is placed until that order or work is received by the City at the specified delivery location. Failure of the bidder to meet guaranteed delivery dates or service performance could affect future City orders.

Whenever the Contractor encounters any difficulty which is delaying or threatens to delay timely performance (including actual or potential labor disputes), the Contractor shall immediately give notice thereof in writing to the Project manager, stating all relevant information. Such notice shall not in any way constitute a basis for an extension of the delivery or performance schedule or be construed as a waiver by the City of any rights or remedies to which it is entitled by law or pursuant to provisions herein. If the delay is unforeseen, the City has the right to extend delivery time if reason appears valid. Failure to give such notice, however, may be grounds for denial of any request for an extension of the delivery or performance schedule because of such delivery.

DISCRIMINATION

The undersigned, in submitting this proposal, represents that they are an equal opportunity employer, and will not discriminate with regard to race, religion, color, national origin, age or sex in the performance of this contract.

ETHICS

The bidder shall not offer or accept gifts of any value nor enter into any business arrangement with any employee, official or agent of the City of Beaumont.

EXCEPTIONS / SUBSTITUTIONS

All bids meeting the intent of this invitation to bid will be considered for award. Bidders taking exception to the specifications, or offering substitutions, shall state these exceptions in the section provided or by attachment as part of the bid. The absence of such a list shall indicate that the Bidder has not taken exceptions and shall hold the Bidder responsible to perform in strict accordance with the specifications of the invitation. The City of Beaumont reserves the right to accept any and all or none of the exceptions(s) / substitutions(s) deemed to be in the best interest of the City.

FISCAL YEAR

The City operates on a fiscal year that ends on June 30th. State law mandates that a municipality may not commit funds beyond a fiscal year; this bid is subject to cancellation if funds for this commodity are not approved in the next fiscal year.

FUNDING

The City operates on a fiscal year that ends on June 30th. Because state law mandates that a municipality may not commit funds beyond a fiscal year, this bid is subject to cancellation if funds for this commodity are not approved in the next fiscal year.

CONTRACTOR'S LICENSE

Contractor must possess at the time of bid, and throughout the Project duration, a Contractor's License, issued by the State of California, which is current and in good standing. CONTRACTOR shall ensure that any subcontractor working on the Project possesses at the time of commencing work and throughout the Project duration, a Contractor's License, issued by the State of California, which is current and in good standing.

INDEMNIFICATION

In case any action in court is brought against the Owner, or any officer or agent of the Owner, for the failure, omission, or neglect of the vendor/contractor to perform any of the covenants, acts, matters, or things by this contract undertaken; or for injury or damage caused by the alleged negligence of the vendor or his subcontractors or his or their agents, or in connection with any claim based on lawful demands of subcontractors, workmen, material men, or suppliers the vendor shall indemnify and save harmless the Owner and his officers and agents, from all losses, damages, costs, expenses, judgments, or decrees arising out of such action.

INSURANCE

Deductibles, of any type, are the responsibility of the vendor/contractor. Prior to the beginning of and throughout the duration of the Project, CONTRACTOR and its subcontractors shall maintain insurance in conformance with the requirements set forth in the Public Works Agreement (Exhibit-A). CONTRACTOR will use existing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth herein, CONTRACTOR agrees to amend, supplement or endorse the existing coverage to do so.

CONTRACTOR acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. Any insurance proceeds available to CONTRACTOR or its subcontractors in excess of the limits and coverage identified in this Agreement and which is applicable to a given loss, claim or demand, will be equally available to CITY.

PREVAILING WAGES

Contractor shall comply with all applicable laws and regulations relating to prevailing wages.

LATE BIDS

Bids received in the City of Beaumont City Hall after submission deadline will be considered void and unacceptable. The City of Beaumont is not responsible for late or non-delivery of mail, carrier, etc., and the date/time stamp at the City of Beaumont Receptionist station shall be the official time of receipt.

MISCELLANEOUS

Except as to any supplies or components which the specifications provide need not be new, all supplies and components to be provided under this contract shall be new (not used or reconditioned, and not of such age or so deteriorated as to impair their usefulness or safety), of current production and of the most suitable grade for the purpose intended. If at any time during the performance of this contract the Contractor believes that the furnishing of supplies or components which are not new is necessary or desirable, they shall notify the Project manager immediately, in writing, including the reasons therefore and proposing any consideration which will flow to the City if authorization to use supplies or components is granted.

PATENTS / COPYRIGHTS

The successful bidder agrees to protect the City of Beaumont from claims involving infringement of patents and/or copyrights.

PAYMENT TERMS & CONDITIONS

All bids shall specify terms and conditions of payment, which will be considered as part of, but not control, the award of bid. City review, inspection, and processing procedures ordinarily require thirty (30) days after receipt of invoice, materials or service.

It is the intention of the City of Beaumont to make payment on completed orders within thirty (30) days of receiving invoicing unless unusual circumstances arise. **Work completed must be invoiced to the City within 30 days of completion.** Invoices shall be fully documented as to labor, materials and equipment provided. Orders must be given a Purchase Order Number to be valid. No payments shall be made on invoices not listing a Purchase Order Number. No partial payment will be made.

Payment will not be made by the City until the vendor has been given a Purchase Order Number, has furnished proper invoice, materials, or services, and otherwise complied with City Purchasing procedures, unless this provision is waived by the City.

PROVISIONAL CLAUSES

The City of Beaumont will not enter into any contract where the cost is provisional upon such clauses as are known as "escalator" or "cost-plus" clauses.

REJECTION OF BIDS

The City reserves the right to reject any or all bids or to waive technicalities at its option when in the best interests of said City.

Bids will be considered irregular if they show any omissions, alteration of form, additions, or conditions not called for, unauthorized alternate bids or irregularities of any kind. However, the City reserves the right to waive any irregularities and to make the award in the best interests of the City.

The City reserves the right to reject any or all bids, and all bids submitted are subject to this reservation. Bids may be rejected, among other reasons, for any of the following specific reasons:

- Bids received after the time limit for receiving bids as stated in the advertisement.

- Proposal containing any irregularities.
- Unbalanced value of any items.

Bidders may be disqualified and their bids not considered, among other reasons, for any of the following specific reasons:

- Reason for believing collusion exists among the Bidders.
- Reasonable grounds for believing that any Bidder is interested in more than one Proposal for the work contemplated.
- The Bidder being interested in any litigation against the City.
- The Bidder being in arrears on any existing contract or having defaulted on a previous contract.
- Lack of competency as revealed by a financial statement, experience and equipment, questionnaires, etc.
- Uncompleted work, which in the judgment of the City will prevent or hinder the prompt completion of additional work if awarded.

REQUEST FOR NON-CONSIDERATION

Bids deposited with the City cannot be withdrawn prior to the time set for opening bids. Request for non-consideration of bids must be made in writing to the Project manager and received by the City prior to the time set for opening bids. After other bids are opened and publicly read, the Proposal for which non-consideration is properly requested may be returned unopened. The Proposal may not be withdrawn after the bids have been opened, and the Bidder, in submitting the same, warrants and guarantees that this bid has been carefully reviewed and checked and that it is in all things true and accurate and free of mistakes and that such bid will not and cannot be withdrawn because of any mistake committed by the Bidder.

SALES TAX

The total for each bid submitted must include any applicable taxes. It is suggested that taxes be separately identified, itemized, and stated on each bid.

TERMINATION OF CONTRACT

This contract shall remain in effect until the contract expires, delivery and acceptance of products and/or performance of services ordered or terminated by either party with a thirty (30) day written notice prior to any cancellation. The successful bidder must state the reasons for such cancellation. The City of Beaumont reserves the right to award canceled contract to the next lowest and best bidder as it deems to be in the best interest of the City.

TERMINATION FOR DEFAULT

The City of Beaumont reserves the right to enforce the performance of this contract in any manner prescribed by law or deemed to be in the best interest of the City in the event of breach or default of this contract. The City of Beaumont reserves the right to terminate the contract immediately in the event the successful bidder fails to:

1. meet schedules;
2. defaults in the payment of any fees; or

3. otherwise perform in accordance with these specifications.

VENUE, CHOICE OF LAW AND JURISDICTION

In the event that a dispute arises, both parties stipulate that venue is proper in Riverside County, California only and that laws of the State of California shall apply to all disputes. Clients responsibility under this contract shall substantially or wholly be performed in Riverside County, California. The parties further stipulate that jurisdiction of any dispute that arises from this contract is proper in Riverside County.

WAGES

Successful bidder shall pay or cause to be paid, without cost or expense to the City of Beaumont, all Social Security, Unemployment and Federal Income Withholding Taxes of all such employees and all such employees shall be paid wages and benefits as required by Federal and/or State Law.

WARRANTY

Successful bidder shall warrant that all items/ services shall conform to the proposed specifications and/or all warranties as stated in the Uniform Commercial Code and be free from all defects in material, workmanship and title. A copy of the warranty for each item being bid must be enclosed.

INSURANCE REQUIREMENTS (IN THE MINIMUM OF)

The successful bidder shall submit evidence of required insurance on an original Acord certificate not later than fifteen (15) working days following bid award notification. Failure to submit the required document(s) may result in rescinding the award. The bid may thereafter be awarded to the next lowest bidder.

A certificate of insurance is not required at the time of the bid. However, an insurance certificate is required to be on file prior to the start of any work.

Commercial General Liability: \$1,000,000.00 combined single limit per occurrence for bodily injury, personal injury and property damage. This policy shall have no coverages removed by exclusions.

Automobile Liability: \$1,000,000.00 combined single limit per accident for bodily injury and property damage. Coverage should be provided as a "Code 1," any auto.

Workers' Compensation and Employers' Liability: Statutory. Employers Liability policy limits of \$1,000,000.00 for each accident, \$1,000,000.00 policy limit - Disease.

OTHER INSURANCE PROVISIONS

1. The City shall be named as an additional insured on the Commercial General Liability, and Automobile Liability Insurance policies. These insurance policies shall contain the

appropriate additional insured endorsement signed by a person authorized by that insurer to bind coverage on its behalf.

2. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days prior written notice has been provided to the City. If the policy is canceled for non-payment of premium, only ten (10) days notice is required.
3. Insurance is to be placed with insurers with a Best rating of no less than AVII. The company must also be duly authorized to transact business in the State of California.
4. **Workers' Compensation and Employers' Liability Coverage:** The insurer shall agree to waive all rights of subrogation against the City, its officials, employees and volunteers for losses arising from the activities under this contract.
5. **Workers' Compensation Insurance Coverage**
 - a. **Certificate of coverage** ("certificate") - A copy of a certificate of insurance, a certificate of authority to self-insure issued by the commission, or a coverage agreement (TWCC-81, TWCC-82, TWCC-83 or TWCC-84), showing statutory workers' compensation insurance coverage for the person's or entity's employees providing services on a project, for the duration of the project.
 - b. **Duration of the project** - Includes the time from the beginning of the work on the project until the contractor's/person's work on the project has been completed and accepted by the governmental entity.
6. Certificates of Insurance and Endorsements effecting coverage required by this clause shall be forwarded to:

**Community Services Department - City-Wide Electrical Services
City of Beaumont
550 E. 6th Street
Beaumont, California 92223**

7. **Persons providing services on the project ("subcontractor")** - Includes all persons or entities performing all or part of the services the contractor has undertaken to perform on the project, regardless of whether that person contracted directly with the contractor and regardless of whether that person has employees. This includes, without limitation, independent contractors, subcontractors, leasing companies, motor carriers, owner-operators, employees of any such entity, or employees of any entity which furnishes persons to provide services on the project. "Services" include, without limitation, providing, hauling, or delivering equipment or materials, or providing labor, transportation or other service related to a project. "Services" does not include activities unrelated to the project, such as food/beverage vendors, office supply deliveries and delivery of portable toilets.
8. The contractor shall provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, which meets the

statutory requirements of California Labor Code, for all employees of the contractor providing services on the project, for the duration of the project.

9. The contractor must provide a certificate of coverage to the governmental entity prior to being awarded the contract.
10. If the coverage period shown on the contractor's current certificate of coverage ends during the duration of the project, the contractor must, prior to the end of the coverage period, file a new certificate of coverage with the governmental entity showing that coverage has been extended.
11. The contractor shall obtain from each person providing services on a project, and provide to the governmental entity:
 - a. a certificate of coverage, prior to that person beginning work on the project, so the governmental entity will have on file certificates of coverage showing coverage for all persons providing services on the project; and
 - b. no later than seven (7) days after receipt by the contractor, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project. The contractor shall retain all required certificates of coverage for the duration of the project and for one (1) year thereafter.
 - c. The contractor shall notify the governmental entity in writing by certified mail or personal delivery, within ten (10) days after the contractor knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project.
 - d. The contractor shall post on each project site a notice, in the text, form and manner prescribed by the State of California Department of Industrial Relation Division of Workers' Compensation, informing all persons providing services on the project that they are required to be covered, and stating how a person may verify coverage and report lack of coverage.
 - e. The contractor shall contractually require each person with whom it contracts to provide services on a project, to:
 - (1) Provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, which meets the statutory requirements of California Labor Code for all of its employees providing services on the project, for the duration of the project;
 - (2) provide to the contractor, prior to that person beginning work on the project, a certificate of coverage showing that coverage is being provided for all employees of the person providing services on the project, for the duration of the project;
 - (3) provide the contractor, prior to the end of the coverage period, a new certificate of
 - (4) coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project;

- (5) obtain from each other person with whom it contracts, and provide to the contractor:
- (6) a certificate of coverage, prior to the other person beginning work on the project; and a new certificate of coverage showing extension of coverage, prior to the end of the coverage period, if the coverage period shown on the current certificate of coverage ends during the duration of the project;
- (7) retain all required certificates of coverage on file for the duration of the project and for one (1) year thereafter;
- (8) notify the governmental entity in writing by certified mail or personal delivery, within ten (10) days after the person knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project; and
- (9) to perform as required by paragraphs (1)-(7), with the certificates of coverage to be provided to the person for whom they are providing services.

12. By signing this contract or providing or causing to be provided a certificate of coverage, the contractor is representing to the governmental entity that all employees of the contractor who will provide services on the project will be covered by workers' compensation coverage for the duration of the project, that the coverage will be based on proper reporting of classification codes and payroll amounts, and that all coverage agreements will be filed with the appropriate insurance carrier or, in the case of a self-insured, with the commission's Division of Self-Insurance Regulation. Providing false or misleading information may subject the contractor to administrative penalties, criminal penalties, civil penalties, or other civil actions.
13. The contractor's failure to comply with any of these provisions is a breach of contract by the contractor which entitles the governmental entity to declare the contract void if the contractor does not remedy the breach within ten (10) days after receipt of notice of breach from the governmental entity.

NON-COLLUSION AFFIDAVIT

I, _____, being first duly sworn, deposes and says that he is _____ of _____ the party making the attached bid; that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Name of Bidder _____

Signature _____

Name _____

Title _____

Dated _____

REFERENCE PAGE

Please list five government agencies that your company has done business with over the last two years.

Please list all government agencies that your company has done business with at the bottom of this form.

1. _____

COMPANY NAME		CONTACT PERSON	
STREET ADDRESS	CITY	STATE	ZIP
TELEPHONE NUMBER		EMAIL ADDRESS	
PRODUCTS CURRENTLY BEING USED			

2. _____

COMPANY NAME		CONTACT PERSON	
STREET ADDRESS	CITY	STATE	ZIP
CONTACT PERSON		TELEPHONE NUMBER	
PRODUCTS CURRENTLY BEING USED			

3. _____

COMPANY NAME		CONTACT PERSON	
STREET ADDRESS	CITY	STATE	ZIP
TELEPHONE NUMBER		EMAIL ADDRESS	
PRODUCTS CURRENTLY BEING USED			

4. _____

COMPANY NAME		CONTACT PERSON	
STREET ADDRESS	CITY	STATE	ZIP
TELEPHONE NUMBER		EMAIL ADDRESS	
PRODUCTS CURRENTLY BEING USED			

5. _____

COMPANY NAME		CONTACT PERSON	
STREET ADDRESS	CITY	STATE	ZIP

TELEPHONE NUMBER

EMAIL ADDRESS

PRODUCTS CURRENTLY BEING USED

Government Agencies:

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City of Beaumont, California City-Wide Electrical Services Bid Specification

Purpose:

The purpose of this bid solicitation is to secure an annual agreement for City-wide electrical services. The successful bidder shall provide all equipment, labor, tools, superintendence, transportation, licenses and incidentals necessary in order to properly prosecute and complete the required work.

Contract Terms

The initial term of this contract will be for one year with three, one-year renewal options available, if both parties agree. If both parties can't come to terms at the time of renewal, the contract will expire at midnight on the ending date listed on the last effective contract.

Quality of Work:

All work shall be done in accordance with generally accepted industry standards and all Federal, State and local code requirements. In the event the City adopts a different code, the successful electrical contractor shall adhere to the current Nation Electric Code (NEC).

The successful Electrical Contractor and their respective employees that will be performing electrical services for the City must be licensed by the State of California Contractors State License Board (CSLB) to do electrical work in the State of California. All electrical work shall be performed by or under the direct supervision of a master electrician who is licensed in the State of California.

Prior to performing any work, the successful Contractor must be registered with the City Building Inspections Department. Additionally, the Contractor shall be required to take out electrical permits on all work performed for the City; however, the cost of said permits shall be waived.

Experience:

All prospective bidders must have a minimum of five (5) years of experience working for a municipality. The City may make such investigations as deemed necessary to determine the ability of the bidder to perform the work. The City reserves the right to reject any bid if the bidder fails to demonstrate to the City that they are properly qualified or capable of carrying out the obligations of the contract.

Warranties:

The successful Contractor shall guarantee their work against defective materials and/or workmanship for a period of one (1) year from the date of acceptance by the City.

All materials provided for under this contract shall be new and unused, unless otherwise approved by the City. Additionally, all materials shall be free from defects and liens.

All defective materials and/or workmanship shall be repaired at the Contractor's expense. All repairs shall be completed by the Contractor within 30 calendar days of receiving written

notice from the City. An exception to this requirement is any defective work that creates a potential safety hazard shall be repaired immediately.

Availability:

Routine (non-emergency or time sensitive) electrical work will typically be scheduled during normal City business hours (8 a.m. to 5 p.m.) and work days (Monday through Friday, excluding official City holidays). However, due to the nature of municipal government services, the successful Contractor shall be available 24 hours, 7 days a week, with a maximum response time of one (1) hour being required for emergency situations. Due to the broad scope of the various services provide by the City, emergency situations cannot be individually defined herein but typically involve issues that relate to public health and safety.

General Description:

This section is by no means meant to be all-inclusive or fully identify all aspects of the anticipated work. Rather, it is meant to give prospective bidders a general scope of the various areas that electrical services may be required.

All electrical work associated with the normal/routine operations of the following facilities:

- City Hall Campus (550 E 6th Street Beaumont Ca 9223)
(Building A, B, C, D, E, F, & G)
(including two generators and transfer switch)
- Police Department Building (660 Orange Ave, Beaumont Ca 92223)
(including generator and transfer switch)
- Police Department Annex Building (1580 E. 8th Street Beaumont Ca 92223)
- Albert A. Chatigny Center (1310 Oak Valley Pkwy, Beaumont, Ca 92223)
(including generator and transfer switch)
- Beaumont Municipal Plunge (985 Maple Ave, Beaumont, CA 92223)
- Fire Station 66 (628 Maple Ave, Beaumont, CA 92223)
- Wastewater Treatment Plant (715 W. 4th Street, Beaumont Ca 92223)
(including generator and transfer switch)
- Four Season Lift Station (Highland Springs Ave)
(including generator and transfer switch)
- Mesa Lift Station (Potrero Blvd)
(including generator and transfer switch)
- Seneca Lift Station (Potrero Blvd)
(including generator and transfer switch)
- Marshal Lift Station (Oak Valley Pkwy at I-10)
(including generator and transfer switch)
- Noble Lift Station (address)
(including generator and transfer switch)
- Upper Oak Lift Station (Oak Valley Pkwy)
(including generator and transfer switch)
- Lower Oak Lift Station (Oak Valley Pkwy)
(including generator and transfer switch)
- Little Lower Lift Station (Crenshaw St.)
(including generator and transfer switch)
- Cooper Lift Station (address)

(including generator and transfer switch)
Olivewood Lift Station (address)
(including generator and transfer switch)
Grounds Maintenance Yard (714 W. 4th Street)
Grace Ave Building (500 Grace Ave)
VFW Building (450 E. 4th Street)
Stewart Park, restroom and pavilion buildings (9th and Maple Ave)
Sports Park, restroom and concession building (Beaumont Ave and Brookside Ave)
Wildflower Park (Tulip Circle)
Mt. View Park (Sundance Circle)
Three Rings Park (Claiborne Ave and Brookside Ln)
Shadow Creek Park (Gateway and Oak Valley Pkwy)
Fallen Heroes Park (Oak View Dr and Iris St)
DeForge Park (Seneca Springs Pkwy and Potrero Blvd)
Trevino Park (Tukwet Canyon Pkwy)
Palmer Park (Palmer Ave and Trevino Trail)

Measurement and Payment:

Payment for services rendered will be measured by the hours actually spent to complete the work and paid for at the hourly rates specified in accordance with the bid proposal. Payment for material and/or equipment/tool rental costs associated with the work will be paid for based on the actual material and/or rental costs multiplied by the appropriate percentage specified in the bid proposal. Copies of all invoices for material and/or equipment/tool rental costs incurred by the Contractor in performing the work shall be furnished to the City prior to payment being made. Additionally, payment for specialty work shall be paid for based on the actual subcontractor amount multiplied by the appropriate percentage specified in the bid proposal. A copy of the subcontractor's invoice shall be furnished to the City prior to payment for these services being made. In order to allow for timely payment of invoices, the Contractor shall promptly submit invoices within 30 days for services rendered upon completion of the specified work and acceptance by the City.



Bid Proposal – City Wide Electrical Services

Master Electrician (ME):

\$_____/hour (regular time)

\$_____/hour (overtime)

\$_____/hour (holiday)

Journeyman Electrician (JE):

\$_____/hour (regular time)

\$_____/hour (overtime)

\$_____/hour (holiday)

Apprentice Electrician (AE):

\$_____/hour (regular time)

\$_____/hour (overtime)

\$_____/hour (holiday)

Bucket Truck (truck only, no personnel):

\$_____/hour

Cost of Materials plus

_____ % Contractor mark-up

Cost of Rental Equipment/Tools plus

_____ % Contractor mark-up

Cost of Subcontractor (for specialty work as authorized by the City) plus

_____ % Contractor mark-up

**CITY OF BEAUMONT
PUBLIC WORKS AGREEMENT**

EXHIBIT "B"

CONTRACTOR'S BID PROPOSAL



ORIGINAL

City of Beaumont

INVITATION TO BID

Bid Name: **City-Wide Electrical Services**

Advertisement Dates:	August 30, 2019
Pre- Bid Meeting:	none
Location:	550 E. 6th Street, Beaumont, Ca 92223
Bonds:	None
Insurance:	Yes
Closing (Due) Date:	September 16, 2019 @ 2:00 p.m, City Hall Council Chambers

An original and two signed copies of this bid must be returned, before the closing date and time listed above, addressed to the City of Beaumont, Project Manager, with the bid name and number on the front of a sealed envelope. Bids may not be altered, amended or withdrawn after the official opening. The following proposal/bid is made for furnishing the materials/services for the City of Beaumont, California. The undersigned declares that the amount and nature of the materials/services to be furnished is understood and that the nature of this proposal is in strict accordance with the conditions set forth and is a part of this proposal, and that there will at no time be a misunderstanding as to the intent of the specifications or conditions to be overcome or pleaded after the proposals are opened. The undersigned hereby proposes to furnish the items, F.O.B. Beaumont, California, freight pre-paid at the unit prices quoted herein after notice of proposal award. The undersigned affirms that they are duly authorized to execute this contract and that this company, corporation, firm, partnership or individual has not prepared this proposal in collusion with any other proposer and that the contents of this proposal as to prices, terms or conditions of said proposal have not been communicated by the undersigned nor by any employee or agent to any other person engaged in this type of business prior to the official opening of this proposal.

Aftab Hussain
 (P) 951-769-8520 Ext 365
ahussain@beaumontca.gov

Assistant Director of Community Services

Company Name (printed) **M. Brey Electric, Inc.**

Printed Name **Matthew Brey, President**

Vendor Signature X **Date**

Signature X **Date** **9/13/19**

NON-COLLUSION AFFIDAVIT

I, Matthew Brey, being first duly sworn, deposes and says that he is President of M. Brey Electric, Inc. the party making the attached bid; that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Name of Bidder M. Brey Electric, Inc.

Signature 

Name Matthew Brey

Title President

Dated 9/13/19

REFERENCE PAGE

Please list five government agencies that your company has done business with over the last two years.

Please list all government agencies that your company has done business with at the bottom of this form.

1. **City of Norco** **Brian Petree**

COMPANY NAME		CONTACT PERSON	
2870 Clark Ave.	Norco	CA	92860
STREET ADDRESS	CITY	STATE	ZIP
(951) 270-5632		bpetree@ci.norco.ca.us	
TELEPHONE NUMBER		EMAIL ADDRESS	
R&R existing switchgear /directional boring for electrical to ballfield lighting			
PRODUCTS CURRENTLY BEING USED			

2. **City of Santa Ana** **Cesar Barrera**

COMPANY NAME		CONTACT PERSON	
20 Civic Center Plaza	Santa Ana	CA	92701
STREET ADDRESS	CITY	STATE	ZIP
cbarrera@santa-ana.org		(714) 647-3387	
CONTACT PERSON		TELEPHONE NUMBER	
Electrical Repair and Rehabilitation Services			
PRODUCTS CURRENTLY BEING USED			

3. **City of Palmdale** **Cheryl Hughes**

COMPANY NAME		CONTACT PERSON	
38300 Sierra Hwy.	Palmdale	CA	93550
STREET ADDRESS	CITY	STATE	ZIP
(661) 267-5100		chughes@cityofpalmdale.org	
TELEPHONE NUMBER		EMAIL ADDRESS	
Electrical Maintenance Services / Musco Lighting Replacement			
PRODUCTS CURRENTLY BEING USED			

4. **Dept. of Transportation /Caltrans** **Roy Tornello**

COMPANY NAME		CONTACT PERSON	
175 W. Cluster St.	San Bernardino	CA	92408
STREET ADDRESS	CITY	STATE	ZIP
(619) 301-0616		roy.tornello@dot.ca.gov>	
TELEPHONE NUMBER		EMAIL ADDRESS	
Restoration of damaged, vandalized or stolen electrical installations			
PRODUCTS CURRENTLY BEING USED			

5. **City of San Marcos** **Lisa Fowler**

COMPANY NAME		CONTACT PERSON	
1 Civic Center Dr.	San Marcos	CA	92009
STREET ADDRESS	CITY	STATE	ZIP

(760) 744-1050	Ifowler@san-marcos.net
TELEPHONE NUMBER	EMAIL ADDRESS
As-Needed Electrical Maintenance Services	
PRODUCTS CURRENTLY BEING USED	

Government Agencies:

County of San Bernardino	City of Beaumont
Orange County Fire Authority	City of Banning
City of Fontana	Riverside County Courts
City of Anaheim	Dept. of General Services
Indio Water Authority	Dept. of the Navy
City of Palm Springs	City of Rancho Cucamonga
Foothill Municipal Water District	Elsinore Valley Municipal Water Dist.



Bid Proposal – City Wide Electrical Services

Master Electrician (ME):

\$ 122.00 /hour (regular time)

\$ 152.00 /hour (overtime)

\$ 189.00 /hour (holiday)

Journeyman Electrician (JE):

\$ 122.00 /hour (regular time)

\$ 152.00 /hour (overtime)

\$ 189.00 /hour (holiday)

Apprentice Electrician (AE):

\$ 76.00 /hour (regular time)

\$ 99.00 /hour (overtime)

\$ 129.00 /hour (holiday)

Bucket Truck (truck only, no personnel):

\$ 25.00 /hour

Cost of Materials plus

5 % Contractor mark-up

Cost of Rental Equipment/Tools plus

5 % Contractor mark-up

Cost of Subcontractor (for specialty work as authorized by the City) plus

5 % Contractor mark-up



Staff Report

TO: Mayor and City Council Members
 FROM: Celina Cabrera, Administrative Analyst
 DATE: October 15, 2019
 SUBJECT: Award a Contract to Moore & Associates, Inc., to Perform a Comprehensive Operations Analysis of the Transit Services in an Amount Not-To-Exceed \$121,563.80

Background and Analysis:

A Comprehensive Operations Analysis (COA) is an in-depth and thorough analysis of a transit department to identify strengths and identify opportunities for improvement. The goal of a COA is to analyze the current transit system and produce a comprehensive plan to enhance customer experience, improve service within a program's financial capacity, and outline steps to implement service alternatives to ensure a program's sustainability.

A request for proposal for a comprehensive operations analysis of the Beaumont transit system was issued. Three bids were received and their cost proposals were as follows:

Moore & Associates, Inc.	\$121,563.80
TMD	\$124,875.00
AECOM	\$167,995.90

After conducting interviews with the top two contenders, Moore & Associates, Inc., was selected as the lowest, most responsive bidder.

Moore & Associates, Inc., is a public transportation consulting firm and has conducted services similar to those requested by Beaumont since 1991. They are a full-service consultancy that provides evaluation and planning services, market research, and community engagement.

The last COA conducted in Beaumont was in 2013, and was performed in conjunction with the City of Banning. Although some parts of that plan were implemented, it was never formally adopted by either city. This COA will exclusively analyze Beaumont's public transit operations and determine potential future passengers, evaluate the performance of

current services while considering new innovative transit options, and identify opportunities for sustainable growth.

Fiscal Impact:

This project was included in the annual budget submitted to and accepted by the Riverside County Transportation Commission as part of the adopted Fiscal Year 2019-2020 annual Short Range Transit Plan. This project is considered an operational expense and therefore, is included in the City of Beaumont's allocation from the State of California's Local Transportation Fund.

Recommendation:

1. Award a contract to Moore & Associates, Inc., in an amount not-to-exceed \$121,563.80; and
2. Authorize the Mayor to execute a professional services agreement with Moore & Associates, Inc.



City Manager Review: Todd Parton
City Manager

Attachments:

[Attachment A](#)

Agreement of Services by Independent Contractor

THIS AGREEMENT FOR SERVICES BY INDEPENDENT CONTRACTOR is made and effective as of this 15th day of October, 2019, by and between the CITY OF BEAUMONT (“CITY”) whose address is 550 E. 6th Street, Beaumont, California 92223 and Moore and Associates, Inc., a California corporation, whose address is 25115 Avenue Stanford, Suite B215, Valencia, CA 91355 (“CONTRACTOR”).

RECITALS

This Agreement is entered into on the basis of the following facts, understandings and intentions of the parties to this Agreement:

- A. CITY published a Request For Proposals (“RFP”) on September 18, 2019, a copy of which is attached hereto as Exhibit “A”
- B. In response to the RFP, CONTRACTOR made a proposal (“Proposal”) to the CITY to provide such professional services, which Proposal is attached hereto as Exhibit “B”; and
- C. CITY desires to engage CONTRACTOR to provide a Comprehensive Operations Analysis as provided in the RFP and Proposal.; and
- D. CONTRACTOR agrees to provide such services pursuant to, and in accordance with, the terms and conditions of this Agreement, and represents and warrants to CITY that CONTRACTOR possesses the necessary skills, licenses, certifications, qualifications, personnel and equipment to provide such services.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing Recitals and mutual covenants contained herein, CITY and CONTRACTOR agree as follows:

1. Term of Agreement. This Agreement is effective as of the date first above written and shall continue until terminated as provided for herein. Notwithstanding anything in this Agreement to the contrary, this Agreement shall automatically terminate after one (1) year unless extended by the parties with the approval of the City Council of the CITY.

2. Services to be Performed. CONTRACTOR agrees to provide the services (“Services”) as follows: Produce a Comprehensive Operations Analysis for Beaumont Transit as provided in the RFP and Proposal attached hereto as Exhibit “A” and Exhibit “B”. All Services shall be performed in the manner and according to the timeframe set forth in the Proposal. CONTRACTOR designates Jim Moore as CONTRACTOR’S professional responsible for overseeing the Services provided by CONTRACTOR. Notwithstanding anything to the contrary herein, any provisions in the Proposal that are in addition to or inconsistent with the terms of this Agreement shall be deemed invalid and shall have no force or effect.

3. Associates and Subcontractors. CONTRACTOR may, at CONTRACTOR's sole cost and expense, employ such competent and qualified independent associates, subcontractors and consultants as CONTRACTOR deems necessary to perform the Services; provided, however, that CONTRACTOR shall not subcontract any of the Services without the written consent of CITY.

4. Compensation

4.01 CONTRACTOR shall be paid at the rates set forth in the Proposal and shall not increase any rate without the prior written consent of the CITY. Notwithstanding anything in this Agreement to the contrary, total fees and charges paid by CITY to CONTRACTOR under this Agreement for the completion of the Services shall not exceed One Hundred and Twenty One Thousand Five Hundred Sixty Three Dollars and eight cents (\$121,563.80).

4.02 CONTRACTOR shall not be compensated for any Services rendered nor reimbursed for any expenses incurred in excess of those authorized in the RFP and Proposal unless approved in advance by the CITY, in writing.

4.03 CONTRACTOR shall submit to CITY, on or before the fifteenth (15th) of each month, itemized invoices for the Services rendered in the previous month. The CITY shall not be obligated to pay any invoice that is submitted more than sixty (60) days after the due date of such invoice. CITY shall have the right to review and audit all invoices prior to or after payment to CONTRACTOR. This review and audit may include, but not be limited to CITY's:

- a. Determination that any hourly fee charged is consistent with this Agreement's approved hourly rate schedule;
- b. Determination that the multiplication of the hours billed times the approved rate schedule dollars is correct;
- c. Determination that each item charged is the usual, customary, and reasonable charge for the particular item. If CITY determines an item charged is greater than usual, customary, or reasonable, or is duplicative, ambiguous, excessive, or inappropriate, CITY shall either return the bill to CONTRACTOR with a request for explanation or adjust the payment accordingly and give notice to CONTRACTOR of the adjustment.

4.04 If the work is satisfactorily completed, CITY shall pay such invoice within thirty (30) days of its receipt. Should CITY dispute any portion of any invoice, CITY shall pay the undisputed portion within the time stated above, and at the same time advise CONTRACTOR in writing of the disputed portion.

5. Obligations of CONTRACTOR.

5.01 CONTRACTOR agrees to perform all Services in accordance with the standard of care applicable to professionals providing similar services in the same geographic area and in accordance with the terms and conditions of this Agreement the

RFP and the Proposal. In the event that the terms of the Proposal shall conflict with the terms of this Agreement or contain additional terms binding on the City other than the Services to be rendered and the price for the Services, the terms of this Agreement shall govern and said additional or conflicting terms shall be of no force or effect.

5.02 Except as otherwise agreed by the parties, CONTRACTOR will supply all personnel, materials and equipment required to perform the Services. CONTRACTOR shall provide its own offices, telephones, vehicles and computers and set its own work hours. CONTRACTOR will determine the method, details, and means of performing the Services under this Agreement.

5.03 CONTRACTOR shall keep CITY informed as to the progress of the Services by means of regular and frequent consultations. Additionally, when requested by CITY, CONTRACTOR shall prepare written status reports.

5.04 CONTRACTOR is responsible for paying, when due, all income and other taxes, fees and withholding, including withholding state and federal taxes, social security, unemployment and worker's compensation, incurred as a result of the compensation paid under this Agreement. CONTRACTOR agrees to indemnify, defend and hold harmless CITY for any claims, costs, losses, fees, penalties, interest, or damages suffered by CITY resulting from CONTRACTOR's failure to comply with this provision.

5.05 In the event CONTRACTOR is required to prepare plans, drawings, specifications and/or estimates, the same shall be furnished in conformance with local, state and federal laws, rules and regulations.

5.06 CONTRACTOR represents that it possesses all required licenses necessary or applicable to the performance of Services under this Agreement and the Proposal and shall obtain and keep in full force and affect all permits and approvals required to perform the Services herein. In the event CITY is required to obtain an approval or permit from another governmental entity, CONTRACTOR shall provide all necessary supporting documents to be filed with such entity.

5.07 CONTRACTOR shall be solely responsible for obtaining Employment Eligibility Verification information from CONTRACTOR's employees, in compliance with the Immigration Reform and Control Act of 1986, Pub. L. 99-603 (8 U.S.C. 1324a), and shall ensure that CONTRACTOR's employees are eligible to work in the United States.

5.08 In the event that CONTRACTOR employs, contracts with, or otherwise utilizes any CalPers retirees in completing any of the Services performed hereunder, such instances shall be disclosed in advance to the CITY and shall be subject to the CITY's advance written approval.

5.09 Drug-free Workplace Certification. By signing this Agreement, the CONTRACTOR hereby certifies under penalty of perjury under the laws of the State of California that the CONTRACTOR will comply with the requirements of the Drug-Free

Workplace Act of 1990 (Government Code, Section 8350 et seq.) and will provide a drug-free workplace.

5.10 CONTRACTOR shall comply with all applicable local, state and federal laws, rules, regulations, entitlements and/or permits applicable to, or governing the Services authorized hereunder.

6. Insurance. CONTRACTOR hereby agrees to be solely responsible for the health and safety of its employees and agents in performing the Services under this Agreement and shall comply with all laws applicable to worker safety including but not limited to Cal-OSHA. Therefore, throughout the duration of this Agreement, CONTRACTOR hereby covenants and agrees to maintain insurance in conformance with the requirements set forth below. If existing coverage does not meet the requirements set forth herein, CONTRACTOR agrees to amend, supplement or endorse the existing coverage to do so. CONTRACTOR shall provide the following types and amounts of insurance:

6.01 Commercial general liability insurance in an amount of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate; CONTRACTOR agrees to have its insurer endorse the general liability coverage required herein to include as additional insured's CITY, its officials, employees and agents. CONTRACTOR also agrees to require all contractors and subcontractors to provide the same coverage required under this Section 6.

6.02 Business Auto Coverage in an amount no less than \$1 million per accident. If CONTRACTOR or CONTRACTOR's employees will use personal autos in performance of the Services hereunder, CONTRACTOR shall provide evidence of personal auto liability coverage for each such person.

6.03 Workers' Compensation coverage for any of CONTRACTOR's employees that will be providing any Services hereunder. CONTRACTOR will have a state-approved policy form providing statutory benefits as required by California law. The provisions of any workers' compensation will not limit the obligations of CONTRACTOR under this Agreement. CONTRACTOR expressly agrees not to use any statutory immunity defenses under such laws with respect to CITY, its employees, officials and agents.

6.04 Optional Insurance Coverage. Choose and check one: Required ___ /Not Required ; Errors and omissions insurance in a minimum amount of \$2 million per occurrence to cover any negligent acts or omissions committed by CONTRACTOR, its employees and/or agents in the performance of any Services for CITY.

7. General Conditions pertaining to Insurance Coverage

7.01 No liability insurance coverage provided shall prohibit CONTRACTOR from waiving the right of subrogation prior to a loss. CONTRACTOR waives all rights of subrogation against CITY regardless of the applicability of insurance proceeds and shall require all contractors and subcontractors to do likewise.

7.02. Prior to beginning the Services under this Agreement, CONTRACTOR shall furnish CITY with certificates of insurance, endorsements, and upon request, complete copies of all policies, including complete copies of all endorsements. All copies of policies and endorsements shall show the signature of a person authorized by that insurer to bind coverage on its behalf.

7.03. All required policies shall be issued by a highly rated insurer with a minimum A.M. Best rating of "A:VII"). The insurer(s) shall be admitted and licensed to do business in California. The certificates of insurance hereunder shall state that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits, except after thirty (30) days' prior written notice has been given to CITY.

7.04 Self-insurance does not comply with these insurance specifications. CONTRACTOR acknowledges and agrees that that all insurance coverage required to be provided by CONTRACTOR or any subcontractor, shall apply first and on a primary, non-contributing basis in relation to any other insurance, indemnity or self-insurance available to CITY.

7.05 All coverage types and limits required are subject to approval, modification and additional requirements by CITY, as the need arises. CONTRACTOR shall not make any reductions in scope of coverage (e.g. elimination of contractual liability or reduction of discovery period) that may affect CITY's protection without CITY's prior written consent.

7.06 CONTRACTOR agrees to provide immediate notice to CITY of any claim or loss against CONTRACTOR or arising out of the Services performed under this Agreement. CITY assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve CITY.

8. Indemnification.

8.01 CONTRACTOR and CITY agree that CITY, its employees, agents and officials should, to the extent permitted by law, be fully protected from any loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, defense costs, court costs or any other costs arising out of or in any way related to the performance of this Agreement by CONTRACTOR or any subcontractor or agent of either. Accordingly, the provisions of this indemnity are intended by the parties to be interpreted and construed to provide the fullest protection possible under the law to CITY. CONTRACTOR acknowledges that CITY would not enter into this Agreement in the absence of the commitment of CONTRACTOR to indemnify and protect CITY as set forth herein.

a. To the fullest extent permitted by law, CONTRACTOR shall defend, indemnify and hold harmless CITY, its employees, agents and officials, from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses, damages or costs of any kind, whether actual, alleged or threatened, actual attorneys' fees incurred by CITY, court costs,

interest, defense costs, including expert witness fees and any other costs or expenses of any kind whatsoever without restriction or limitation incurred in relation to, as a consequence of or arising out of or in any way attributable actually, allegedly or impliedly, in whole or in part to the performance of this Agreement. CONTRACTOR's obligation to defend, indemnify and hold harmless shall include any and all claims, suits and proceedings in which CONTRACTOR (and/or CONTRACTOR's agents and/or employees) is alleged to be an employee of CITY. All obligations under this provision are to be paid by CONTRACTOR as they are incurred by CITY.

b. Without affecting the rights of CITY under any provision of this Agreement or this Section, CONTRACTOR shall not be required to indemnify and hold harmless CITY as set forth above for liability attributable solely to the fault of CITY, provided such fault is determined by agreement between the parties or the findings of a court of competent jurisdiction.

9. Additional Services, Changes and Deletions.

9.01 In the event CONTRACTOR performs additional or different services than those described herein without the prior written approval of the City Manager and/or City Council of CITY, CONTRACTOR shall not be compensated for such services. CONTRACTOR expressly waives any right to be compensated for services and materials not covered by the scope of this Agreement or authorized by the CITY in writing.

9.02 CONTRACTOR shall promptly advise the City Manager and Finance Director of CITY as soon as reasonably practicable upon gaining knowledge of a condition, event or accumulation of events which may affect the scope and/or cost of Services. All proposed changes, modifications, deletions and/or requests for additional services shall be reduced to writing for review and approval by the CITY and/or City Council.

10. Termination of Agreement.

10.01 Notwithstanding any other provision of this Agreement, CITY, at its sole option, may terminate this Agreement with or without cause, or for no cause, at any time by giving twenty (20) days' written notice to CONTRACTOR.

10.02 In the event of termination, the payment of monies due CONTRACTOR for undisputed Services performed prior to the effective date of such termination shall be paid within thirty (30) business days after receipt of an invoice as provided in this Agreement. Immediately upon termination, CONTRACTOR agrees to promptly provide and deliver to CITY all original documents, reports, studies, plans, specifications and the like which are in the possession or control of CONTRACTOR and pertain to CITY.

11. Status of CONTRACTOR.

11.01 CONTRACTOR shall perform the Services in CONTRACTOR's own way as an independent contractor, and in pursuit of CONTRACTOR's independent calling, and

not as an employee of CITY. However, CONTRACTOR shall regularly confer with CITY's City Manager as provided for in this Agreement.

11.02 CONTRACTOR agrees that it is not entitled to the rights and benefits afforded to CITY's employees, including disability or unemployment insurance, workers' compensation, retirement, CalPers, medical insurance, sick leave, or any other employment benefit. CONTRACTOR is responsible for providing, at its own expense, disability, unemployment, workers' compensation and other insurance, training, permits, and licenses for itself and its employees and subcontractors.

11.03 CONTRACTOR hereby specifically represents and warrants to CITY that it possesses the qualifications and skills necessary to perform the Services under this Agreement in a competent, professional manner, without the advice or direction of CITY and that the Services to be rendered pursuant to this Agreement shall be performed in accordance with the standards customarily applicable to an experienced and competent professional rendering the same or similar services in the same geographic area where the CITY is located. Further, CONTRACTOR represents and warrants that the individual signing this Agreement on behalf of CONTRACTOR has the full authority to bind CONTRACTOR to this Agreement.

12. Ownership of Documents; Audit.

12.01 All draft and final reports, plans, drawings, studies, maps, photographs, specifications, data, notes, manuals, warranties and all other documents of any kind or nature prepared, developed or obtained by CONTRACTOR in connection with the performance of Services performed for the CITY shall become the sole property of CITY, and CONTRACTOR shall promptly deliver all such materials to CITY upon request. At the CITY's sole discretion, CONTRACTOR may be permitted to retain original documents, and furnish reproductions to CITY upon request, at no cost to CITY. Moore & Associates, Inc. shall have the right to utilize public versions of the project work products in the course of the promotion of its professional consulting service.

12.02 Subject to applicable federal and state laws, rules and regulations, CITY shall hold all intellectual property rights to any materials developed pursuant to this Agreement. CONTRACTOR shall not such use data or documents for purposes other than the performance of this Agreement, nor shall CONTRACTOR release, reproduce, distribute, publish, adapt for future use or any other purposes, or otherwise use, any data or other materials first produced in the performance of this Agreement, nor authorize others to do so, without the prior written consent of CITY.

12.03 CONTRACTOR shall retain and maintain, for a period not less than four years following termination of this Agreement, all time records, accounting records and vouchers and all other records with respect to all matters concerning Services performed, compensation paid and expenses reimbursed. At any time during normal business hours and as often as CITY may deem necessary, CONTRACTOR shall make available to CITY's agents for examination all of such records and shall permit CITY's agents to audit, examine and reproduce such records.

13. Miscellaneous Provisions.

13.01 This Agreement, which includes all attached exhibits, supersedes any and all previous agreements, either oral or written, between the parties hereto with respect to the rendering of Services by CONTRACTOR for CITY and contains all of the covenants and agreements between the parties with respect to the rendering of such Services in any manner whatsoever. Any modification of this Agreement will be effective only if it is in writing signed by both parties.

13.02 CONTRACTOR shall not assign or otherwise transfer any rights or interest in this Agreement without the prior written consent of CITY. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

13.03 CONTRACTOR shall timely file FPPC Form 700 Conflict of Interest Statements with CITY if required by California law and/or the CITY's conflict of interest policy.

13.04 If any legal action or proceeding, including an action for declaratory relief, is brought to enforce or interpret the provisions of this Agreement, the prevailing party will be entitled to reasonable attorneys' fees and costs, in addition to any other relief to which that party may be entitled.

13.05 This Agreement is made, entered into and shall be performed in the County of Riverside in the State of California and shall in all respects be interpreted, enforced and governed under the laws of the State of California.

13.06 CONTRACTOR covenants that neither it nor any officer or principal of its firm has any interest, nor shall they acquire any interest, either directly or indirectly, which will conflict in any manner or degree with the performance of their Services hereunder. CONTRACTOR further covenants that in the performance of this Agreement, no person having such interest shall be employed by it as an officer, employee, agent, or subcontractor.

13.07 CONTRACTOR has read and is aware of the provisions of Section 1090 et seq. and Section 87100 et seq. of the Government Code relating to conflicts of interest of public officers and employees. CONTRACTOR agrees that they are unaware of any financial or economic interest of any public officer or employee of the CITY relating to this Agreement. It is further understood and agreed that if such a financial interest does exist at the inception of this Agreement, the CITY may immediately terminate this Agreement by giving notice thereof. CONTRACTOR shall comply with the requirements of Government Code section 87100 et seq. and section 1090 in the performance of and during the term of this Agreement.

13.08 Improper Consideration. CONTRACTOR shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to, cash,

discounts, services, the provision of travel or entertainment, or any items of value to any officer, employee or agent of the CITY in an attempt to secure favorable treatment regarding this Agreement or any contract awarded by CITY. The CITY, by notice, may immediately terminate this Agreement if it determines that any improper consideration as described in the preceding sentence was offered to any officer, employee or agent of the CITY with respect to the proposal and award process of this Agreement or any CITY contract. This prohibition shall apply to any amendment, extension or evaluation process once this Agreement or any CITY contract has been awarded. CONTRACTOR shall immediately report any attempt by any CITY officer, employee or agent to solicit (either directly or through an intermediary) improper consideration from CONTRACTOR.

IN WITNESS WHEREOF, the parties hereby have made and executed this Agreement to be effective as of the day and year first above-written.

CITY:

CITY OF BEAUMONT

By: _____
Julio Martinez III, Mayor

CONTRACTOR:

Moore and Associates, Inc., a California corporation

By: _____

Print Name: _____

Title: _____

EXHIBIT "A"
REQUEST FOR PROPOSALS



Request for Proposals
to perform a
Comprehensive Operations Analysis
of the City's public transit
fixed routes, commuter routes,
and paratransit services

Proposals Due By:

3:00 pm

September 26, 2019

Contact:

Elizabeth Gibbs

Community Services Director

egibbs@beaumontca.gov

RFP Available:

www.publicpurchase.com

OVERVIEW

The City of Beaumont (“City”) is issuing this document, a Request for Proposals (“RFP”) for a COMPREHENSIVE OPERATIONS ANALYSIS from qualified Vendors (“Vendor”) to perform an analysis of the City’s fixed route service, commuterlink service, and paratransit service.

BACKGROUND

The City of Beaumont was incorporated in November 1912. The City is located in the western portion of Riverside County and is bounded on the west by Calimesa and unincorporated areas, on the north by the unincorporated County area (Cherry Valley), on the south by unincorporated County area and the City of San Jacinto, and on the east by the City of Banning. The land area within the City’s boundaries is approximately 26 square miles.

SCOPE OF SERVICES

The City has described the proposed Scope of Services in Exhibit A attached to this RFP and is incorporated herein by reference.

ADDITIONAL VENDOR RESPONSIBILITIES

The Vendor shall be responsible for completing the specified services in accordance with the City’s Agreement for Professional Services by Independent Contractor (Exhibit B).

TERM

The term of the agreement shall be determined upon need of services and consistent with the City’s policies. The initial period of the contract is for one (1) year, with extensions approved by City Council, subject to the agreement terms and the Beaumont Municipal Code.

SOLICITATION SCHEDULE

EVENT	DATE
RFP Issued	August 21, 2019
Questions Due from Bidders	September 12, 2019
City Response to Bidders with advertised Addendum #1	September 17, 2019
Bid Proposals Due	September 26, 2019 by 3:00 pm

QUESTION AND ANSWER PERIOD

Inquiries regarding this RFP must be submitted in writing and should be emailed to Elizabeth Gibbs, egibbs@beaumontca.gov and Celina Cabrera, ccabrera@beaumontca.gov.

The cut-off date for questions and inquiries relating to this RFP is indicated on the solicitation schedule. Addenda to this RFP, if any, will be posted on Public Purchase webpage.

No telephone calls will be permitted.

SUBMISSION OF BID PROPOSAL

In order to be considered for award, the bid proposal must be received by the City of Beaumont, at the appropriate location and by the required time, in a sealed envelope.

Vendors should submit one (1) hard copy marked original, three (3) additional hard copies, and one (1) digital copy on either a CD or flash drive, and in accordance with the bid submission deadline, which is **3:00 pm on September 26, 2019**, to the following location:

City of Beaumont
Attn: Elizabeth Gibbs
550 E 6th Street
Beaumont CA 92223

Responses received after this date and time will not be considered. Emailed and/or faxed proposals will not be accepted. The City is not responsible for lost or misdirected documents. Bids must be enclosed in a sealed envelope/package bearing the name of the Bidder and titled “RFP for Comprehensive Operations Analysis” clearly marked on the outside of the envelope.

The prospective bidder assumes sole responsibility for submitting a complete bid proposal in response to this RFP. No special considerations will be given after bid proposals are opened because of a bidder’s failure to comply with all requirements of the RFP.

No postmarked proposals will be accepted. Once submitted, proposals cannot be altered without prior written consent of the City.

All costs associated with preparation of any proposal shall be the sole responsibility of the proposer. Each proposal shall be limited to a maximum of 30 pages (not including resumes), using minimum 12-point font size.

PROPOSAL REQUIREMENTS

The proposal shall clearly address all of the information requested herein. To achieve a uniform review process and obtain the maximum degree of comparability, it is required that proposals be

organized and contain all information as specified below.

- A. Cover Letter: Maximum of two (2) pages serving as an Executive Summary, which shall include an understanding of the Scope of Services (outlined in Exhibit A). The RFP shall be transmitted with a cover letter that must be signed by a company official, authorized to bind the Vendor contractually. The cover letter accompanying the RFP shall also provide the name, title, address, and telephone number of individuals with the authority to negotiate and contractually bind the Vendor. The cover letter constitutes certification by the Vendor, under penalty of perjury, that the Vendor complies with nondiscrimination requirements of the State and Federal Government. An unsigned proposal or one signed by an individual unauthorized to bind the Vendor may be rejected.
- B. Introduction/Information: Introduction of the service proposal, including a statement of understanding the types of services requested. Provide a discussion on how the objectives of the Scope of Services (Exhibit A) will be accomplished. Provide the name of the firm submitting the proposal, mailing address, telephone number and the name of the individual to contact if further information is required. Any participating Vendors and proposed sub-Vendors shall be identified and included in the proposal (all sub-Vendors must be approved by City prior to signing the agreement with City).
- C. Firm Profile: Provide the firm name, including number of personnel, years in business, office location(s), organizational structure (e.g., corporation, partnership, sole practitioner, etc.), areas of particular expertise, and relevant experience. Provide a list of comparable studies completed by the project manager you are proposing for this project. Provide short resumes of all professionals who will be actively working on the project along with assurances of no substitutions to less experienced staff.
- Include any other information which should be considered, such as any special services or customer service philosophy which define your firm's practice.
- D. References: Three to five references from current or past clients. Discuss the services you have provided or are currently providing to them, including the status of implementation of your recommendations for these projects. Be sure to include reference's business name, contact person, address and phone number length of time services were provided, and a description of the services provided.
- E. Scope of Services: Scope of Services provided in Exhibit A. Provide a description of how the tasks, sub-tasks, and deliverables will be provided. Responses should be presented in a logical format that can be easily attached to the Agreement of Professional Services by Independent Contractor.
- a. Provide a description of your work approach to the tasks as identified in the Scope

of Services. Additionally, identify and describe potential services that may have applicability. Any concepts, techniques, and tools which you intend to utilize in preparing the study should be included.

- b. Identify data which will be needed to conduct the study.
 - c. Describe your intended interaction with staff, interested groups/citizens, and other key stakeholders for the level of assistance anticipated to complete the tasks.
 - d. Explain full the intended working relationships, responsibilities, and product expected, as well as any examples of past experiences working together and working with the City of Beaumont or Riverside County Transportation Commission.
- F. Cost Proposal: Cost proposal should detail all costs related for the services requested, as outlined in Scope of Services, as well as an estimate of any additional fees that may accrue over the course of the contract, including direct labor costs, any mark-up for fringe benefits, overhead, profit, and other direct expenses such as transportation, housing, printing, and per diem. A breakdown of the labor costs, including position, hours, hourly rates of pay should also be provided. **Cost proposals should be provided under separate cover.**

Should additional work be required, which is beyond the scope of this RFP but is related to the overall contract, the Vendor will be requested to submit a written proposal and upon approval, a purchase order will be issued to authorize the work.

- G. Liability Insurance: The selected Vendor will be required to have professional liability insurance including liability at a minimum of one million (\$1,000,000) per occurrence and two million (\$2,000,000) in aggregate, worker's compensation, and vehicle coverage including comprehensive and collision insurance naming the City of Beaumont as additional insured. The proposal shall state whether such insurances will be in force at time of contract execution.

CONFIDENTIALITY

Prior to the proposal submittal deadline, all proposals will be designated confidential to the extent permitted by the California Public Records Act. After the proposal submittal deadline, all responses will be regarded as public record and will be subject to review by the public. Any language purported to render confidential all or portions of the proposals will be regarded as non-effective and will be disregarded.

AMENDMENTS TO REQUEST FOR PROPOSALS

The City reserves the right to amend the RFP by addenda prior to the final proposal submittal date.

NON-COMMITMENT TO CITY

The City reserves the right to reject any and all proposals and to waive informalities and minor irregularities in any proposal reviewed. The City may reject any proposal that does not conform to the instructions provided in this RFP. Additionally, the City reserves the right to negotiate all final terms and conditions of any proposal received before entering into final contract.

CONFLICT OF INTEREST

The Vendor shall disclose any personal or professional financial, business, or other relationships with the City that may have an impact on the outcome of this contract or any resulting project. The Vendor shall also list current clients who may have a financial interest in the outcome of this contract.

PROPOSAL EVALUATION/SELECTION

The City intends to engage the most qualified Vendor available that demonstrates a thorough understanding of the City’s needs. A selection team composed of City staff, and staff of associated agencies will be established to review all proposals submitted pursuant to the terms of this RFP. Members of this team are expected to participate, if possible, in any interview to be conducted with selected proposers.

The selection team will use the following criteria to evaluate the proposals:

Criteria	Points
Understanding of the Scope of Services	35
Approach to Performing this Type of Service	30
Proposed Fee	20
Related Experience	15
Total	100

EXHIBITS

- A. Scope of Services
- B. Agreement for Professional Services by Independent Contractor

**----- END OF REQUEST FOR PROPOSAL -----
EXHIBITS TO FOLLOW**

EXHIBIT A

SCOPE OF SERVICES

The City of Beaumont (“City”) is seeking proposals from Vendors to provide a COMPREHENSIVE OPERATIONS ANALYSIS from qualified Vendors (“Vendor”) to conduct an analysis of the City’s fixed route service, commuterlink service, and paratransit service.

The successful Vendor shall, at a minimum, provide the City with the following services:

Phase I – Data Collection and Analysis

Task 1.A. Analyze Fixed-Route and Deviated Fixed-Route On-Board Counts

An analysis of service utilization shall be conducted by a 100 percent ridecheck of passenger boardings and alightings for all trips, for all weekday, Saturday, and Sunday services. Consultant will provide a methodologically and technically sound report for a period to be agreed upon by both parties of boardings and alightings by route, stop, time of day, day of the week, and type of fare.

The consultant shall evaluate the routes, based upon data supplied and gathered, providing to the CITY OF BEAUMONT at a minimum the following information in report form and graphically where possible:

Aggregate description of each route, including, but not limited to:

- in-service and deadhead miles operated;
- in-service and platform hours operated
- recovery time, on time performance, headways
- daily ridership by route segment [weekday, Saturday, and Sunday]
- daily ridership by time of day for morning, mid-day and afternoon; weekday, Saturday, and Sunday
- operations cost review

Analysis of each route, to include but not be limited to:

- passengers per hour by route and designated route segments, time of day and fare category for weekday, Saturday and for Sunday ridership;
- passengers per mile by route and by time-of-day;
- schedule adherence at time points, with on-time performance defined as zero minutes early and five minutes late;
- maximum load points and load factors by each stop or route segment;
- identification of trips or portions of trips that exceed 110 percent of seating capacity;
- ratio of revenue miles to total miles operated;
- missed trip history, defined as late 15 minutes or more at the end of the route;

- significant origin-destination combinations;
- other performance indicators per route.

Task 1.B. Rider Survey and Transfer Analysis

Conducting a review of the transfer patterns is to be included as part of the rider survey, including transfers between agencies that are used. Identification of multiple routes used to reach collectors and attractors will be helpful in making decisions for service improvements such as routing modifications with attention to interlining, directional routes, headways, and timed connections.

A rider survey shall be conducted for all routes by service type, fixed route, commuter, and complementary paratransit. The successful proposer will cross tab these data and make comparisons among service types and as compared to the demographics of the Beaumont and Cherry Valley communities in general. Proposer will make available source data to the CITY OF BEAUMONT.

Surveys will collect at least the following data:

- Passenger characteristics – trip origin and destination by route, trip purpose, frequency of use, fare type, length of usage, frequency of usage, age, gender, race/ethnicity, household income, ranking of possible service improvements, passenger rating of service; consumer disability/mobility limitation.
- Ridership characteristics, including age, gender, household income, trip purpose, frequency of use and so forth for both weekday and Saturday.
- Service characteristics, including frequency of service, on-time performance, bus stop locations, design of routes, travel times onboard bus, and span of service.
- Origin destination, including travel patterns (including zip codes), trip purpose, mode of access/egress, transfers, alternative mode of transportation for trip (if transit service were not available), and fare type.

The proposal shall describe the methodology by which such data shall be collected, identifying any additional data items to be collected, and the general timeframe over which data collection shall be undertaken. The manner of presentation of the collected data shall be described, including samples of data analysis/ data presentation as appropriate.

Task 1.C. Describe Local and Regional Development Patterns

The consultant team shall describe the current local patterns of travel by identifying major travel nodes and activity centers within the Beaumont and Cherry Valley service area. Through a variety of data collection activities that may include geographical information system software and data, agency interviews, review of published sources, stakeholder interviews, community and political leader interviews, city staffs, as well as other sources, major activity centers shall be identified including, but not be limited to:

- Major commercial areas (existing and planned).
- Major employment areas (existing and planned).
- Health care facilities.
 - San Gorgonio Pass Hospital located on Highland Springs Ave north of 6th Street
 - Beaver Medical Primary Care Facility located on Ramsey Street east of Highland Springs Avenue
 - Loma Linda Highland Springs Medical Plaza on Highland Springs Avenue south of First Street
 - New health care facility at the northwest corner of 8th St. and Highland Springs Avenue
- Major social service agencies (for example, *Dept. of Social Services*, including nutrition sites;
- Schools – notably middle schools, high schools and college/ adult education.
 - Identify if there is any justification for new or augmented routing to meet the diminishing school bus service being provided in the community.
 - Explore opportunities to partner with schools and colleges to provide general public bus service that also meets school transportation needs.
 - Mt. San Jacinto College’s satellite campus located on Westward Avenue.
- New (within the past two years) and planned housing developments including housing density plotting, multi-family units, and home values.

Existing local and projected regional development patterns should be reported, as well as any readily identifiable changes to those patterns anticipated over the next three to five years.

Task 1.D. Identification of Service Issues

The results of the preceding tasks, in addition to any other activities that may be proposed and undertaken by the consultants, shall be compiled along with a summary of findings and discussion of the issues including, but not limited to, the impact on route alignments, increased number of routes, ITS integration, interlining, innovative delivery of transit services, premium paratransit, coverage versus productivity issues, and cost projections with containment strategies. This summary should assess the current structure of CITY OF BEAUMONT services in terms of the degree of match and mis-match with identified mobility needs and issues.

A discussion of performance measures should be included, assessing individual services’ relative viability in relation to measures of effectiveness and efficiency and of TDA-required minimum farebox recovery ratios. Coverage of the overall service area, as well as coverage of individual jurisdictions, should be addressed. Findings from Phase I shall be presented at a scheduled meeting of the CITY OF BEAUMONT City Council meeting.

Phase II. Development and Presentation of Alternatives

Task 2.A. Describe Current and Projected Funding Levels

The consultants shall summarize current CITY OF BEAUMONT operations and capital funding by source in relation to the existing flows of funds. The consultants will review current and projected revenues and fare recovery standards, working closely with the City, identifying trends in operating costs and revenues, and levels of service and ridership.

Additionally, a baseline model will be structured to project known revenues and expenses, anticipated funding over a five-year plan and potential changes in operating levels and fare structure.

The consultant will perform a fare equity analysis on the current overall fare structure, including the general fare level, and in relation to other public transit providers. Additionally, the consultant will make recommendations on potential changes to the fare structure, including relationships amongst fare categories, and potential areas to offer free transit.

Finally, the consultant will evaluate potential public/private partnerships through various revenue streams.

Task 2.B. Develop CITY OF BEAUMONT Goals and Objectives/ Performance Standards

In light of the issues identified through Phase 1, the consultant team shall propose appropriate goals and related service objectives for CITY OF BEAUMONT services. Proposed service objectives should be structured with some relationship to the findings from Phase I.

Additionally, the consultants shall propose performance standards for adoption as policy by the City Council and for use in the ongoing monitoring and management of the service. These objectives should establish measurable standards or benchmarks against which service modes are assessed at various points in their life-cycle: initial and introductory services versus mature service (three years). Other performance measures should address related service utilization issues; for example, the number of boardings and alightings per stop to qualify a given stop for a bus bench, shelter, or other amenities. Quantifiable standards proposed should recognize, in some manner, the dispersed, low density areas that comprise a portion of the service area and the deliberately maintained rural character in many areas.

Task 2.C. Identify Service Alternatives

The consultants shall prepare alternatives based upon the review and discussion of issues from Phase I. These shall be developed in the context of existing, identifiable funding levels, but may also incorporate reasonable expectations of bringing in new funding sources, where such funds are identified. Most alternatives are expected to address the design and configuration of transit services to be administered by the CITY OF BEAUMONT, although it may be appropriate to direct some recommendations to other member agencies or organizations. Other service alternatives shall include marketing and enticing choice riders to use public transportation as an option. Specific issues to be addressed include:

- Coverage compared to productivity assessment
- Realignment of current routes
- Marketing efforts targeting choice riders
- Recommendations for alternate headways
- Analysis of peak service
- Areas for new route development
- Areas to reduce service
- Analysis of Saturday headways
- Analysis of Sunday headways
- Recovery time
- Route additions and/or deletions
- Innovative delivery of transit services
- ITS integration
- Analyze and update premium paratransit concept
- Whether current “ADA only” funds can be made more effective by development of innovative delivery of transit services, ITS, and implementation of premium paratransit to identified areas/zones beyond or incorporating the 3/4-mile ADA rule.
- Restructured fixed-route and community deviated fixed-route services
- Accessing other/different funding sources
- Relative cost effectiveness (projected cost per rider per service mode, under various scenarios)

Unmet Needs Analysis

The consultants shall review the City’s unmet needs to determine if any should be incorporated within the next five (5) years. Over the past five years, the most mentioned unmet needs have been:

- Service to and from Beaumont Unified schools
- Service to and from Cherry Valley
- Service to social services in Banning
- Service to the desert communities east of Beaumont
- Connections with OmniTrans, SunLine, RTA

It is the expectation of the City that among the alternatives proposed will be some combination or re-combination of services that might include semi-scheduled service, deviated fixed-route, community service routes or other such alternatives that recognize this area’s low density, and long trip-distances. Alternatives that are responsive to the requirements of the ADA but don’t automatically require two separate service systems (e.g. fixed-route and complementary paratransit) may prove highly desirable for selected parts of the CITY OF BEAUMONT service area.

The advantages and disadvantages of proposed alternatives shall be identified. At a minimum, any alternative identified shall address:

- Justification and implications of restructured services.

- Ridership implications.
- Budgetary implications (operations and capital requirements as they relate to existing funding levels).
- Staffing and labor implications, including discussion of any necessary changes to the staffing patterns/roles and responsibilities in order to bring about selective recommendations.
- Implementation timeframes.

Alternatives shall be presented at a scheduled meeting of the CITY OF BEAUMONT City Council and presented for public comment for purposes of providing input to the consultants prior to identification of the preferred alternative(s).

Task 2.D. Public Comment Opportunity

Upon preparation of the outline of proposed alternatives, the consultants shall schedule, and conduct noticed public meetings. These meetings shall be held for purposes of providing the public with an opportunity to hear a summary of key study findings, the proposed service goals and objectives and a presentation of the proposed service alternatives. The public will be invited to offer comment and observations on the proposed alternatives, for consideration by the consultant and CITY OF BEAUMONT staff in developing the preferred alternative(s).

The consultants shall be responsible for designing the public meeting format and shall attend the meetings to present study findings and proposed service alternatives, and to receive public comment. Some formal written summary of public comments and how that comment was incorporated into the plans shall be prepared and included as part of the final study products. The consulting team will prepare a strategy for staging and attracting public. The City will assist in securing meeting locations and disseminating notices of the public meetings.

Phase III. Development of an Action Plan

Task 3.A. Preparation of an Action Plan

Modified by input developed through the City Council, and after addressing comments or concerns raised by members of the public, the consultant team shall develop a recommended action plan.

At a minimum this shall include:

1. Proposed immediate changes and modifications (within one year).
2. Prioritized long term changes, possibly with a phased-in program over three years.
3. CITY OF BEAUMONT staffing recommendations in order to implement proposed action plan.
4. Operations and Capital budget requirements and funding plan, including identification of funding sources.
5. Timeline for implementation.
6. Selected strategies or tools for implementation.

Any immediate changes proposed to the routing structure should be accompanied by detailed graphic depictions of route modifications. Longer term routing changes may be described conceptually in narrative form but should also be conveyed in some graphic format (e.g. connecting coverage to this area/ region of the larger service area or running a semi-schedule route through this area).

Task 3.B. Presentation of the Action Plan

The Action Plan, in draft and in finalized formats, shall be presented to the CITY OF BEAUMONT City Council at a meeting to be agreed upon by consulting team and CITY OF BEAUMONT staff.

Deliverables

Phase I Findings and Summary of Issues: 8 copies plus reproducible original

Phase II Proposed Alternatives: 8 copies plus reproducible original

Action Plan, draft: 8 copies plus reproducible original

Action Plan, Final: 15 copies plus reproducible original

All deliverables will also be provided in an editable electronic format Microsoft Word or approved equal. Graphics, mapping, databases, etc. outside of Microsoft Word or equal will be provided in a software format agreed upon by consulting team and CITY OF BEAUMONT staff.

Electronic versions of all maps including individual routes and system maps produced for this study shall also be provided to the City in GIS format. In addition, data tables and respective databases comprised of on-board or passenger surveys conducted on behalf of the City shall be provided in electronic format.

EXHIBIT B

Sample Agreement

Professional Services by Independent Contractor

AGREEMENT FOR PROFESSIONAL SERVICES BY INDEPENDENT CONTRACTOR

THIS AGREEMENT FOR PROFESSIONAL SERVICES BY INDEPENDENT CONTRACTOR is made and effective as of the [REDACTED] day of [REDACTED], 20[REDACTED], by and between the CITY OF BEAUMONT (“CITY”) whose address is 550 E. 6th Street, Beaumont, California 92223 and [REDACTED] whose address is [REDACTED] (“CONTRACTOR”).

RECITALS

This Agreement is entered into on the basis of the following facts, understandings and intentions of the parties to this Agreement:

- A. CITY desires to engage CONTRACTOR to provide [REDACTED]; and
- B. CONTRACTOR has made a proposal (“Proposal”) to the CITY to provide such professional services, which Proposal is attached hereto as Exhibit “A”; and
- C. CONTRACTOR agrees to provide such services pursuant to, and in accordance with, the terms and conditions of this Agreement, and represents and warrants to CITY that CONTRACTOR possesses the necessary skills, licenses, certifications, qualifications, personnel and equipment to provide such services.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing Recitals and mutual covenants contained herein, CITY and CONTRACTOR agree as follows:

1. Term of Agreement. This Agreement is effective as of the date first above written and shall continue until terminated as provided for herein. Notwithstanding anything in this Agreement to the contrary, this Agreement shall automatically terminate after one (1) year unless extended by the parties with the approval of the City Council of the CITY.
2. Services to be Performed. CONTRACTOR agrees to provide the services (“Services”) as follows: [REDACTED] and any other services which the City may request in writing. All Services shall be performed in the manner and according to the timeframe set forth in the Proposal. CONTRACTOR designates [REDACTED] as CONTRACTOR’S professional responsible for overseeing the Services provided by CONTRACTOR.
3. Associates and Subcontractors. CONTRACTOR may, at CONTRACTOR’S sole cost and expense, employ such competent and qualified independent associates, subcontractors and consultants as CONTRACTOR deems necessary to perform the Services; provided, however, that CONTRACTOR shall not subcontract any of the Services without the

written consent of CITY.

4. Compensation.

4.01 CONTRACTOR shall be paid at the rates set forth in the Proposal and shall not increase any rate without the prior written consent of the CITY. Notwithstanding anything in this Agreement to the contrary, total fees and charges paid by CITY to CONTRACTOR under this Agreement shall not exceed [REDACTED] dollars (\$,).

4.02 CONTRACTOR shall not be compensated for any Services rendered nor reimbursed for any expenses incurred in excess of those authorized unless approved in advance by the CITY, in writing.

4.03 CONTRACTOR shall submit to CITY, on or before the fifteenth (15th) of each month, itemized invoices for the Services rendered in the previous month. The CITY shall not be obligated to pay any invoice that is submitted more than sixty (60) days after the due date of such invoice. CITY shall have the right to review and audit all invoices prior to or after payment to CONTRACTOR. This review and audit may include, but not be limited to CITY's:

- a. Determination that any hourly fee charged is consistent with this Agreement's approved hourly rate schedule;
- b. Determination that the multiplication of the hours billed times the approved rate schedule dollars is correct;
- c. Determination that each item charged is the usual, customary, and reasonable charge for the particular item. If CITY determines an item charged is greater than usual, customary, or reasonable, or is duplicative, ambiguous, excessive, or inappropriate, CITY shall either return the bill to CONTRACTOR with a request for explanation or adjust the payment accordingly, and give notice to CONTRACTOR of the adjustment.

4.04 If the work is satisfactorily completed, CITY shall pay such invoice within thirty (30) days of its receipt. Should CITY dispute any portion of any invoice, CITY shall pay the undisputed portion within the time stated above, and at the same time advise CONTRACTOR in writing of the disputed portion.

5. Obligations of CONTRACTOR.

5.01 CONTRACTOR agrees to perform all Services in accordance with the terms and conditions of this Agreement and the Proposal. In the event that the terms of the Proposal shall conflict with the terms of this Agreement, or contain additional terms other than the Services to be rendered and the price for the Services, the terms of this Agreement shall govern and said additional or conflicting terms shall be of no force or effect.

5.02 Except as otherwise agreed by the parties, CONTRACTOR will supply all personnel, materials and equipment required to perform the Services. CONTRACTOR shall provide its own offices, telephones, vehicles and computers and set its own work hours. CONTRACTOR will determine the method, details, and means of performing the Services under this Agreement.

5.03 CONTRACTOR shall keep CITY informed as to the progress of the Services by means of regular and frequent consultations. Additionally, when requested by CITY, CONTRACTOR shall prepare written status reports.

5.04 CONTRACTOR is responsible for paying, when due, all income and other taxes, fees and withholding, including withholding state and federal taxes, social security, unemployment and worker's compensation, incurred as a result of the compensation paid under this Agreement. CONTRACTOR agrees to indemnify, defend and hold harmless CITY for any claims, costs, losses, fees, penalties, interest, or damages suffered by CITY resulting from CONTRACTOR's failure to comply with this provision.

5.05 In the event CONTRACTOR is required to prepare plans, drawings, specifications and/or estimates, the same shall be furnished in conformance with local, state and federal laws, rules and regulations.

5.06 CONTRACTOR represents that it possesses all required licenses necessary or applicable to the performance of Services under this Agreement and the Proposal and shall obtain and keep in full force and effect all permits and approvals required to perform the Services herein. In the event CITY is required to obtain an approval or permit from another governmental entity, CONTRACTOR shall provide all necessary supporting documents to be filed with such entity.

5.07 CONTRACTOR shall be solely responsible for obtaining Employment Eligibility Verification information from CONTRACTOR's employees, in compliance with the Immigration Reform and Control Act of 1986, Pub. L. 99-603 (8 U.S.C. 1324a), and shall ensure that CONTRACTOR's employees are eligible to work in the United States.

5.08 In the event that CONTRACTOR employs, contracts with, or otherwise utilizes any CalPers retirees in completing any of the Services performed hereunder, such instances shall be disclosed in advance to the CITY and shall be subject to the CITY's advance written approval.

5.09 Drug-free Workplace Certification. By signing this Agreement, the CONTRACTOR hereby certifies under penalty of perjury under the laws of the State of California that the CONTRACTOR will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code, Section 8350 et seq.) and will provide a drug-free workplace.

5.10 CONTRACTOR shall comply with all applicable local, state and federal laws, rules, regulations, entitlements and/or permits applicable to, or governing the Services authorized hereunder.

6. Insurance. CONTRACTOR hereby agrees to be solely responsible for the health and safety of its employees and agents in performing the Services under this Agreement and shall comply with all laws applicable to worker safety including but not limited to Cal-OSHA. Therefore, throughout the duration of this Agreement, CONTRACTOR hereby covenants and agrees to maintain insurance in conformance with the requirements set forth below. If existing coverage does not meet the requirements set forth herein, CONTRACTOR agrees to amend, supplement or endorse the existing coverage to do so. CONTRACTOR shall provide the following types and amounts of insurance:

6.01 Commercial general liability insurance in an amount of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate; CONTRACTOR agrees to have its insurer endorse the general liability coverage required herein to include as additional insured's CITY, its officials, employees and agents. CONTRACTOR also agrees to require all contractors and subcontractors to provide the same coverage required under this Section 6.

6.02 Business Auto Coverage in an amount no less than \$1 million per accident. If CONTRACTOR or CONTRACTOR's employees will use personal autos in performance of the Services hereunder, CONTRACTOR shall provide evidence of personal auto liability coverage for each such person.

6.03 Workers' Compensation coverage for any of CONTRACTOR's employees that will be providing any Services hereunder. CONTRACTOR will have a state-approved policy form providing statutory benefits as required by California law. The provisions of any workers' compensation will not limit the obligations of CONTRACTOR under this Agreement. CONTRACTOR expressly agrees not to use any statutory immunity defenses under such laws with respect to CITY, its employees, officials and agents.

6.04 Optional Insurance Coverage. Choose and check one: Required X /Not Required ; Errors and omissions insurance in a minimum amount of \$2 million per occurrence to cover any negligent acts or omissions committed by CONTRACTOR, its employees and/or agents in the performance of any Services for CITY.

7. General Conditions pertaining to Insurance Coverage

7.01 No liability insurance coverage provided shall prohibit CONTRACTOR from waiving the right of subrogation prior to a loss. CONTRACTOR waives all rights of subrogation against CITY regardless of the applicability of insurance proceeds and shall require all contractors and subcontractors to do likewise.

7.02. Prior to beginning the Services under this Agreement, CONTRACTOR shall furnish CITY with certificates of insurance, endorsements, and upon request, complete copies of all policies, including complete copies of all endorsements. All copies of policies and endorsements shall show the signature of a person authorized by that insurer to bind coverage on its behalf.

7.03. All required policies shall be issued by a highly rated insurer with a minimum A.M. Best rating of "A:VII"). The insurer(s) shall be admitted and licensed to do business in California. The certificates of insurance hereunder shall state that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits, except after thirty (30) days' prior written notice has been given to CITY.

7.04 Self-insurance does not comply with these insurance specifications. CONTRACTOR acknowledges and agrees that that all insurance coverage required to be provided by CONTRACTOR or any subcontractor, shall apply first and on a primary, non-contributing basis in relation to any other insurance, indemnity or self-insurance available to CITY.

7.05 All coverage types and limits required are subject to approval,

modification and additional requirements by CITY, as the need arises. CONTRACTOR shall not make any reductions in scope of coverage (e.g. elimination of contractual liability or reduction of discovery period) that may affect CITY's protection without CITY's prior written consent.

7.06 CONTRACTOR agrees to provide immediate notice to CITY of any claim or loss against CONTRACTOR or arising out of the Services performed under this Agreement. CITY assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve CITY.

8. Indemnification.

8.01 CONTRACTOR and CITY agree that CITY, its employees, agents and officials should, to the extent permitted by law, be fully protected from any loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, defense costs, court costs or any other costs arising out of or in any way related to the performance of this Agreement by CONTRACTOR or any subcontractor or agent of either. Accordingly, the provisions of this indemnity are intended by the parties to be interpreted and construed to provide the fullest protection possible under the law to CITY. CONTRACTOR acknowledges that CITY would not enter into this Agreement in the absence of the commitment of CONTRACTOR to indemnify and protect CITY as set forth herein.

a. To the fullest extent permitted by law, CONTRACTOR shall defend, indemnify and hold harmless CITY, its employees, agents and officials, from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses, damages or costs of any kind, whether actual, alleged or threatened, actual attorneys' fees incurred by CITY, court costs, interest, defense costs, including expert witness fees and any other costs or expenses of any kind whatsoever without restriction or limitation incurred in relation to, as a consequence of or arising out of or in any way attributable actually, allegedly or impliedly, in whole or in part to the performance of this Agreement. CONTRACTOR's obligation to defend, indemnify and hold harmless shall include any and all claims, suits and proceedings in which CONTRACTOR (and/or CONTRACTOR's agents and/or employees) is alleged to be an employee of CITY. All obligations under this provision are to be paid by CONTRACTOR as they are incurred by CITY.

b. Without affecting the rights of CITY under any provision of this Agreement or this Section, CONTRACTOR shall not be required to indemnify and hold harmless CITY as set forth above for liability attributable solely to the fault of CITY, provided such fault is determined by agreement between the parties or the findings of a court of competent jurisdiction.

9. Additional Services, Changes and Deletions.

9.01 In the event CONTRACTOR performs additional or different services than those described herein without the prior written approval of the City Manager and/or City Council of CITY, CONTRACTOR shall not be compensated for such services. CONTRACTOR expressly waives any right to be compensated for services and materials not covered by the scope of this Agreement or authorized by the CITY in

writing.

9.02 CONTRACTOR shall promptly advise the City Manager and Finance Director of CITY as soon as reasonably practicable upon gaining knowledge of a condition, event or accumulation of events which may affect the scope and/or cost of Services. All proposed changes, modifications, deletions and/or requests for additional services shall be reduced to writing for review and approval by the CITY and/or City Council.

10. Termination of Agreement.

10.01 Notwithstanding any other provision of this Agreement, CITY, at its sole option, may terminate this Agreement with or without cause, or for no cause, at any time by giving twenty (20) days' written notice to CONTRACTOR.

10.02 In the event of termination, the payment of monies due CONTRACTOR for undisputed Services performed prior to the effective date of such termination shall be paid within thirty (30) business days after receipt of an invoice as provided in this Agreement. Immediately upon termination, CONTRACTOR agrees to promptly provide and deliver to CITY all original documents, reports, studies, plans, specifications and the like which are in the possession or control of CONTRACTOR and pertain to CITY.

11. Status of CONTRACTOR.

11.01 CONTRACTOR shall perform the Services in CONTRACTOR's own way as an independent contractor, and in pursuit of CONTRACTOR's independent calling, and not as an employee of CITY. However, CONTRACTOR shall regularly confer with CITY's City Manager as provided for in this Agreement.

11.02 CONTRACTOR agrees that it is not entitled to the rights and benefits afforded to CITY's employees, including disability or unemployment insurance, workers' compensation, retirement, CalPers, medical insurance, sick leave, or any other employment benefit. CONTRACTOR is responsible for providing, at its own expense, disability, unemployment, workers' compensation and other insurance, training, permits, and licenses for itself and its employees and subcontractors.

11.03 CONTRACTOR hereby specifically represents and warrants to CITY that it possesses the qualifications and skills necessary to perform the Services under this Agreement in a competent, professional manner, without the advice or direction of CITY and that the Services to be rendered pursuant to this Agreement shall be performed in accordance with the standards customarily applicable to an experienced and competent professional rendering the same or similar services in the same geographic area where the CITY is located. Further, CONTRACTOR represents and warrants that the individual signing this Agreement on behalf of CONTRACTOR has the full authority to bind CONTRACTOR to this Agreement.

12. Ownership of Documents; Audit.

12.01 All draft and final reports, plans, drawings, studies, maps, photographs, specifications, data, notes, manuals, warranties and all other documents of any kind or nature prepared, developed or obtained by CONTRACTOR in connection with the performance of Services performed for the CITY shall become the sole property of CITY,

and CONTRACTOR shall promptly deliver all such materials to CITY upon request. At the CITY's sole discretion, CONTRACTOR may be permitted to retain original documents, and furnish reproductions to CITY upon request, at no cost to CITY.

12.02 Subject to applicable federal and state laws, rules and regulations, CITY shall hold all intellectual property rights to any materials developed pursuant to this Agreement. CONTRACTOR shall not such use data or documents for purposes other than the performance of this Agreement, nor shall CONTRACTOR release, reproduce, distribute, publish, adapt for future use or any other purposes, or otherwise use, any data or other materials first produced in the performance of this Agreement, nor authorize others to do so, without the prior written consent of CITY.

12.03 CONTRACTOR shall retain and maintain, for a period not less than four years following termination of this Agreement, all time records, accounting records and vouchers and all other records with respect to all matters concerning Services performed, compensation paid and expenses reimbursed. At any time during normal business hours and as often as CITY may deem necessary, CONTRACTOR shall make available to CITY's agents for examination all of such records and shall permit CITY's agents to audit, examine and reproduce such records.

13. Miscellaneous Provisions.

13.01 This Agreement, which includes all attached exhibits, supersedes any and all previous agreements, either oral or written, between the parties hereto with respect to the rendering of Services by CONTRACTOR for CITY and contains all of the covenants and agreements between the parties with respect to the rendering of such Services in any manner whatsoever. Any modification of this Agreement will be effective only if it is in writing signed by both parties.

13.02 CONTRACTOR shall not assign or otherwise transfer any rights or interest in this Agreement without the prior written consent of CITY. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

13.03 CONTRACTOR shall timely file FPPC Form 700 Conflict of Interest Statements with CITY if required by California law and/or the CITY's conflict of interest policy.

13.04 If any legal action or proceeding, including an action for declaratory relief, is brought to enforce or interpret the provisions of this Agreement, the prevailing party will be entitled to reasonable attorneys' fees and costs, in addition to any other relief to which that party may be entitled.

13.05 This Agreement is made, entered into and shall be performed in the County of Riverside in the State of California and shall in all respects be interpreted, enforced and governed under the laws of the State of California.

13.06 CONTRACTOR covenants that neither it nor any officer or principal of its firm has any interest, nor shall they acquire any interest, either directly or indirectly, which will conflict in any manner or degree with the performance of their Services hereunder. CONTRACTOR further covenants that in the performance of this Agreement, no person having such interest shall be employed by it as an officer, employee, agent, or

subcontractor.

13.07 CONTRACTOR has read and is aware of the provisions of Section 1090 et seq. and Section 87100 et seq. of the Government Code relating to conflicts of interest of public officers and employees. CONTRACTOR agrees that they are unaware of any financial or economic interest of any public officer or employee of the CITY relating to this Agreement. It is further understood and agreed that if such a financial interest does exist at the inception of this Agreement, the CITY may immediately terminate this Agreement by giving notice thereof. CONTRACTOR shall comply with the requirements of Government Code section 87100 et seq. and section 1090 in the performance of and during the term of this Agreement.

13.08 Improper Consideration. CONTRACTOR shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to, cash, discounts, services, the provision of travel or entertainment, or any items of value to any officer, employee or agent of the CITY in an attempt to secure favorable treatment regarding this Agreement or any contract awarded by CITY. The CITY, by notice, may immediately terminate this Agreement if it determines that any improper consideration as described in the preceding sentence was offered to any officer, employee or agent of the CITY with respect to the proposal and award process of this Agreement or any CITY contract. This prohibition shall apply to any amendment, extension or evaluation process once this Agreement or any CITY contract has been awarded. CONTRACTOR shall immediately report any attempt by any CITY officer, employee or agent to solicit (either directly or through an intermediary) improper consideration from CONTRACTOR.

IN WITNESS WHEREOF, the parties hereby have made and executed this Agreement to be effective as of the day and year first above-written.

CITY:

CONTRACTOR:

CITY OF BEAUMONT

By: _____
Julio Martinez, III, Mayor

By: _____

Print Name: _____

Title: _____

EXHIBIT "A"

PROPOSAL

September 17, 2019



Addendum #1

Consulting Services to Prepare a Comprehensive Operations Analysis of the City of Beaumont's Public Transit System

TO: All Potential Bidders:

This addendum forms a part of the contract documents for the above-identified project and modifies the original Request for Proposal as noted below. Portions of the Proposal, not specifically mentioned by the Addendum, remain in force. All trades affected shall be fully advised of these changes, deletions, and additions.

Please note that a signed Acknowledgement of Addendum #1 (located at the end of this document) will be required to be submitted with your proposal.

Questions and Answers

- 1) The RFP states City reserves the right to negotiate all final terms and conditions of any proposal received before entering into final contract. However, the RFPA is silent regarding if/how to submit exceptions to the PSA language. In what manner can exceptions be submitted?

Response

Exceptions to the Professional Services Agreement will be submitted during the contract negotiation phase, once City Council awards the project.

- 2) Can platform hours and average daily ridership (all days) for each route to be surveyed be provided to the consultant teams?

Response

See below

September 17, 2019

<u>Route No.</u>	<u>Bus Pull Out Time</u>	<u>Bus Return to Yard Time</u>	<u>Avg. daily passengers</u>
2	6:15 AM	6:45 PM	1751
3	6:00 AM	5:15 PM	2386
4	6:15 AM	6:40 PM	2274
120-1	4:30 AM	7:15 PM	656
120-2	5:30 AM	8:30 PM	603
125	6:30 AM	6:45 PM	456
RTE 3/4	7:30 AM	5:15 PM	397
RTE 7 -1 AM	6:15 AM	8:00 AM	784
RTE 7-1 PM	2:45 PM	4:15 PM	602
RTE 7-2 AM	6:15 AM	7:30 AM	300
RTE 7-2 PM	2:45 PM	4:00 PM	503
7 TRIPPER	2:45 PM	4:15 PM	270
RTE 9 AM	6:15 AM	8:15 AM	579
RTE 9 PM	2:45 PM	4:00 PM	540

Please include this page with proposal submittal. By signing this you acknowledge the content of this Addendum.

Signature: _____

Company: _____

EXHIBIT "B"
PROPOSAL



PROPOSAL
SEPTEMBER 26, 2019

City of Beaumont

Comprehensive Operations Analysis





25115 avenue stanford, suite 215
valencia, ca 91355
661.253.1277
www.moore-associates.net

September 26, 2019

Ms. Elizabeth Gibbs
Community Services Director
City of Beaumont
550 East Sixth Street
Beaumont, CA 92223

Subject: RFP to perform a Comprehensive Operations Analysis of the City's public transit fixed routes, commuter routes, and paratransit services

Dear Ms. Gibbs,

With this letter, Moore & Associates, Inc. is pleased to present its proposal to prepare a Comprehensive Operations Analysis (COA) of the City of Beaumont's public transit programs.

The COA will provide an objective assessment of current service offerings as well as an Action Plan for sustainable service development across a five-year planning horizon. The project will include a 100 percent ridecheck; rider survey; comprehensive review of existing planning documents, performance data, and financial data; and careful crafting of service alternatives designed to meet the community's mobility needs while ensuring program sustainability.

Our proposed activities will provide the City with a comprehensive evaluation of service productivity by route and mode, community mobility needs, potential untapped funding sources, and program efficiency. The ultimate goal is an Action Plan providing specific steps supporting implementation of service alternatives that will ensure the program's future sustainability while meeting the transportation needs of residents and visitors alike.

For nearly 30 years, Moore & Associates, Inc. has offered professional consulting services to a client base composed exclusively of public transportation organizations. Founded in 1991 and incorporated in California, Moore & Associates is a full-service consultancy specializing in transit planning, marketing, market research, and performance audits. From our headquarters in Los Angeles County, we have created and executed successful transit planning and service development strategies for some of the West's most successful public transportation organizations. Our experience include numerous Comprehensive Operations Analyses, Short

Range Transit Plans, Transit Development Plans, and other similar projects in rural and small urban environments, including those very similar to Beaumont.

Enclosed are one original and three additional printed copies and one digital copy (.pdf) of our proposal. We acknowledge receipt of Addendum #1 (dated September 17, 2019). As our firm's Corporate Treasurer, I am authorized to sign any legally binding contract on behalf of the firm. I attest that all information in this proposal is true and correct. Our proposal is valid for 90 days from submittal. Communications regarding our submission should be directed to me by phone at 888.743.5977 or via email at stephanie@moore-associates.net.

This cover letter also constitutes certification by Moore & Associates that it complies with non-discrimination requirements of the State of California as well as the Federal government.

We look forward to discussing our proposed project approach, professional credentials, and relevant experience with your selection committee. Thank you for your consideration of Moore & Associates, Inc.

Sincerely,



Stephanie Roberts
Corporate Treasurer



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Section 1

Introduction



The City of Beaumont seeks a qualified consultant to conduct a Comprehensive Operations Analysis (COA) of its public transit program. The COA will provide an objective assessment of current system offerings as well as an Action Plan for service development across a five-year planning horizon. The project will include a 100 percent ridecheck; rider survey; comprehensive review of existing planning documents, performance data, and financial data; and the crafting of practical service alternatives designed to meet the community's mobility needs with a framework of sustainability.

The Scope of Services chapter addresses the tasks identified by the City in its Request for Proposals (RFP). It incorporates strategies, tactics, and activities our firm has used successfully in the completion of similar projects. In addition, Moore & Associates will employ its Basecamp project management platform to ensure project transparency and facilitate communication.

This proposal is being submitted by the following bidder:

Moore & Associates, Inc.
25115 Avenue Stanford, Suite 215
Valencia, CA 91355

661-253-1277 (phone)
888.743.5977 (toll-free)

Point of contact: Stephanie Roberts, Corporate Treasurer

No subconsultants will be used in the completion of this project.



Section 2

Firm Profile



Firm Profile

Moore & Associates, Inc. has offered professional consulting services for nearly 30 years to a client base composed exclusively of public transportation organizations. Founded in 1991 and incorporated in California, our firm is a full-service consultancy that regularly provides service evaluation/planning, market research, and community engagement. Our professional capabilities include:

- Line-by-line and comprehensive operational analyses;
- Short- and Long-Range Transit Development Plans;
- Needs assessments and market analysis;
- Demand identification and quantification;
- Innovative community outreach and engagement;
- Route design and development;
- Schedule building and run-cutting;
- Mobility management/transportation coordination plans;
- Grant preparation and administration;
- Facilities and capital planning;
- Management, operational, and financial audits;
- Service operations procurement; and
- Marketing, advertising, and public communications.

We have created and executed successful transit planning and service evaluations for some of the West's most successful public transportation organizations including Antelope Valley Transit Authority; the cities of Burbank, Santa Clarita, Santa Maria, Solvang, Thousand Oaks, and Visalia; Fairbanks (AK) North Star Borough; Golden Gate Bridge, Highway and Transportation District; Kern Council of Governments; Maricopa (AZ) Association of Governments; Monterey-Salinas Transit; SolTrans; and Ventura County Transportation Commission. **Without exception, implementation of our recommendations resulted in clear benefits including enhanced mobility, increased community support, and increased ridership and fare revenue.**

Our firm's philosophy can be summarized as follows: Prepare localized practical strategies for developing successful public transit programs while maintaining active partnerships with our clients to secure funding to implement project recommendations. We tailor our reports and strategies with an eye toward practicality and sustainability. **We understand public transit.**



Comprehensive Operations Analysis

City of Beaumont

Proposal

Given our considerable experience crafting effective service delivery strategies, we believe Moore & Associates to be the optimal choice for this assignment for the following reasons:

- **Real-world solutions.** Our project team combines proven techniques with considerable understanding of funding and economic realities. These complementary skills translate to a multi-dimensional project approach: individual skills combined with collective insight.
- **Focus on implementation.** A plan or study is of marginal value if it is not put into practice. As a multi-disciplinary firm, we are able to provide our clients with service recommendations that are practical, well-rounded, and market-driven, as well as the tools to implement those recommendations. We pride ourselves on our track record of successful program implementation and focus on pursuing client work that focuses on implementation versus theoretical “studies.”
- **Full-service capabilities.** Unlike other firms, which may focus on a single area of expertise, our professional staff offer full-service capabilities including transit planning, marketing, and market research. This also allows for a shared knowledge base, which results in planners with a detailed understanding of market research and marketing processes.
- **Track record of on-time delivery.** Moore & Associates has a reputation for both on-time delivery and on-budget completion of projects. We are committed to meeting established deadlines within this project as well.

If selected as the City’s partner for this very important planning effort, Moore & Associates will deploy a project approach designed to address Beaumont Transit’s operational sustainability while improving performance and meeting community mobility needs. The resulting report will serve as a practical, sustainable “blueprint” for future transit service development. We are dedicated to crafting solutions that are community-driven, practical, and sustainable.

Project Management

Effective project management is the key to successful survey and planning efforts. It ensures the four project constraints of scope, time/schedule, cost, and quality are kept in balance throughout the course of the engagement. Moore & Associates’ project manager is responsible for planning, organizing, monitoring, and controlling the resources, processes, and protocols necessary for achieving each project’s specific goals.

At Moore & Associates, we take a traditional approach to project management. Each project is addressed in a series of five steps: Initiation, Planning and Design, Execution, Monitoring and Controlling, and Completion. For the most part, these steps take place sequentially, though Monitoring and Controlling forms an ongoing cycle of measurement, evaluation, and correction which can occur at any point in the process.



Comprehensive Operations Analysis

City of Beaumont

Proposal

To ensure successful project management, we utilize Basecamp, a web-based project collaboration tool. Basecamp allows us to monitor task progress in real-time, assign resources effectively, and keep tabs on the project schedule. This approach ensures transparent communication between our project team and the client so that there are no surprises.



Our project manager will remain accountable throughout the entire project duration to ensure the City's project manager is kept up to date on all key aspects of the project. Our project team meets weekly to discuss all project elements and plan necessary actions. Upon identification of priority tasks, we will update the project's Basecamp account, thus providing the City's project manager with real-time access to our strategies for achieving our work plan objectives. Should any question arise from our anticipated tasks, they may be submitted via the same Basecamp account, further maintaining complete transparency and open communication.

In addition to the real-time status updates available through the Basecamp platform, Moore & Associates will provide (at a minimum) biweekly status teleconferences with the City's project manager to provide project status updates, recent tasks completed, as well as upcoming project tasks inclusive of anticipated staff assistance.

Key Project Personnel

Moore & Associates project team members were selected based on their direct experience in environments such as Beaumont; their knowledge of transit service evaluation, planning, and marketing; and their insight into and experience with emerging practices and technologies.

JIM MOORE – PROJECT MANAGER

We propose [Jim Moore](#) as project manager. He possesses more than 30 years' transportation planning experience gained in both the public and private sectors, including managing numerous successful service planning, public involvement and community outreach projects. Jim has crafted and helped implement successful transit projects for communities throughout Alaska, Arizona, California, Michigan, Nevada, New York, Texas, Utah, and Washington. Comparable studies completed by Jim include:

- Comprehensive Operational Analyses for the City of Burbank and Morongo Basin Transit Authority;
- Transit Development Plans for the City and Borough of Juneau (AK), City of Santa Clarita, Kern Council of Governments, Tulare County Association of Governments;
- Short Range Transit Plans for the City of Santa Maria; City of Visalia; Fairbanks (AK) North Star Borough; Golden Gate Bridge, Highway and Transportation District; Santa Ynez Valley Transit; and
- Related transit service planning and evaluation studies for Antelope Valley Transit Authority, Ben Franklin Transit (WA), City of Coolidge (AZ), City of Mission Viejo, City of Thousand Oaks, East Texas Council of Governments, Maricopa Association of

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Comprehensive Operations Analysis

City of Beaumont

Proposal

Governments, Monterey-Salinas Transit, SouthEastern Arizona Governments Organization, Ventura County Transportation Commission, and Victor Valley Transit Authority.

We believe Jim’s experience, insight, and personal attention – combined with his commitment to and enthusiasm for planning projects such as this – will ensure project success. Jim’s strengths lie in his ability to present information in a manner that can be easily understood and build consensus, whether the audience is comprised of average citizens, community stakeholders, or a governing body. He is careful not to overwhelm the lay person while providing strategies and recommendations to professionals and client staff. Jim’s involvement guarantees community engagement efforts and the resulting service scenarios will be on-target, well-timed, and focused toward the goals which the City has identified for this project.

KATHY CHAMBERS – SENIOR ASSOCIATE

Kathy Chambers brings her talents for writing and analysis as well as her knowledge of program evaluation, service planning, and operations and financial planning to our proposed project team. She has participated in strategic service planning for the cities of Burbank, Mission Viejo, Santa Clarita, and Thousand Oaks; East Texas Council of Governments; Kern Council of Governments; Santa Ynez Valley Transit; Southeastern Arizona Governments Organization; Tulare County Association of Governments; and Ventura County Transportation Commission. As a frequent performance auditor, she is adept at assessing performance indicators and reviewing financial data. She is also well-versed in the requirements of the FTA with respect to Title VI and TAM Plans. Kathy has most recently prepared operating and capital plans for the cities of Burbank, Laguna Niguel, Mission Viejo, Santa Clarita, Santa Maria, and Thousand Oaks.

ERIN KENNEALLY – MARKET RESEARCH COORDINATOR

Market Research Coordinator **Erin Kenneally** has led bilingual rider, community, and employer/stakeholder surveys resulting in statistically valid, easily understood data for clients from coast to coast. She has successfully conducted intercept, telephone, internet, and direct mail surveys for transit clients across the nation. She not only plans our survey efforts (including sampling plans, surveyor schedules, and training materials), she is also our in-field leader. She understands how to efficiently deploy surveyors to consistently exceed sample targets. Erin has led data collection efforts for numerous public sector organizations including Antelope Valley Transit Authority, City of Burbank, City of Thousand Oaks, Foothill Transit, Long Beach Transit, Los Angeles County Metropolitan Transportation Authority, Nassau (NY) Inter-County Express, Greater Buffalo Niagara Regional Transportation Council (NY), and VIA Metropolitan Transit (TX). Erin is also fluent in Spanish, helping Moore & Associates collect valuable input from populations with limited English proficiency.



Comprehensive Operations Analysis

City of Beaumont

Proposal

Guarantees

We affirm that all key personnel proposed for this project have sufficient capacity and availability to complete this project within the proposed timeframe and budget. **We also offer the City of Beaumont the following guarantees:**

- No person designated as “key” to the project shall be removed or replaced without the prior written concurrence of the City.
- The quality of all deliverables will meet the City’s standards.
- All deadlines agreed upon at project initiation will be met.

Failure to maintain any of these guarantees will result in payment of a financial penalty to the City of Beaumont.

Resumes of key personnel are provided on the following pages.



Jim Moore

City of Burbank, Comprehensive Operational Analysis. Project Manager for the City’s Comprehensive Operational Analysis that assessed demand and provided recommendations to optimize resources. Included a reimagining of the fixed-route system to address customer and community travel needs as well as effectively coordinate with regional transit providers.

Antelope Valley Transit Authority, Public Transit Planning and Local Service Redesign. Project manager for multi-faceted transit consulting contract, including multiple transit route feasibility studies as well as updated system schedule and system route redesign. Results included more efficient service, including improved on-time performance, and schedules which reflect current operating conditions. Activities included commuter-focused service planning for Edwards Air Force Base and the Mohave Spaceport, study of on-demand service to local medical centers, and a paratransit service evaluation.

City of Santa Clarita, Transportation Development Plan. Project Manager. The project featured extensive market research and community outreach as well as service evaluation and planning for the City’s local fixed-route, commuter, and dial-a-ride services.

City of Thousand Oaks Transit Master Plan. Project Manager. Facilitated stakeholder roundtables with representatives of social services, senior, youth, employment, and disabled services organizations. The roundtables provided significant insight into community mobility needs as well as feedback regarding populations that are not always well represented during traditional outreach activities.

Kern Council of Governments, Transit Development Plans. Project Manager for the development of Transit Development Plans for the cities of Arvin, Delano, McFarland, Ridgecrest, Shafter, Taft, and Wasco. Facilitated community and stakeholder outreach. Evaluated existing system conditions, assessed data, and developed service recommendations and strategies to mitigate eroding ridership, increase farebox recovery, and improve operating efficiency.

Project Role

- Project management
- Program evaluation
- Demand analysis
- Funding assessment

Education

- Bachelor of Science, Political Science, California State University, Fullerton

Professional Involvement

- California Association for Coordinated Transportation (member, marketing consultant, and presenter)
- Community Transportation Association of America (CTAA)



**Comprehensive Operations Analysis**

City of Beaumont

Proposal

East Texas Council of Government, 2016 Regional Transportation Coordination Plan. Project Manager and Plan co-author. Included facilitation of numerous community workshops as well as presentations to both stakeholders and a steering committee. The plan provided strategic coordination guidance to meet the needs of health, social service, and workforce.

Antelope Valley Transit Authority, Antelope Valley Mobility Plan. Project Manager. Across the last five years, has overseen project which includes community outreach and travel training, resulting in face-to-face interaction with at least 1,500 Antelope Valley residents whose everyday lives would benefit from AVTA's transit services. This interaction mitigates barriers to transit usage among historically transportation-disadvantaged individuals, enabling them to access much needed healthcare, employment, community centers, and training programs.

Ventura County Transportation Commission, Heritage Valley Transit Needs Study. Project Manager for this comprehensive assessment of public mobility needs within Ventura County's Heritage Valley, which had primarily been served primarily by a general public Dial-A-Ride service. Resulted in development of local circulators within the three Heritage Valley communities of Fillmore, Piru, and Santa Paula. Later selected to provide implementation and marketing support.

City of Irvine, iShuttle Marketing and Communications. Managed marketing efforts in support of Irvine's bus-commuter rail feeder service, including extensive employer outreach and community canvassing. Peak-hour service focused on connections between two rail stations and two industrial parks. Assisted with implementation of a virtual TMA and launch of commuter-based service.

SouthEastern Arizona Governments Organization, Cochise County Intercity Route Feasibility Study. Project Manager. Conducted stakeholder roundtables and community workshops in partner communities to assess feasibility of and support for an intercity bus service. Stakeholder outreach also included development and facilitation of a stakeholder survey, which primarily targeted healthcare, social services, education, transportation, and business organizations.

City of Laguna Niguel, Transit Feasibility and Planning Study. Project Manager for a study to determine feasibility of local circulator alternatives. As project manager, coordinated and facilitated outreach, market research, and planning efforts resulting in route alternatives for the first City-operated local transit circulator.

City of Mission Viejo, Planning Study for Local Circulator Routes. Project Manager for a study to determine feasibility of expanded transit service. As project manager, coordinated and facilitated outreach, market research, and planning efforts resulting in route alternatives for the first City-operated local transit circulator.



Kathy Chambers

City of Burbank, Comprehensive Operational Analysis and On-Call Transit Program Support.

Assisted with service revision to create North Hollywood-Airport route, the first all-day route in the City’s history. Provided public engagement support and demand analysis as part of the City’s Comprehensive Operational Analysis that assessed demand and provided recommendations to optimize resources. Prepared financial plans for a variety of system alternatives for the COA.

City of Santa Clarita, Transportation Development Plan.

Wrote service and capital recommendations and financial plan for City of Santa Clarita Transportation Development Plan. Analyzed service evaluation and survey data to develop viable and sustainable recommendations. Researched planned residential and commercial developments within and adjacent to the current service area. Prioritized recommendations based on public and client input, anticipated development dates, and anticipated benefits.

City of Thousand Oaks, Transit Master Plan.

Conducted outreach and supported service planning for the City of Thousand Oaks’ Transit Master Plan. Public engagement for the project included 15 public workshops, customer and community surveys, stakeholder focus groups, a direct mail campaign, and development of a project webpage. Prepared financial plan to support service recommendations.

Santa Ynez Valley Transit, 2017 Short Range Transit Plan.

Conducted community outreach and service planning in support of SRTP. Developed strategies to reduce operating cost and enhance farebox recovery to ensure compliance with TDA. Prepared baseline as well as scenario-specific operations and capital plans. Focused on alternative service delivery for seniors, including potential partnership with local taxi companies or TNCs.

East Texas Council of Governments, 2016 Update of the Regionally Coordinated Transportation Plan.

Facilitated community survey, stakeholder survey, three stakeholder workshops, and 14 community workshops in support of regional transportation coordination plan update. Prepared recommendations for coordinated transportation strategies across the 14-county area.

Project Role

- Program evaluation
- Needs assessment
- Service planning
- Operations and capital planning

Education

- Bachelor of Music Education, Baylor University, Waco
- Master of Music in Musicology, Texas Christian University, Fort Worth
- Title VI and Public Transit, NTI

Professional Involvement

- California Association for Coordinated Transportation
- Community Transportation Association of America (CTAA)



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SouthEastern Arizona Governments Organization, Cochise County Intercity Route Feasibility Study. Study to determine feasibility of intercity bus routes connecting the cities of Benson, Bisbee, Douglas, and Sierra Vista in Cochise County, AZ. Coordinated marketing and public engagement, including stakeholder focus groups, public workshops, and a project webpage that was available in parallel English and Spanish versions.

City of Irvine, Marketing and Community Outreach. Project coordinator for the City of Irvine's iShuttle marketing program. Coordinated employer and residential outreach to promote the iShuttle and related Metrolink service. Led planning for the Spectrum service launch special events. iShuttle was honored with a Diamond Award for Outstanding Marketing Program in 2012 and received First Place AdWheel awards in 2012 and 2013.

City of Laguna Niguel, Transit Planning and Feasibility Study. OCTA study to determine feasibility of local circulator alternatives. Coordinated community surveys and public workshops and prepared presentation materials and workshop handouts. Developed demand assessment and service recommendations, including routes for first City-operated local transit circulator. Prepared financial and capital plans.

Antelope Valley Transit Authority, Mobility Management Plan and On-Call Service Planning. The Mobility Management Plan included community outreach and travel training, which in the last five years has resulted in face-to-face interaction with at least 1,500 Antelope Valley residents whose everyday lives would benefit from AVTA's transit services. Conduct on-site travel training. Provide on-call research and support services related to mobility management as well as transit planning, Title VI Plan update, and alternative transportation (such as vanpools and community partnerships).

Ventura County Transportation Commission, Heritage Valley Transit Needs Study. Prepared service recommendations and financial plan for VCTC's Heritage Valley Transit Study. Researched and recommended organizational structure for potential new operator. Created community-specific circulators reflective of key mobility needs, including home-to-school travel for middle and high school students. Developed fare structure and calculated anticipated fare revenue by incorporating predicted fare elasticity.

Erin Kenneally

Los Angeles County Metropolitan Transportation Authority, 2018 Spring and Fall Satisfaction Survey.

Led the survey effort for all 2018 data collection including creation of surveyor schedules, and training materials, and in-field supervision for on-board rider survey, which exceeded sample targets.

Santa Cruz Metropolitan Transit District, 2019 Onboard Transit Ridership Survey and Ride Check.

Acted as project coordinator and in-field supervisor for the 2019 onboard survey and comprehensive ride check. Created stratified sampling plan and surveyor schedules, trained surveyors and supervised all data collection efforts. Oversaw all data cleaning, conducted data analysis and reporting. A total of 976 responses were received, exceeding the sample goal of 600 by more than 60 percent.

Ventura County Transportation Commission, 2019 Origin/Destination, Transfer, and Customer Satisfaction Surveys.

Acted as project coordinator and main point of contact for VCTC's 2019 data collection efforts. Created surveyor schedules, trained surveyors and supervised all data collection efforts for three different survey efforts occurring simultaneously across Ventura County. Oversaw all data cleaning, conducted data analysis and reporting. The origin/destination survey covered a total of 18 routes on six different operators throughout Ventura County: VCTC, Gold Coast Transit District (GCTD), Thousand Oaks Transit (TOT), Simi Valley Transit (SVT), Moorpark City Transit (MCT), and the Valley Express. The transfer surveys included 12 different transfer locations. The customer satisfaction surveys were conducted on the VCTC Intercity and Valley Express services.

City of Santa Maria, 2019 Short Range Transit Plan.

In support of the City of Santa Maria's Short Range Transit Plan, oversaw an evaluation of existing services including a 100 percent ridecheck and onboard survey. Additionally, supervised a community survey effort that collected surveys in English and Spanish from non-rider populations. Created survey instruments and data collection schedules, trained surveyors and ridecheckers and supervised all data collection efforts. Completed data collection ahead of schedule and exceeded sampling targets on both surveys. Coordinated multiple community outreach events and provided translation services.

Project Role

- Market research
- Data collection
- Community engagement

Education

- Bachelor of Arts, Liberal Studies, California State University – Northridge

Languages

- Spanish

Software

- Statistical Package for the Social Sciences (SPSS)



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City of Santa Clarita, 2018 Transportation Development Plan (TDP). Coordinated multiple survey efforts in support of Santa Clarita's 2018 update to its Transportation Development Plan. The 2018 update included a local fixed-route rider survey, paratransit rider survey, community survey, and special survey of school tripper riders. Ride checks on all Santa Clarita Transit routes were also included in order to provide on-time performance and boarding and alighting data that could assist in route and service planning. In addition to the surveys and ridechecks, helped facilitate two rounds of community workshops that actively engaged members of the public in defining and prioritizing local transit needs.

Greater Buffalo-Niagara Regional Transportation Council, NFTA-Metro 2017 Customer Survey. Created stratified sampling plan, contacted temp firms, created training materials, trained temps, supervised data collection efforts of team of over 30 temps. Created surveyor schedules. Oversaw data cleaning, assisted with data analysis and geocoding, assisted with report. Created quarterly progress memos. Data collection resulted in nearly 9,700 valid surveys exceeding target samples.

Nassau (NY) Inter-County Express (NICE), 2016 Title VI Survey. Supervised data collection for 2016 Nassau Inter-County Express (NICE) on-board survey in support of Title VI reporting. Prepared control sheets, temp staff schedules, and training materials. Conducted temp training. Assisted with data cleaning and analysis. Data collection resulted in more than 8,600 valid surveys.

Monterey-Salinas Transit, 2016 and 2018 Rider and Community Surveys. Administered rider and community intercept surveys on behalf of Monterey-Salinas Transit in English and Spanish to current rider and non-rider populations. Supervised and managed survey staff on-site at multiple transit hub locations. Completed surveying ahead of schedule and exceeded sampling targets during both rounds of data collection.

Long Beach Transit, FY 2018, FY 2017, FY 2016, and FY 2014 Community Evaluation Surveys. Project coordinator for annual current rider and non-rider surveys on behalf of Long Beach Transit. Managed bilingual (English/Spanish) fielding team for both onboard and community surveys. Oversaw data verification, entry, and cleaning of collected data. Conducted data analysis, created a comprehensive report and PowerPoint and presented all findings to the Board.

Detroit Transportation Corporation, 2018 Detroit People Mover Customer Satisfaction Survey. Led data collection for an onboard survey of the Detroit People Mover (DPM) to compile information regarding customer and service satisfaction as well as demographic information. Conducted temp training, supervised and managed survey staff. A total of 757 valid responses were received reflecting a statistical accuracy of 95 percent with a ± 3.5 percent margin of error. Oversaw data entry and cleaning, conducted data analysis and reporting.



Section 3

References



City of Burbank

2017 Comprehensive Operational Analysis

Adam Emmer, Transportation Services Manager

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818.238.5359 | AEmmer@ci.burbank.ca.us



Moore & Associates has partnered with the City in the promotion and administration of its community-based transit service since 1994. In doing so, we have helped change the face of transit in Burbank; realizing double-digit ridership growth annually in the early years of our relationship, and establishing the transit program as a vital element of the community.

In 2017, we completed a Comprehensive Operational Analysis of the City's transit program, which reviews all elements of fixed-route and demand-response services provided by the City.

The comprehensive review included the following elements:

- Fixed-route assessment,
- Dial-A-Ride assessment,
- Impact of possible assumption of Metro services by the City,
- Cost-benefit of bringing all City transit programs and services in-house,
- Taxi voucher program evaluation, and
- Evaluation of the Joslyn Center Nutrition Shuttle.

The project included ridechecks tracking boarding and alighting activity, analysis of on-time-performance data, and public engagement activities inclusive of rider surveys (for both fixed-route and dial-a-ride), community survey, and stakeholder/employer survey. All surveys were made available in four languages to ensure compliance with Title VI.

Seven distinct routing scenarios and eight distinct system scenarios were developed in support of this effort. Our recommendations focused on more effective deployment of transit resources. For example, a modest routing adjustment combined with a one-minute frequency decrease on one route will reduce the total vehicle requirement by one bus and save the City more than \$100,000 annually.

Other recommendations look at combining routes to offer more frequent, bidirectional service and extending service to additional rail stations/transit hubs (including the new North Burbank Metrolink station and the existing Universal City Red Line Station). The preferred



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recommendation combines two routes and extends one route to more effectively serve the needs of the community, which includes a large number of commuters traveling into Burbank for employment. Additional recommendations include adjustments to contracted operations and consideration of future opportunities to assume operation of low-performing Metro routes.

City of Santa Clarita

Transportation Development Plan

Adrian Aguilar, Transit Manager

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In 2012 our firm completed the City of Santa Clarita's Transportation Development Plan (TDP). The TDP serves to update the service needs and service plan presented in the 2006 TDP. Given the substantial changes in the economy throughout the past decade, the update was needed to reassess demand throughout the Santa Clarita Valley. For Santa Clarita residents, the TDP represents a commitment to improved and sustainable service throughout the Santa Clarita Valley. For Santa Clarita Transit, the benefits include more efficient service offerings, paths toward increased ridership and farebox revenue, and a more satisfied clientele.

The Santa Clarita TDP included comprehensive data collection, including a 100 percent ridecheck with a concurrent customer survey conducted onboard all fixed-route and commuter trips, a Dial-A-Ride survey, and a community survey. Community survey methodologies included online, intercept, and display at key community locations. A direct mail postcard was used to drive residents to the online survey. Our project team collected nearly 3,600 surveys as part of this data collection effort.

The City Council unanimously adopted the Transit Development Plan. The City implemented Moore & Associates' project/service recommendations, which included revising service to incorporate the new Park and Ride facility, revising running times, expanding opportunities to purchase passes with credit cards, and offering later evening service to the North Hollywood Red Line station on weekends during the Hollywood Bowl's summer season.

In 2018, our firm was again selected to update the City's Transportation Development Plan, allowing us the opportunity to continue this important work in our home community. Within the TDP, we reimagined Santa Clarita Transit, transitioning from a chiefly 40-foot bus fixed-route program to a mixture of innovative, community/neighborhood-oriented public transit services. This latest engagement included robust community outreach and data collection as well as extensive review of recent and planned commercial and residential developments and annexations for incorporation into the TDP. The final report was adopted unanimously by the city council in September 2019.



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Kern Council of Governments

City of Shafter Transit Development Plan (2016), City of Wasco Transit Development (2016), City of McFarland Transit Development Plan (2015), City of Taft Transit Development Plan (2015 and 2010), City of Delano Transit Development Plan (2012), City of Ridgecrest Transit Development Plan (2009), and City of Arvin Transit Development Plan (2008)



Bob Snoddy, Regional Planner III

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The Kern Council of Governments has selected Moore & Associates to prepare Transit Development Plans (TDPs) for a variety of transit operators in Kern County for a period of nearly 15 years. The cornerstone goal of these projects is to identify short-term, sustainable improvements supporting increases in ridership and fare revenue, as well as overall service productivity. The resulting reports were crafted using both quantifiable and qualitative criteria. The TDPs developed for these Kern County cities focused on improving farebox recovery, increasing ridership, and enhancing the quality of service and improving efficiency so as maintain sustainability. In some cases, recommendations included the introduction of a new fixed-route service, which necessitated the development of routes, schedules, fares, and other operational elements.

Through primary research conducted for these TDP reports, Moore & Associates was able to identify key performance factors and create sustainable program goals and objectives. The goals provided achievable benchmarks for the enhancement of KernCOG operators. In the communities of Arvin and Taft, for example, Moore & Associates directly managed the implementation of transitioning service from general public demand-response programs to fixed-route and complementary demand-response programs, thereby reducing operating cost ratios (i.e., cost/revenue service hour) and improving service delivery efficiencies. In Taft, this also included development of a Paratransit Plan to ensure compliance with ADA for the resulting two-tiered transit system.

City of Thousand Oaks

Transit Master Plan

Mike Houser, Transit Manager

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In 2017, Moore & Associates completed a Transit Master Plan study for the Southern California Association of Governments on behalf of the City of Thousand Oaks. The Plan assessed, evaluated, and recommended transit goals, policies, implementation strategies, and funding as well as examined the City’s role within the regional transit network, based largely on public involvement activities.



By creating a vision for transit that is reflective of the key mobility needs of the community, quality of life in Thousand Oaks can be greatly enhanced. Therefore, public outreach encouraged input not just from those who rely on public transit, but from Thousand Oaks residents who did not use the City's transit system. Therefore, we conducted an online community survey, transit rider survey, paratransit rider survey, stakeholder workshops, and community workshops. The resulting data presented an objective, comprehensive snapshot of local and regional transit demands and priorities.

A direct-mail campaign and project webpage publicized the project and outreach activities. Other tasks completed for the study include a review of existing service and a sociodemographic profile. A system assessment identified inefficiencies in the service network, including under-served populations of Thousand Oaks as well as areas where service exceeded demand.

The completed Transit Master Plan offers both short- and long-term visions for transit operations and capital improvements. It provides for a system that covers more of the population and anticipates projected population growth. The resulting three-phase approach spans three years, intended to enhance the value of both the fixed-route and Dial-A-Ride services. Those phased recommendations are as follows:

- Phase 1:
 - Streamline Route 1 by creating two routes.
 - Simplify, shorten, and provide bidirectional service along Route 2.
 - Provide bidirectional service on Route 3.
 - Provide bidirectional service on Route 4.
 - Provide service to Amgen via the Metrolink Shuttle.
 - Develop marketing campaign to educate community about transit services available.
- Phase 2:
 - Provide direct, transfer-less service across Thousand Oaks to Agoura Hills.
 - Increase bidirectional service along existing routes.
 - Increase service along Thousand Oaks Boulevard and to California Lutheran University (CLU).
 - Develop flex service to serve less-dense neighborhoods and/or those with limited road networks.
 - Extend fixed-route and Dial-A-Ride (DAR) weekday and weekend service hours to end at 9:30 p.m.
 - Extend fixed-route weekday service hours to begin at 4:30 a.m.
- Phase 3:
 - Provide local connecting fixed-route service to Simi Valley.



Section 4

Scope of Services



Project Understanding

The City of Beaumont has operated a public transit program since 1975, when it introduced a general public Dial-A-Ride service. In 1979, the fixed-route service was launched to meet growing demand. In 2002, the cities of Beaumont and Banning integrated their individual transit programs as Pass Transit. While the two systems remained separate entities, they provided coordinated transportation for the San Geronio Pass area of Western Riverside County.

The prior Comprehensive Operations Analysis (COA) was completed in 2013, and was undertaken in conjunction with the City of Banning. Since then, the City of Beaumont has experienced significant growth, with a population increase of 22 percent between 2014 and 2018. In addition, the 2002 Agreement to Provide Coordinated Transit Services (with the City of Banning) was supplanted in June 2019 by an Interagency Service Agreement that separated the two services, defined coordination activities, addressed transfer agreements, and precluded duplicative services. It ended the City of Beaumont's operation of Route 2 into the City of Banning for an initial period of one year. Connectivity between the two cities would be maintained by Banning continuing service to the Walmart Transfer Station in Beaumont, and by Beaumont continuing service to the San Geronio Memorial Hospital in Banning.

The purpose of this COA is to provide an updated planning document envisioning the City of Beaumont's transit system on a stand-alone basis. The current transit system offers fixed-route, deviated fixed-route, CommuterLink, school tripper, and Dial-A-Ride services. The COA will provide an objective comprehensive assessment of current service offerings as well as an Action Plan for sustainable service development across a five-year planning horizon.

Scope of Work

Upon receipt of a Notice to Proceed, Moore & Associates will schedule an in-person project initiation meeting. During this meeting we will finalize the scope of work and project schedule as well as clarify communications protocols. At this time we will also provide the City with a list of data needs expected to be required for the project, including performance, financial, and operational data. We will also work with the City to identify key stakeholders and other project partners who should be included in our outreach efforts.

In conjunction with the project initiation meeting, we propose conducting a half-day familiarization tour as part of our first site visit. This will enable City staff to provide our project team with insight into the community, including key activity centers, development areas, and other elements of the Beaumont environment.



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We view the City’s role in this project as having two primary responsibilities. First is to provide us with existing data so that the project is built on a solid foundation. While we will be collecting data through ridechecks and surveys, we will rely on the City to provide financial and operational data. Second is to provide feedback on work products in a timely manner. Doing so will help keep the project moving and ensure the Final Action Plan is reflective of the City’s mission and vision.

Phase I: Data Collection and Analysis

Task 1.A: Analyze Fixed-Route and Deviated Fixed-Route On-Board Counts

Moore & Associates will conduct a 100 percent ridecheck of the City’s fixed-route transit program, including all local, school tripper, and commuter routes. We anticipate observing all trips on a given route across a single coverage day, for all days (weekday, Saturday, or Sunday) during which a trip operates. Ridecheck observations will include documentation of on and off passenger counts, on-time performance, incidences of wheelchair and bicycle boardings, and any other factors that may impact operation of the trip or route.

While we intend to conduct the onboard survey concurrent with the ridecheck, ridecheck observers will be tasked only with conducting the ridecheck so as to maximize the accuracy of the information they collect. Moore & Associates will utilize trained, qualified personnel throughout the survey process. Prior to starting the assignment, each observer will be provided with a tote bag including ridecheck forms, pens, clipboard, route maps, and schedule, as well as their ridecheck schedule. Ridecheck observers will also be required to have a working timepiece, which will be synced with the driver’s timepiece upon boarding. Data collection will be conducted across a one-week period prior to the end of CY 2019, during a normal service week with no holidays while school is in session.

Following completion of the ridecheck, we will prepare a description and analysis of each route, reflective of both data collected onboard as well as that provided by the City. As requested in the RFP, data to be included within this analysis will include the following (which will be finalized during the project initiation meeting):

- Route description:
 - In-service and deadhead miles operated;
 - In-service and platform miles operated;
 - Recovery time, on-time performance, and headways;
 - Daily ridership by route segment by service day;
 - Daily ridership by time of day by day-part and service day; and
 - Operations cost review.
- Route analysis:
 - Passengers per hour by route and route segment, time of day, and fare category by service day;



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- Passengers per mile by route and time of day;
- Schedule adherence at timepoints;
- Maximum load points and load factors by stop or route segment;
- Identification of trips or portions of trips that exceed 110 percent of seated capacity;
- Ratio of revenue miles to total miles operated;
- Missed trip history;
- Significant origin-destination combinations; and
- Other performance indicators (as identified) by route.

Task 1.B: Rider Survey and Transfer Analysis

In order to garner effective feedback from current riders, we will conduct a rider survey for all fixed-route, commuter, and demand-response services. Survey questions will be kept consistent between surveys to the greatest extent possible. However, where needed, modifications will be made to the questions to customize the survey for local fixed-route, school tripper, commuter, and demand-response services. We will also use the survey as the basis for a transfer analysis to assess both intra- and inter-system transfers.

Task 1.B.1: Fixed-Route Rider Survey

Moore & Associates will conduct a statistically valid bilingual (English/Spanish) survey onboard each of the City's local, commuter, and school service routes. The onboard survey will be conducted to collect information about the following:

- Passenger characteristics (such as fare type, length of patronage, route usage, trip purpose, frequency of use, alternative mode of transportation, possession of a driver's license, access to a personal vehicle);
- Passenger demographics (such as age, gender, race/ethnicity, household income, language spoken at home, English proficiency, presence of a disability that limits mobility);
- Travel patterns (such as trip origin and destination, methods of access and egress, use of transfers); and
- Feedback regarding performance (such as satisfaction, desired service improvements, perceptions about the service).

Our Market Research Manager will work with the City to develop questions specific to existing needs and concerns. The approved survey instrument will then be translated into Spanish.

Moore & Associates proposes to collect a weighted sample based on the route's percentage of total ridership. Given the City's estimated FY 2019 fixed-route ridership of nearly 190,000 (as identified in the draft SRTP for FY 2019/20 – FY 2021/22), we believe this translates to approximately 275 unique riders per day. Therefore, we will strive for

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a total sample size of 160 valid responses, which will ensure a confidence level of 95 percent with a ± 5 percent margin of error. We will review actual ridership data from FY 2019 by month as part of the project initiation process, which may result in the sample being adjusted slightly. In doing so, we will also identify whether separate targets should be set for Saturday.

Moore & Associates will utilize trained, qualified personnel throughout the survey process. Prior to starting the assignment, each surveyor will be provided with a tote bag including survey forms, pens, clipboards, route maps, and schedules, as well as their surveyor schedule. Data collection will be conducted across a one-week period prior to the end of CY 2019, during a normal service week with no holidays while school is in session. While our survey coverage plan will not reflect 100 percent of operated trips, it will provide coverage of all weekday and Saturday day-parts on all routes operated those days. The rider survey will also be available to complete online. The ridecheck discussed during Task 1.A will be conducted concurrent with the survey.

There are some challenges inherent to conducting a survey on a school tripper route. In our experience, these routes often tend to have crush loads, making surveying difficult, and students often do not take the survey seriously. In addition, students may not know correct responses to some questions, or may feel uncomfortable providing any personal information. We have successfully worked through the school district to invite parents of student riders to take the survey online in addition to fielding a modified version of the survey (absent any questions regarding household income or contact information) onboard the vehicles. We found this strategy helped to alleviate privacy concerns as well as ensured the capture of more accurate rider data.

Prior to conducting the survey, our project manager will work with the City to design and produce promotional materials (such as car cards, posters, and/or flyers) to inform customers about the upcoming survey and the importance of their participation. All materials will be provided to the City for review and can be posted inside vehicles, at key stops, and on the website to increase awareness among transit riders as to the importance of the upcoming survey process.

We recommend offering a response incentive (such as a random drawing for a 10-ride punch card, monthly pass, or VISA gift card) to encourage survey participation.

Once reviewed to ensure accuracy and completeness, all data will be cleaned and entered into a Statistical Package for the Social Sciences (SPSS) database, which will facilitate data compilation and analysis. Origin and destination data will be geocoded to facilitate analysis of travel patterns. We will then develop simple frequencies and cross-tabulations for further analysis. Analysis will be provided in both tabular and chart

format within the final report. We also intend to utilize our in-house GIS capabilities to further analyze and display origin and destination data.

Task 1.B.2: Paratransit Survey

For the paratransit customer survey, we propose utilizing a direct mail methodology. Onboard surveying is less effective for demand-response modes than on fixed-route, as many paratransit users do not ride every day and may never be on a surveyed vehicle. Therefore, we propose mailing a printed survey to a random selection of up to 300 paratransit program registrants who used the service within the past 12 months.

The purpose of including those who may not be currently active but have ridden within the last year is to gain feedback from customers who used to ride, but no longer do so. This can provide valuable insight as to barriers to use of the paratransit program as well as desired improvements.

The paratransit rider surveys will be printed using a 14-point font to aid individuals who may be visually impaired. Each survey will be accompanied by a postage-paid return envelope.

Our goal is the completion of 50 valid responses. However, this type of survey is highly dependent upon the recipient being motivated to complete and return his/her response. Therefore, offering an incentive for survey participation (such as entry into a random drawing for a VISA gift card or a Dial-A-Ride 10-ride punch card).

Task 1.B.3: Transfer Analysis

The transfer analysis will use data from the rider surveys to review current transfer patterns. This analysis will include both intra- and inter-system transfers to identify local trips requiring multiple seats as well as incidences of riders using the City's transit program to connect with Banning Transit, Metrolink, Mountain Transit, Omnitrans, RTA, sbX, Sunline, and Victor Valley Transit Authority.

Task 1.C: Describe Local and Regional Development Patterns

The purpose of this task is two-fold: first, to identify existing trip generators within the city, and second, to identify future trip generators based on local and regional development patterns and planned land-uses across the next three to five years. As a result, data for this task will be obtained through a variety of methods. While these will likely be refined as part of project initiation, we anticipate using, at a minimum, the following methods:

- Familiarization tour (as part of the project initiation visit),
- Review of existing planning documents and other relevant information,
- Interviews with City transit and planning staff,
- Interviews and/or roundtables with key stakeholders, and



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- Interviews and/or roundtables with community and/or elected leaders.

Interviews with City staff, key stakeholders, and community and elected leaders will take place either in person or via phone, depending upon subject availability. Roundtables may be convened to gain insight from like-minded stakeholders or community leaders, as they can spur discussion that may not occur through a one-on-one interview.

This will result in the identification of key travel nodes and activity centers, both existing and planned, including the following:

- Major commercial areas,
- Major employment areas,
- Healthcare facilities (both within Beaumont/Cherry Valley and within neighboring communities),
- Major social service agencies,
- Schools and colleges, and
- Housing developments (especially higher-density housing).

Task 1.D: Identification of Service Issues

Finally, Task 1.D will use the data developed earlier in this phase to identify key service issues that should be addressed during the balance of the project. These may include mobility needs not addressed through current service offerings, the percentage of one-seat trips (versus the incidence of transfers), issues with route alignments, identification of new service points, productivity, and coverage. While service alternatives will be developed in Phase II, this task may offer potential recommendations for exploration during Task 2.C, including technology enhancements and alternative or premium service delivery models. General cost projections will be included for all preliminary recommendations (these will be refined as formal service alternatives are developed).

As part of the productivity review, this task will assess performance indicators by mode, including TDA-required farebox recovery ratios. This data will be used in the development of performance standards in Phase II.

Upon completion of all tasks in Phase I, we will prepare a Technical Memorandum inclusive of all Phase I findings and a summary of issues identified in Task 1.D. These findings will be presented at a regularly scheduled City Council meeting.

Phase II: Development and Presentation of Alternatives

Phase II of the project draws upon the data developed and reviewed in Phase I, as well as uses the preliminary recommendations and issues identified therein as the basis for service alternatives. The end result of Phase II will be a series of preferred service alternatives for which an action plan will be finalized in Phase III.



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Task 2.A: Describe Current and Projected Funding Levels

This task consists of two primary subtasks: a review of operating and capital funding and a fare equity analysis.

Task 2.A.1: Operating and Capital Funding Analysis

In this task, we will review all existing and projected transit funding and revenue sources and levels. In doing so, we will also identify any potential funding sources not currently being utilized, as well as look at potential opportunities for public/private partnerships. This will ultimately result in a baseline five-year financial plan that will be used to evaluate the impact of proposed service alternatives.

Task 2.A.2: Fare Equity Analysis

For the second subtask, we will conduct a fare equity analysis to determine how the City's transit fares compare with peers as well as the anticipated revenue (and farebox recovery ratio) realized through passenger fares. We will examine the likely impact of potential changes to the existing fare structure, including non-cash fare media.

Task 2.B: Develop City of Beaumont Goals and Objectives/Performance Standards

We will work with the City to develop goals and objectives for its transit program. These should tie into the Circulation Goals and Policies of the City's General Plan (particularly Goal 5, which pertains to public transportation). Transit goals should focus on overarching, "big picture" aims, with measurable objectives and supporting policies. They should be consistent with the City's mission and vision, as well as existing goals for transportation.

Performance standards will be developed to guide development and assess performance of the City's transit program. They can serve as a measuring stick to assess the City's productivity, efficiency, and performance, especially for the layperson who may not otherwise have a frame of reference. Performance standards should not be set so high as to be unachievable nor so low as to provide no motivation for improvement. Rather, we will evaluate historic performance of the City's program across a minimum of three years to set appropriate standards. This will ensure that standards are customized to the City's specific operating environment.

Our project team will also set mode- or route-specific standards in addition to system standards, as well as identify how standards should differ for a new route or service versus a mature one. Finally, we will provide criteria for the installation of bus stop amenities given the mixed-use character of the City's transit environment.

Task 2.C: Identify Service Alternatives

Bearing in mind the baseline financial plan developed in Task 2.A and the City's transit-specific goals, objectives, and performance standards developed in Task 2.B, and drawing on the



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findings and issues identified in Phase I, we will prepare a series of service alternatives designed to address mobility needs, improve productivity, increase ridership and farebox recovery, and constrain costs. These alternatives may include the realignment of existing routes, the introduction of new routes or innovative service delivery options, geographic or temporal expansion or contraction of services based on current and anticipated demand, marketing, and schedule adjustments, as well as others that may arise during the course of the project.

During the development of service alternatives, we will also review the City's "unmet transit needs" public input across the past five years to determine if any should be addressed within the horizon of the COA. Per the RFP, the most frequent requests have been for school service, connectivity with other transit operators, and service to Cherry Valley, Banning (specifically social services), and desert communities to the east.

For each proposed service alternative, we will identify advantages and disadvantages, justification (catalyst), ridership and budgetary implications, staffing and labor impacts, and implementation timelines.

The service alternatives will be presented at a regularly scheduled meeting of the Beaumont City Council concurrent with the Task 2.D.

Task 2.D: Public Comment Opportunity

So as to encourage input from the Beaumont community, Moore & Associates will facilitate up to four public meetings, during which attendees will have the opportunity to review key study findings, proposed service goals, and the proposed service alternatives. The primary goal of these meetings is to engage the community in determining a preferred alternative.

We believe there are opportunities for public outreach beyond a traditional public meeting. Therefore, we will also identify existing events during this time period in which we could participate. In many cases, people will visit a booth at a community event where they would not come out to a stand-alone public meeting. Our project team will participate in up to three community events provided they are occurring during the desired timeframe.

Phase III: Development of an Action Plan

Task 3.A: Preparation of an Action Plan

Following the receipt of feedback from the City Council, City staff, and the Beaumont community, we will develop a recommended action plan inclusive of preferred service alternatives. Narrative and graphic formats will be used to detail routing or service area changes, with recommended service schedules provided as warranted. The Draft Action Plan will include the following:

- Proposed short-term (within one year) recommendations,
- Prioritized long-term recommendations (possibly phased in over three years),

- City staffing recommendations,
- Operations and capital budget requirements and funding sources,
- Implementation timeline, and
- Strategies or tools for implementation.

All City comments will be incorporated into the Draft Action Plan prior to Task 3.B.

Task 3.B: Presentation of the Action Plan

Moore & Associates will present the Action Plan to the City Council for comment and approval. Following this presentation, any Council comments will be incorporated into the Final Action Plan.

Deliverables

Deliverables for this project will include the following:

- Survey instruments (fixed-route and paratransit);
- Promotional materials for the rider surveys;
- Technical Memorandum #1: Phase I Findings and Summary of Issues (reproducible original plus eight hard copies);
- Phase I City Council presentation;
- Technical Memorandum #2: Phase II Summary and Service Alternatives (reproducible original plus eight hard copies);
- Phase II City Council presentation;
- Public meeting presentation, promotional materials, and meeting materials;
- Draft Action Plan (reproducible original plus eight hard copies);
- Final Action Plan (reproducible original plus eight hard copies); and
- Phase III City Council presentation.

All deliverables will also be provided in an editable electronic format (such as Microsoft Word). Graphics, mapping, databases, etc. will be provided in a software format agreed upon by the City and the consultant. Electronic versions of all maps including individual routes and system maps produced for this study will be provided to the City in GIS format. Survey data (frequencies and cleaned data) will also be provided electronically.



Proposed Project Schedule

TASKS	October				November				December				January				February				March				April				May				June				July				August				September						
	7	14	21	28	4	11	18	25	2	9	16	23	30	6	13	20	27	3	10	17	24	2	9	16	23	30	6	13	20	27	4	11	18	25	1	8	15	22	29	6	13	20	27	3	10	17	24	31	7	14	21
Phase I: Data Collection and Analysis																																																			
Task 1.A: Analyze Fixed-Route and Deviated Fixed-Route On-board Counts																																																			
Task 1.B: Rider Survey and Transfer Analysis																																																			
Task 1.C: Describe Local and Regional Development Patterns																																																			
Task 1.D: Identification of Service Issues																																																			
Phase II: Development and Presentation of Alternatives																																																			
Task 2.A: Describe Current and Projected Funding Levels																																																			
Task 2.B: Develop City of Beaumont Goals & Objectives/Performance Standards																																																			
Task 2.C: Identify Service Alternatives																																																			
Task 2.D: Public Comment Opportunity																																																			
Phase III: Development of an Action Plan																																																			
Task 3.A: Preparation of an Action Plan																																																			
Task 3.B: Presentation of the Action Plan																																																			
Milestones and Deliverables																																																			
Notice to Proceed																																																			
Monthly progress memos																																																			
Project Initiation Meeting & Familiarization Tour																																																			
Ridecheck/fixed-route rider survey																																																			
Paratransit rider survey																																																			
Staff, stakeholder, and community leader interviews and/or roundtables																																																			
Technical Memorandum #1: Phase I Findings and Summary of Issues																																																			
Phase I presentation to City Council																																																			
Technical Memorandum #2: Phase II Summary and Service Alternatives																																																			
Phase II presentation to City Council																																																			
Public meetings																																																			
Draft Action Plan																																																			
Final Action Plan																																																			
Phase III presentation to City Council																																																			
Project completion																																																			





Section 5 Cost Proposal



Per the RFP instructions, our cost proposal is provided under separate cover.

Section 6 Insurance



Moore & Associates maintains professional liability insurance in the amounts required by the City. All coverages (naming the City of Beaumont as additional insured) will be in force at the time of contract execution.

Section 7 Proposal Forms



Addendum #1 - Acknowledgement

September 17, 2019



Addendum #1

Consulting Services to Prepare a Comprehensive Operations Analysis of the City of Beaumont's Public Transit System

TO: All Potential Bidders:

This addendum forms a part of the contract documents for the above-identified project and modifies the original Request for Proposal as noted below. Portions of the Proposal, not specifically mentioned by the Addendum, remain in force. All trades affected shall be fully advised of these changes, deletions, and additions.

Please note that a signed Acknowledgement of Addendum #1 (located at the end of this document) will be required to be submitted with your proposal.

Questions and Answers

- 1) The RFP states City reserves the right to negotiate all final terms and conditions of any proposal received before entering into final contract. However, the RFP is silent regarding if/how to submit exceptions to the PSA language. In what manner can exceptions be submitted?

Response

Exceptions to the Professional Services Agreement will be submitted during the contract negotiation phase, once City Council awards the project.

- 2) Can platform hours and average daily ridership (all days) for each route to be surveyed be provided to the consultant teams?

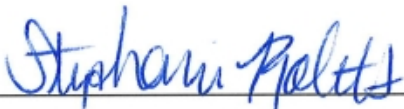
Response

See below

September 17, 2019

<u>Route No.</u>	<u>Bus Pull Out Time</u>	<u>Bus Return to Yard Time</u>	<u>Avg. daily passengers</u>
2	6:15 AM	6:45 PM	1751
3	6:00 AM	5:15 PM	2386
4	6:15 AM	6:40 PM	2274
120-1	4:30 AM	7:15 PM	656
120-2	5:30 AM	8:30 PM	603
125	6:30 AM	6:45 PM	456
RTE 3/4	7:30 AM	5:15 PM	397
RTE 7 -1 AM	6:15 AM	8:00 AM	784
RTE 7-1 PM	2:45 PM	4:15 PM	602
RTE 7-2 AM	6:15 AM	7:30 AM	300
RTE 7-2 PM	2:45 PM	4:00 PM	503
7 TRIPPER	2:45 PM	4:15 PM	270
RTE 9 AM	6:15 AM	8:15 AM	579
RTE 9 PM	2:45 PM	4:00 PM	540

Please include this page with proposal submittal. By signing this you acknowledge the content of this Addendum.

Signature: 
 Company: Moore & Associates, Inc.



Moore & Associates, Inc.
 28159 Avenue Stanford, Suite 110
 Valencia, CA 91355
 661.253.1277
 www.moore-associates.net
 September 26, 2019

LINE ITEM BUDGET

Title of Project: City of Beaumont Comprehensive Operations Analysis

Cost Categories	Hourly Rate	Phase I								Phase II								Phase III				Grand Total (All tasks)	
		Task 1.A		Task 1.B		Task 1.C		Task 1.D		Task 2.A		Task 2.B		Task 2.C		Task 2.D		Task 3.A		Task 3.B		Hours	Amount
		Analyze Onboard Counts		Rider Survey		Development Patterns		Identification of Service Issues		Funding Levels		Goals & Objectives		Service Alternatives		Public Comment		Action Plan		Presentation of Action Plan			
		Hours	Amount	Hours	Amount	Hours	Amount	Hours	Amount	Hours	Amount	Hours	Amount	Hours	Amount	Hours	Amount	Hours	Amount	Hours	Amount	Hours	Amount
Direct Labor Classification(s):																							
Managing Partner	\$58.00	8.00	\$464.00	20.00	\$1,160.00	28.00	\$1,624.00	60.00	\$3,480.00	48.00	\$2,784.00	24.00	\$1,392.00	68.00	\$3,944.00	24.00	\$1,392.00	40.00	\$2,320.00	20.00	\$1,160.00	340.00	\$19,720.00
Senior Associate	\$54.00	8.00	\$432.00	16.00	\$864.00	20.00	\$1,080.00	56.00	\$3,024.00	52.00	\$2,808.00	20.00	\$1,080.00	60.00	\$3,240.00	16.00	\$864.00	36.00	\$1,944.00	12.00	\$648.00	296.00	\$15,984.00
Market Research Coordinator	\$29.50	28.00	\$826.00	40.00	\$1,180.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	68.00	\$2,006.00
Marketing Coordinator	\$35.50	0.00	\$0.00	16.00	\$568.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	24.00	\$852.00	0.00	\$0.00	0.00	\$0.00	40.00	\$1,420.00
Assistant Planner/GIS Technician	\$30.50	0.00	\$0.00	0.00	\$0.00	20.00	\$610.00	40.00	\$1,220.00	0.00	\$0.00	0.00	\$0.00	60.00	\$1,830.00	0.00	\$0.00	12.00	\$366.00	0.00	\$0.00	132.00	\$4,026.00
Outreach Assistant/Field Supervisor	\$23.50	40.00	\$940.00	40.00	\$940.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	16.00	\$376.00	0.00	\$0.00	0.00	\$0.00	96.00	\$2,256.00
Administrative Support	\$16.00	40.00	\$640.00	40.00	\$640.00	4.00	\$64.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	8.00	\$128.00	2.00	\$32.00	4.00	\$64.00	98.00	\$1,568.00
Subtotal - Direct Labor		124.00	\$3,302.00	172.00	\$5,352.00	72.00	\$3,378.00	156.00	\$7,724.00	100.00	\$5,592.00	44.00	\$2,472.00	188.00	\$9,014.00	88.00	\$3,612.00	90.00	\$4,662.00	36.00	\$1,872.00	1,070.00	\$46,980.00
Overhead & Fringe (inc. G&A):																							
Overhead	110.00%		\$3,632.20		\$5,887.20		\$3,715.80		\$8,496.40		\$6,151.20		\$2,719.20		\$9,915.40		\$3,973.20		\$5,128.20		\$2,059.20		\$51,678.00
Subtotal - Overhead & Fringe (inc G&A):			\$3,632.20		\$5,887.20		\$3,715.80		\$8,496.40		\$6,151.20		\$2,719.20		\$9,915.40		\$3,973.20		\$5,128.20		\$2,059.20		\$51,678.00
Fixed Fee																							
Subtotal - Fixed Fee:	10.00%		\$693.42		\$1,123.92		\$709.38		\$1,622.04		\$1,174.32		\$519.12		\$1,892.94		\$758.52		\$979.02		\$393.12		\$9,865.80
Other Direct Costs (ODCs)																							
Travel			\$1,000.00		\$850.00		\$500.00		\$250.00		\$0.00		\$0.00		\$0.00		\$1,400.00		\$0.00		\$250.00		\$4,250.00
Printing/production			\$50.00		\$325.00		\$0.00		\$250.00		\$0.00		\$0.00		\$0.00		\$500.00		\$0.00		\$500.00		\$1,625.00
Promotion			\$0.00		\$300.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$300.00		\$0.00		\$0.00		\$600.00
Postage			\$0.00		\$515.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$515.00
Event/workshop			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$300.00		\$0.00		\$0.00		\$300.00
Surveyors			\$3,000.00		\$2,500.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$5,500.00
Survey incentives			\$0.00		\$250.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$250.00
Subtotal - ODCs:			\$4,050.00		\$4,740.00		\$500.00		\$500.00		\$0.00		\$0.00		\$0.00		\$2,500.00		\$0.00		\$750.00		\$13,040.00
GRAND TOTAL		124.00	\$11,677.62	172.00	\$17,103.12	72.00	\$8,303.18	156.00	\$18,342.44	100.00	\$12,917.52	44.00	\$5,710.32	188.00	\$20,822.34	88.00	\$10,843.72	90.00	\$10,769.22	36.00	\$5,074.32	1,070.00	\$121,563.80



Staff Report

TO: Mayor and City Council Members

FROM: Elizabeth Gibbs, Community Services Director

DATE: October 15, 2019

SUBJECT: Award of Construction Contract to TSR Construction and Inspection in an Amount Not-to-Exceed \$237,700 for the Community Development Block Grant (CDBG) Project - Rangel Park Improvements Project (2018-005A) CDBG 5.BEA.36-18 and Authorize the City Manager to Execute Change Orders in an Amount Not-to-Exceed \$23,770 for a Total Contract Amount Not-to Exceed \$261,470

Background and Analysis:

On August 19, 2019, the Rangel Park Improvements Project (2018-005A) CDBG 5.BEA.36-18 bid documents were published in the newspaper, as well as on the City's website, in accordance with the City's purchasing ordinance. On September 17, 2019, bids were received from seven (7) contractors and a public bid opening was held. The following is a list of respondents and their bid amounts:

Contractor Name	Base Bid Amount
TSR Construction and Inspection	\$237,700.00
Bunker Construction, Inc. dba Bunker Engineering	\$238,253.00
Atom Engineering Construction, Inc.	\$267,398.00
Roadway Engineering & Contracting, Inc.	\$269,400.00
BWW & Company, Inc.	\$275,425.00
Cornerstone Construction Service, Inc.	\$300,625.00
Abny General Engineering, Inc.	\$319,000.00

The project's scope of work includes disconnecting the existing utilities, installing a new restroom and concession building, re-connecting utilities, and installing a sidewalk around the perimeter of the new building.

Staff evaluated each bid and determined TSR Construction and Inspection is the lowest, responsive bidder. Staff recommends the City Manager be authorized to approve contract change orders up to \$23,770 for a total contract not-to-exceed \$261,470.

Fiscal Impact:

Total funding available for this project is shown below:

CDBG Award 5.BEA.36-18 - CIP Project 2018-005A	\$178,781.16
CDBG Award 5.BEA.40-19 - CIP Project 2018-005A	\$153,885.00
TOTAL CDBG FUNDS AVAILABLE	\$332,666.16
TSR Construction and Inspection Contract Award	\$237,700.00
<i>10% Contingency</i>	<i>\$23,770.00</i>
TOTAL PROJECT NOT-TO-EXCEED	\$261,470.00
Balance of Funds Remaining for Future Improvements	\$71,196.16

Recommendation:

1. Award a construction contract in the amount not-to-exceed \$237,700 to TSR Construction and Inspection for the Rangel Park Improvements Project (Project 2018-005A) 5.BEA.36-18;
2. Authorize the Mayor to execute the public works agreement on behalf of the City of Beaumont; and
3. Authorize the City Manager to approve any recommended change orders in an amount not-to-exceed \$23,770.



City Manager Review: Todd Parton
City Manager

Attachments:

[Attachment A - Rangel Park Improvements Project Contract](#)

CITY OF BEAUMONT

PUBLIC WORKS AGREEMENT

(TSR Construction and Inspection)

This PUBLIC WORKS AGREEMENT (“Agreement”) is made and effective October 1, 2019, by and between the City of Beaumont, a municipal corporation (“CITY”), and NAME OF CONTRACTOR (“CONTRACTOR”). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

I. SCOPE OF WORK

The CONTRACTOR shall perform within the time set forth in Article 2 of this Agreement and shall furnish all labor, materials, equipment, tools, utility services, and transportation and perform and complete all work required in connection with the Rangel Park Improvements Project (2018-005A) CDBG 5.BEA.36-18 (DESCRIPTION OF PROJECT) Project (hereinafter “Project”). CITY’s Invitation for Bids (“Invitation”) for the Project, dated August 19, 2019, and CONTRACTOR’s Bid in response to the Invitation, dated September 17, 2019, are attached hereto as Exhibits :A” and “B”, respectively and incorporated herein by this reference. The Scope of Work for the Project is set forth in the Invitation.

By entering into this Agreement, CONTRACTOR acknowledges that there may be other contractors on the site whose work will be coordinated with that of its own. CONTRACTOR expressly warrants and agrees that it will cooperate with other contractors and will do nothing to delay, hinder, or interfere with the work of other separate contractors, the CITY, the Construction Manager, the Engineer, or utilities. CONTRACTOR also expressly agrees that, in the event its work is hindered, delayed, interfered with, or otherwise affected by a separate contractor, its sole remedy will be a direct action against the separate contractor. To the extent allowed by law, the CONTRACTOR will have no remedy, and hereby expressly waives any remedy against the CITY, the Construction Manager (if any), and the Engineer on account of delay, hindrance, interference or other events.

II. TIME FOR PROJECT COMPLETION

All of CONTRACTOR’s work on the Project shall be completed within durations established for the individual activities as set forth in the Project Construction Schedule, attached hereto as Exhibit “C” and incorporated herein by this reference. All work shall commence ten (10) calendar days after receiving a written Notice of Award from the CITY or Construction Manager, if a Construction Manager is employed by CITY on the Project. CONTRACTOR shall refer to the invitations for bids, and Project Plans and Specifications, all of which, as set forth below, are incorporated herein by reference, for contractual obligations regarding individual activity durations.

PUBLIC WORKS AGREEMENT

III. THE CONTRACT SUM

The CITY shall pay to the CONTRACTOR for the performance of this Agreement, subject to any additions and deductions provided in the Project documents, the sum of Two Hundred Thirty Seven Thousand and Seven Hundred Dollars (\$237,700).

IV. PROGRESS PAYMENTS

Based upon Applications for Payment submitted to the Engineer by the CONTRACTOR and Certificates for Payment issued by the Engineer, the CITY shall make progress payments on account of the Contract Sum to the CONTRACTOR as provided in the General Conditions, which are fully incorporated into this Agreement by this reference.

This Agreement is subject to the provisions of Article 1.7 (commencing at Section 20104.50) of Division 2, Part 3 of the Public Contract Code regarding prompt payment of contractors by local governments. Article 1.7 mandates certain procedures for the payment of undisputed and properly submitted payment requests within 30 days after receipt, for the review of payment requests, for notice to Contractor of improper payment requests, and provides for the payment of interest on progress payment requests which are not timely made in accordance with that Article. This Agreement hereby incorporates the provisions of Article 1.7 as though fully set forth herein.

V. INDEMNITY, DEFENSE AND HOLD HARMLESS AGREEMENT

A. CONTRACTOR shall indemnify, defend with legal counsel approved by CITY and the County of Riverside, and hold harmless CITY, its officers, officials, employees and volunteers and the County of Riverside and its Board of Supervisors from and against all liability, loss, damage, expense, cost (including without limitation reasonable legal counsel fees, expert fees and all other costs and fees of litigation) of every nature arising out of or in connection with CONTRACTOR's negligence, recklessness or willful misconduct in the performance of work hereunder or its failure to comply with any of its obligations contained in this Agreement, except such loss or damage which is caused by the sole or active negligence or willful misconduct of the CITY or COUNTY. Should conflict of interest principles preclude a single legal counsel from representing CITY, COUNTY and CONTRACTOR, or should CITY or COUNTY otherwise find CONTRACTOR's legal counsel unacceptable, then CONTRACTOR shall reimburse the CITY and/or COUNTY their costs of defense, including without limitation reasonable legal counsels fees, expert fees and all other costs and fees of litigation. The CONTRACTOR shall promptly pay any final judgment rendered against the CITY (and its officers, officials, employees and volunteers) or the County and its Board of Supervisors with respect to claims determined by a trier of fact to have been the result of the CONTRACTOR's negligent, reckless or wrongful performance. It is expressly understood and agreed that the foregoing provisions are intended to be as broad and inclusive as is permitted by the law of the State of California and will survive termination of this Agreement.

CONTRACTOR obligations under this section apply regardless of whether or not such claim, charge, damage, demand, action, proceeding, loss, stop notice, cost, expense, judgment, civil fine or penalty, or liability was caused in part or contributed to by an Indemnitee. However, without affecting the rights of CITY or COUNTY under any provision of this agreement, CONTRACTOR shall not be required to indemnify and hold harmless CITY or County for liability attributable to the active negligence of CITY or COUNTY (as appropriate), provided such active negligence is determined by agreement between the parties or by the findings of a court of competent jurisdiction. In instances where CITY or COUNTY is shown to have been actively negligent and where CITY or COUNTY active negligence accounts for only a percentage of the liability involved, the obligation of CONTRACTOR will be for that entire portion or percentage of liability not attributable to the active negligence of CITY or COUNTY.

- B. CONTRACTOR shall indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as Indemnitees) from any liability whatsoever, based or asserted upon any services of CONTRACTOR, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever arising from the performance of CONTRACTOR, its officers, employees, subcontractors, agents or representatives Indemnitors from this Agreement. CONTRACTOR shall defend, at its sole expense, all costs and fees including, but not limited, to attorney fees, cost of investigation, defense and settlements or awards, the Indemnitees in any claim or action based upon such alleged acts or omissions.

With respect to any action or claim subject to indemnification herein by CONTRACTOR, CONTRACTOR shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of COUNTY; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes CONTRACTOR'S indemnification to Indemnitees as set forth herein.

CONTRACTOR'S obligation hereunder shall be satisfied when CONTRACTOR has provided to COUNTY the appropriate form of dismissal relieving COUNTY from any liability for the action or claim involved. The specified insurance limits required in this Agreement shall in no way limit or circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the Indemnitees herein from third party claims. In the event there is conflict between this clause and

California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the CONTRACTOR from indemnifying the Indemnitees to the fullest extent allowed by law.

VI. PREVAILING WAGES

- A. Contractor shall comply with all applicable laws and regulations relating to prevailing wages. Wage rates for this Project shall be in accordance with the “General Wage Determination Made By the Director of Industrial Relations Pursuant To California Labor Code, Part 7, Chapter 1, Article 2, Sections 1770, 1773 and 1773.1”, for Riverside County. Wage rates shall conform with those posted at Beaumont City Hall and the Project site.
- B. The following Labor Code sections are hereby referenced and made a part of this Agreement:
 - 1. Section 1775 - Penalty for Failure to Comply with Prevailing Wage Rates.
 - 2. Section 1777.4 - Apprenticeship Requirements.
 - 3. Section 1777.5 - Apprenticeship Requirements.
 - 4. Section 1813 - Penalty for Failure to Pay Overtime.
 - 5. Sections 1810 and 1811 - Working Hour Restrictions.
 - 6. Section 1775 - Payroll Records.
 - 7. Section 1773.8 - Travel and Subsistence Pay.

VII. RECORD AUDIT

In accordance with Government Code, Section 8546.7, records of both the CITY and the CONTRACTOR shall be subject to examination and audit by the Auditor General for a period of three (3) years after final payment.

VIII. FINAL PAYMENT

Final payment, constituting the entire unpaid balance of the Agreement Sum, shall be paid by the CITY to the CONTRACTOR no sooner than thirty-five (35) days after a Notice of Completion has been recorded, unless otherwise stipulated in the Notice of Completion, provided the work has then been completed, the Agreement fully performed, and a final Certificate for Payment has been issued by the Engineer.

IX. CONTRACTOR'S FAILURE TO PROCURE COMPLETION OF PROJECT

In the event CONTRACTOR fails to furnish tools, equipment, or labor in the necessary quantity or quality, or fails to prosecute the work or any part thereof contemplated by this Agreement in a diligent and workmanlike manner, and if the CONTRACTOR for a period of three (3) calendar days after receipt of written demand from CITY or its designated representative to do so, fails to furnish tools, equipment, or labor in the necessary quantity or quality, and to prosecute its work and all parts thereof in a diligent and workmanlike manner, or after commencing to do so within said three (3) calendar days, fails to continue to do so; then the CITY may exclude the CONTRACTOR from the premises, or any portion thereof, and take possession of said premises or any portion thereof, together with all material and equipment thereon, and may complete the work contemplated by this Agreement or any portion of said work, either by furnishing the tools, equipment, labor or material necessary, or by letting the unfinished portion of said work, or the portion taken over by the CITY to another contractor or by a combination of such methods. In any event, the procuring of the completion of said work, or the portion thereof taken over by the CITY, shall be a charge against the CONTRACTOR, and may be deducted from any money due or becoming due to CONTRACTOR from the CITY, or the CONTRACTOR shall pay the CITY the amount of said charge, or the portion thereof unsatisfied. The sureties, provided for under this Agreement shall become liable for payment should CONTRACTOR fail to pay in full any said cost incurred by the CITY.

X. INSURANCE

Prior to the beginning of and throughout the duration of the Project, CONTRACTOR and its subcontractors shall maintain insurance in conformance with the requirements set forth below. CONTRACTOR will use existing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth herein, CONTRACTOR agrees to amend, supplement or endorse the existing coverage to do so.

CONTRACTOR acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. Any insurance proceeds available to CONTRACTOR or its subcontractors in excess of the limits and coverage identified in this Agreement and which is applicable to a given loss, claim or demand, will be equally available to CITY.

A. Types of Insurance

Without limiting CONTRACTOR's indemnification of CITY, and prior to commencement of Work, CONTRACTOR shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to CITY:

- 1. General liability insurance.** CONTRACTOR shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$1,000,000 per occurrence,

\$2,000,000 general aggregate, for bodily injury, personal injury, and property damage, and a \$2,000,000 completed operations aggregate. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO “insured contract” language will not be accepted.

2. **Automobile liability insurance.** CONTRACTOR shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the CONTRACTOR arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

3. **Umbrella or excess liability insurance.** If CONTRACTOR is using umbrella coverage to meet part of its liability insurance requirements under Paragraph 1 of this Section, CONTRACTOR shall obtain and maintain an umbrella or excess liability insurance that will provide bodily injury, personal injury, completed operations and property damage liability coverage at least as broad as the primary coverages set forth above, including commercial general liability and employer’s liability. Such policy or policies shall include the following terms and conditions:
 - A drop down feature requiring the policy to respond in the event that any primary insurance that would otherwise have applied proves to be uncollectable in whole or in part for any reason;
 - Pay on behalf of wording as opposed to reimbursement;
 - Concurrency of effective dates with primary policies;
 - Policies shall “follow form” to the underlying primary policies; and
 - Insureds under primary policies shall also be insureds under the umbrella or excess policies.

4. **Workers’ compensation insurance.** CONTRACTOR shall maintain Workers’ Compensation Insurance (Statutory Limits) and Employer’s Liability Insurance (with limits of at least \$1,000,000) for CONTRACTOR’s employees in accordance with the laws of the State of California, Section 3700 of the Labor Code. In addition, CONTRACTOR shall require each subcontractor to similarly maintain Workers’ Compensation Insurance and Employer’s Liability Insurance in accordance with the laws of the State of California, Section 3700 for all of the subcontractor’s employees.

CONTRACTOR shall submit to CITY, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of CITY, its officers, agents, employees and volunteers.

5. **Pollution liability insurance.** Environmental Impairment Liability Insurance shall be written on a CONTRACTOR’s Pollution Liability form or other form

PUBLIC WORKS AGREEMENT

acceptable to CITY providing coverage for liability arising out of sudden, accidental and gradual pollution and remediation. The policy limit shall be no less than \$1,000,000 dollars per claim and in the aggregate. All activities contemplated in this Agreement shall be specifically scheduled on the policy as “covered operations.” The policy shall provide coverage for the hauling of waste from the project site to the final disposal location, including non-owned disposal sites.

Products/completed operations coverage shall extend a minimum of three (3) years after project completion. Coverage shall be included on behalf of the insured for covered claims arising out of the actions of independent contractors. If the insured is using subcontractors, the Policy must include work performed “by or on behalf” of the insured. Policy shall contain no language that would invalidate or remove the insurer’s duty to defend or indemnify for claims or suits expressly excluded from coverage. Policy shall specifically provide for a duty to defend on the part of the insurer. The CITY, its officials, officers, agents, and employees, shall be included as insureds under the policy.

- 6. Builder’s risk insurance.** Upon commencement of construction and with approval of CITY, CONTRACTOR shall obtain and maintain builder’s risk insurance for the entire duration of the Project until only the CITY has an insurable interest. The Builder’s Risk coverage shall include the coverages as specified below.

The named insureds shall be CONTRACTOR and CITY, including its officers, officials, employees, and agents. All Subcontractors (excluding those solely responsible for design Work) of any tier and suppliers shall be included as additional insureds as their interests may appear. CONTRACTOR shall not be required to maintain property insurance for any portion of the Project following transfer of control thereof to CITY. The policy shall contain a provision that all proceeds from the builder’s risk policy shall be made payable to the CITY. The CITY will act as a fiduciary for all other interests in the Project.

Policy shall be provided for replacement value on an “all risk” basis for the completed value of the project. There shall be no coinsurance penalty or provisional limit provision in any such policy. Policy must include: (1) coverage for any ensuing loss from faulty workmanship, Nonconforming Work, omission or deficiency in design or specifications; (2) coverage against machinery accidents and operational testing; (3) coverage for removal of debris, and insuring the buildings, structures, machinery, equipment, materials, facilities, fixtures and all other properties constituting a part of the Project; (4) Ordinance or law coverage for contingent rebuilding, demolition, and increased costs of construction; (5) transit coverage (unless insured by the supplier or receiving contractor), with sub-limits sufficient to insure the full replacement value of any key equipment item; (6) Ocean marine cargo coverage insuring any Project materials or supplies, if applicable; (7) coverage with sub-limits sufficient to insure the full replacement value of any property or equipment

stored either on or off the Site or any staging area. Such insurance shall be on a form acceptable to CITY to ensure adequacy of terms and sublimits and shall be submitted to the CITY prior to commencement of construction.

B. Other provisions or requirements

1. **Proof of insurance.** CONTRACTOR shall provide certificates of insurance to CITY as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsements must be approved by CITY's risk manager prior to commencement of performance. Current certification of insurance shall be kept on file with CITY at all times during the term of this contract. CITY reserves the right to require complete, certified copies of all required insurance policies, at any time.
2. **Duration of coverage.** CONTRACTOR shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Work hereunder by CONTRACTOR, his agents, representatives, employees or subcontractors. CONTRACTOR must maintain general liability and umbrella or excess liability insurance for as long as there is a statutory exposure to completed operations claims. CITY and its officers, officials, employees, and agents shall continue as additional insureds under such policies.
3. **Primary/noncontributing.** Coverage provided by CONTRACTOR shall be primary and any insurance or self-insurance procured or maintained by CITY shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of CITY before the CITY's own insurance or self-insurance shall be called upon to protect it as a named insured.
4. **CITY's rights of enforcement.** In the event any policy of insurance required under this Agreement does not comply with these requirements or is canceled and not replaced, CITY has the right but not the duty to obtain the insurance it deems necessary and any premium paid by CITY will be promptly reimbursed by CONTRACTOR or CITY will withhold amounts sufficient to pay premium from CONTRACTOR payments. In the alternative, CITY may cancel this Agreement.
5. **Acceptable insurers.** All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher)

and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the CITY's risk manager.

6. **Waiver of subrogation.** All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against CITY, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow CONTRACTOR or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. CONTRACTOR hereby waives its own right of recovery against CITY, and shall require similar written express waivers and insurance clauses from each of its subconsultants.
7. **Enforcement of contract provisions (non estoppel).** CONTRACTOR acknowledges and agrees that any actual or alleged failure on the part of the CITY to inform CONTRACTOR of non-compliance with any requirement imposes no additional obligations on the CITY nor does it waive any rights hereunder.
8. **Requirements not limiting.** Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the CONTRACTOR maintains higher limits than the minimums shown above, the CITY requires and shall be entitled to coverage for the higher limits maintained by the CONTRACTOR. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the CITY.
9. **Notice of cancellation.** CONTRACTOR agrees to oblige its insurance agent or broker and insurers to provide to CITY with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.
10. **Additional insured status.** General liability policies shall provide or be endorsed to provide that CITY, and the County of Riverside, and its officers, officials, employees, agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.
11. **Prohibition of undisclosed coverage limitations.** None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to CITY and approved of in writing.

- 12. Separation of insureds.** A severability of interests provision must apply for all additional insureds ensuring that CONTRACTOR's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.
- 13. Pass through clause.** CONTRACTOR agrees to ensure that its subconsultants, subcontractors, and any other party involved with the project who is brought onto or involved in the project by CONTRACTOR, provide the same minimum insurance coverage and endorsements required of CONTRACTOR. CONTRACTOR agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. CONTRACTOR agrees that upon request, all agreements with consultants, subcontractors, and others engaged in the project will be submitted to CITY for review.
- 14. CITY's right to revise requirements.** The CITY reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the CONTRACTOR a ninety (90) day advance written notice of such change. If such change results in substantial additional cost to the CONTRACTOR, the CITY and CONTRACTOR may renegotiate CONTRACTOR's compensation.
- 15. Self-insured retentions.** Any self-insured retentions must be declared to and approved by CITY. CITY reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by CITY.
- 16. Timely notice of claims.** CONTRACTOR shall give CITY prompt and timely notice of claims made or suits instituted that arise out of or result from CONTRACTOR's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.
- 17. Additional insurance.** CONTRACTOR shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the Work.

XI. CONTRACTOR'S LICENSE

CONTRACTOR must possess at the time of commencing work and throughout the Project duration, a Contractor's License, issued by the State of California, which is current and in

good standing. CONTRACTOR shall ensure that any subcontractor working on the Project possesses at the time of commencing work and throughout the Project duration, a Contractor's License, issued by the State of California, which is current and in good standing.

XII. REGISTRATION REQUIREMENTS

A. Pursuant to Section 1771.1(a) of the Labor Code:

“A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, as defined in this chapter, unless currently registered and qualified to perform public work pursuant to Section 1725.5. It is not 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 Section 10164 or 20103.5 of the Public Contract Code, provided the contractor is registered to perform public work pursuant to Section 1725.5 at the time the contract is awarded.”

B. CONTRACTOR must be registered with the Department of Industrial Relations (DIR) of the State of California in order to be eligible to work on public works projects. CONTRACTOR must ensure registration with the DIR that is active and in good standing.

C. No contractor or subcontractor may be listed on a bid proposal for a public works project (submitted on or after March 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].

No contractor or subcontractor may be awarded a contract for public work on a public works project (awarded on or after April 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5.

This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

C. The CONTRACTOR is not subject to public works requirements (including registration with the DIR) if the public works project is under \$1,000, unless the CITY knows that the same CONTRACTOR will be awarded total project costs in excess of \$1,000 for a given year.

XIII. CORPORATION IN GOOD STANDING

If CONTRACTOR is a corporation, the undersigned hereby represents and warrants that the corporation is duly incorporated and in good standing in the State of California, and

that (Insert Name) whose title is (Insert Title) is authorized to act for and bind the corporation.

XIV. PROVISIONS REQUIRED BY LAW

Each and every provision of law and clause required by law to be inserted in this Agreement shall be deemed to be inserted herein and the Agreement shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not currently inserted, then upon application of either party the Agreement shall forthwith be physically amended to make such insertion or correction.

XV. SUBSURFACE HAZARDOUS MATERIALS

A. In the event trenches or other excavations extend deeper than four (4) feet below the surface, the CONTRACTOR shall promptly, and before the following conditions are disturbed, notify the CITY in writing of any:

1. Material that the CONTRACTOR believes may be material that is hazardous waste, as defined in Section 25117 of the Health and Safety Code that is required to be removed to a Class I, Class II or Class III disposal site in accordance with the provisions of existing law.
2. Subsurface or latent physical conditions at the site differing from those indicated.
3. Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in the Work or the character provided for in the CONTRACT.

B. Upon receipt of said notification the CITY will investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase in the CONTRACTOR's cost of or the time required for performance of any part of the work, the CITY will issue a change order under the procedures described in the General Conditions.

C. In the event that a dispute arises between the CITY and the CONTRACTOR whether the conditions materially differ, or involve hazardous waste or cause a decrease or increase in the CONTRACTOR's cost of or time required for performance of any part of the work, the CONTRACTOR shall not be excused from any scheduled completion date provided for by the Agreement, but shall proceed with all work to be performed under the Agreement. The CONTRACTOR shall retain any and all rights provided either by Agreement or by law which pertain to the resolution of disputes and protests between the contracting parties.

XVI. COMPONENT PARTS OF THE CONTRACT

This Agreement entered into consists of the following CONTRACT DOCUMENTS, all of which are component parts of the Agreement as if herein set out in full or attached hereto:

- | | |
|--|---|
| <input type="checkbox"/> Notice Inviting Bids | <input type="checkbox"/> Information Required of Bidder |
| <input type="checkbox"/> Scope of Work Summary | <input type="checkbox"/> Construction Services Agreement |
| <input type="checkbox"/> Information for Bidders | <input type="checkbox"/> Certificate Regarding Worker's |
| <input type="checkbox"/> Bid Form | <input type="checkbox"/> Compensation |
| <input type="checkbox"/> Non-Collusion Affidavit | <input type="checkbox"/> Drug-free Workplace Certification |
| <input type="checkbox"/> Site Visit Certification | <input type="checkbox"/> Plans and Specifications |
| <input type="checkbox"/> Faithful Performance Bond | <input type="checkbox"/> Addenda |
| <input type="checkbox"/> Labor and Materials Payment Bond | <input type="checkbox"/> Drawings |
| <input type="checkbox"/> General and Supplemental Conditions | <input type="checkbox"/> Change Orders |
| <input type="checkbox"/> Special Conditions | <input type="checkbox"/> Shop Drawing Transmittals |
| <input type="checkbox"/> Project Construction Schedule | <input type="checkbox"/> Contractor's Certificate Regarding |
| <input type="checkbox"/> Proposed Subcontractors | <input type="checkbox"/> Non-Asbestos Containing Materials |
| <input type="checkbox"/> Bid Bond | |

All of the above named CONTRACT DOCUMENTS are intended to be complementary. Work required by one of the above named CONTRACT DOCUMENTS and not by others shall be done as if required by all.

XVII. ENTIRE CONTRACT

This Agreement constitutes the entire contract of the parties. No other agreements or contracts, whether oral or written, pertaining to the work to be performed, exists between the parties. This Agreement can be modified only by an amendment in writing, signed by both parties.

Special Federal Requirements

Special Federal Requirements

1. Contractor and Owner do hereby acknowledge that this project will be partially or fully funded with Community Development Block Grant (CDBG) funds [24 CFR 570] and is therefore subject to applicable Federal procurement, labor, environmental, equal opportunity, and other regulations.
2. Contractor shall maintain and keep books and records on a current basis, recording all transactions pertaining to this agreement in a form in accordance with generally acceptable accounting principles. Said books and records shall be made available to the County, the State of California, the Federal government, and to any authorized representative thereof for the purposes of audit at all reasonable times and places. All such books and records shall be retained for such periods of time as required by law, provided, however, notwithstanding any shorter periods of retention, all books, records, and supporting detail shall be retained for a period of at least four (4) years after the expiration of the term of this Agreement.

3. Contractor shall comply with the Davis-Bacon Fair Labor Standards Act (40 USC a-276, a-5) and the implementation regulations thereof. Contractor shall comply with the U.S. Department of Housing and Urban Development's Federal Labor Standards Provisions (HUD 4010).

Contractor acknowledges that work under this contract is subject to the payment of prevailing wages pursuant to Section 1770 and 1773 et seq. of the Labor Code of the State of California, the Director of Industrial Relations (State Prevailing Wages), and the U.S. Department of Housing and Urban Development's Federal Labor Standards Provisions (Davis-Bacon Act Prevailing Wages). The Contractor to whom the contract is awarded, and all subcontractors under him, shall pay the higher of the Federal or State prevailing wage rate for any given classification employed in the performance of this contract.

Contractor acknowledges that the applicable Wage Determination for this project is:

General Decision Number: CA20190025

Modification Number: 4

Date: 07/26/2019

4. **Section 3 Compliance:** The Contractor hereby acknowledges that this federally-funded project is subject to Section 3 of the *Housing and Urban Development Act of 1968* [12 U.S.C. 1701u and 24 CFR Part 135] and agrees to the following:
- A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
 - B. The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
 - C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
 - D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The

PUBLIC WORKS AGREEMENT

contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.

- E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.
- F. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
- G. With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

[Signatures on following page.]

SIGNATURE PAGE TO

CITY OF BEAUMONT

PUBLIC WORKS AGREEMENT

(TSR Construction and Inspection)

CITY:

CONTRACTOR:

CITY OF BEAUMONT

By: _____
Julio Martinez Mayor

By: _____

Print Name: TSR Construction & Inspection

Title: _____

ATTEST:

By: _____
Steven Mehlman City Clerk

APPROVED AS TO FORM:

By: _____
John O. Pinkney, City Attorney

CITY OF BEAUMONT
PUBLIC WORKS AGREEMENT
(NAME OF CONTRACTOR)

EXHIBIT “A”

CITY’S INVITATION FOR BIDS

DATED: August 19, 2019

(Insert behind this page.)

**CITY OF BEAUMONT
NOTICE INVITING BIDS**

The City of Beaumont, Public Works Department (“City”) will receive sealed bids for the **Rangel Park Improvements Project (2018-005A) CDBG 5.BEA.36-18** at CITY HALL (located at 550 E. 6th Street, Beaumont, California, 92223), no later than **3:00 P.M., Tuesday September 17, 2019**, at which time or thereafter said bids will be opened and read aloud. Bids received after this time will be returned unopened. Bids shall be valid for 60 calendar days after the bid opening date.

Bids must be submitted on the City’s Bid Forms. Bids must be prepared on the approved Bid forms and in the manner prescribed in the Instructions to Bidders. Bids must be submitted in a sealed envelope which is plainly marked on the outside with the following: **“ATTN.: SEALED BID FOR RANGEL PARK IMPROVEMENTS PROJECT (2018-005A) CDBG 5.BEA.36-18.**

WORK: The work to be done consists of furnishing all materials, equipment, tools, labor, and incidentals as required by the Plans, Specifications, and Contract Documents for the project mentioned above. The work consists of, but not limited to, clearing, grubbing, disconnection and installation of sewer, water, electric lines from existing restroom (to be demolished by others) providing and installation of precast Restroom (CXT Cortez Sectional Proposal Number Beaumont Cortez 8.2019 DWG CR-03 or approved equal) as specified on the attached Plan No. CS-2019-0015 and specifications. Contractor is to obtain plans from manufacturer and submit to City of Beaumont Building and Safety Department for plan checking, building permit and inspections.

For further information, please see the form titled “Notice of Requirement for Affirmative Action to Ensure Equal Employment Opportunity (Executive Order 11246)” within the Bid Documents. The City of Beaumont hereby affirmatively ensures that minority business enterprises will be afforded full opportunity to submit Bids in response to this Notice, and that minorities nor minority business enterprises will not be discriminated against on the basis of race, color, national origin, ancestry, sex, or religion in any consideration leading to the award of contract.

Bidders may obtain a copy of the Contract Documents beginning Monday, August 19, 2019. The documents can be downloaded from City’s Public Purchase Website (<http://www.publicpurchase.com/gems/buyer/home/home>) and reviewed.

A non-mandatory pre-bid job walk will be held at City Hall Conference Room #4 550 E. 6th Street Beaumont, CA 92223 at 9:00 A.M. on Monday September 2, 2019.

Bids must be accompanied by cash, a certified or cashier’s check, or a Bid Bond in favor of the City in an amount not less than ten percent (10%) of the submitted Total Bid Price.

Once the contract is awarded there will be a **Pre-Construction Conference** at a determined date for the awarded bidder.

Each bid shall be accompanied by the security referred to in the Contract Documents, the non-collusion affidavit, the list of proposed subcontractors, and all additional documentation required by the Instructions to Bidders.

NOTICE INVITING BIDS

The successful bidder will be required to furnish the City with a Performance Bond equal to 100% of the successful bid, and a Payment (Labor and Materials) Bond equal to 100% of the successful bid, prior to execution of the Contract. All bonds are to be secured from a surety that meets all of the State of California bonding requirements, as defined in Code of Civil Procedure Section 995.120, and is admitted by the State of California.

Pursuant to Public Contract Code Section 22300, the successful bidder may substitute certain securities for funds withheld by City to ensure his performance under the Contract.

Each bidder shall be a licensed contractor pursuant to the Business and Professions Code and shall be licensed in the following appropriate classification(s) of contractor's license(s), for the work bid upon, and must maintain the license(s) throughout the duration of the Contract. Bidders shall possess the following California Contractor's license in order to perform the Work of this Project: **Class "A" or "B"** or a letter from **Contractor's Licensing Board** outlining the combination of various licenses necessary to perform all the work at the time the bid is submitted to the City.

Pursuant to Public Contract Code Section 3400(b), if the City has made any findings designating certain materials, products, things, or services by specific brand or trade name, such findings and the materials, products, things, or services and their specific brand or trade names will be set forth in the Special Conditions.

FEDERAL FUNDING

This project is being financed with Community Development Block Grant funds from the U.S. Department of Housing and Urban Development (24 CFR Part 570) and subject to certain requirements including: compliance with *Section 3 (24 CFR Part 135)* Economic Opportunities requirements; payment of Federal Davis-Bacon prevailing wages; Federal Labor Standards Provisions (HUD 4010); Executive Order #11246; and others. Information pertaining to the Federal requirements is on file with the County of Riverside Economic Development Agency.

PREVAILING WAGES

Pursuant to Section 1773 of the Labor Code, the general prevailing wage rates, including the per diem wages applicable to the work, and for holiday and overtime work, including employer payments for health and welfare, pension, vacation, and similar purposes, in the County of Riverside in which the work is to be done, have been determined by the Director of the Department of Industrial Relations, State of California. These wages are set forth in the General Prevailing Wage Rates for this project, available from the California Department of Industrial Relations' Internet web site at www.dir.ca.gov. Future effective prevailing wage rates which have been predetermined, and are on file with the California Department of Industrial Relations, are referenced but not printed in the general prevailing wage rates.

The Federal minimum wage rate requirements, as predetermined by the Secretary of Labor, are set forth in the books issued for bidding purposes, referred to herein as Project Bid Documents (Special Federal Provisions), and in copies of this book which may be examined at the office described above where the project plans, special provisions, and proposal forms may be

NOTICE INVITING BIDS

seen. Addenda to modify the minimum wage rates, if necessary, will be issued to holders of the Project Bid Documents.

All information will be treated confidentially, and caller anonymity will be respected.

For further information contact the following persons;
Aftab Hussain, Assistant Director of Community Services

(951) 769-8520, or by FAX at (951) 769-8526

E-mail: ahussain@beaumontca.gov

**CITY OF BEAUMONT
PUBLIC WORKS AGREEMENT**

(TSR Construction and Inspection)

EXHIBIT "B"

CONTRACTOR'S BID
DATED _____

(Insert behind this page.)

BID FORM

NAME OF BIDDER: TSR CONSTRUCTION AND INSPECTION

The undersigned, hereby declare that we have carefully examined the location of the proposed Work, and have read and examined the Contract Documents, including all plans, specifications, and all addenda, if any, for the following Project:

**RANGEL PARK IMPROVEMENTS PROJECT (2018-005A) CDBG
5.BEA.36-18**

We hereby propose to furnish all labor, materials, equipment, tools, transportation, and services, and to discharge all duties and obligations necessary and required to perform and complete the Project for the following BASE BID TOTAL BID PRICE:

BASE BID	BASE BID PRICE (IN WRITTEN FORM)	BID PRICE (IN NUMBERS)
TOTAL BID PRICE	<i>two hundred thirty seven thousand, seven hundred dollars</i>	<i>\$237,700</i>

In case of discrepancy between the written price and the numerical price, the written price shall prevail.

**BASE BID
BID SCHEDULE**

RANGEL PARK IMPROVEMENTS PROJECT (2018-005A) CDBG 5.BEA.36-18

Time of Completion: Hundred-Twenty (120) Working Days

ITEM NO.	DESCRIPTION OF ITEMS	EST. QUANTITY/ UNIT		UNIT PRICE (FIGURES)	TOTAL COST (FIGURES)
1	Mobilization (May Not Exceed 5%)	1	LS	9,000	9,000
2	Clearing, Grubbing, General Earthwork, Grading, Removals and gravel pad for the precast restroom	1	LS	9,700	9,700
3	Site Improvement and Sewer, water and electric utilities connection from existing restroom (to be demo by others) (including utilities disconnect prior to demolition & any permits)	1	LS	32,000	32,000
4	Provide Prefab Restroom CXT Cortez Sectional Proposal Number 13-074P DWG CR-03 or approved equal including plan checking and permit	1	LS	170,000	170,000
5	Install Prefab Restroom CXT Cortez Sectional Proposal Number 13-074P DWG CR-03 (or approved equal)	1	LS	10,000	10,000
6	Install 4" Thick P.C.C Sidewalk	1000	SF	7	7,000
TOTAL BID PRICE		=			237,700

In case of discrepancy between the unit price and the item cost set forth for a unit basis item, the unit price shall prevail and shall be utilized as the basis for determining the lowest responsive, responsible bidder. However, if the amount set forth as a unit price is ambiguous, unintelligible or uncertain for any cause, or is omitted, or is the same amount as the entry in the "Item Cost" column, then the amount set forth in the "Item Cost" column for the item shall prevail and shall be divided by the estimated quantity for the item and the price thus obtained shall be the unit price.

Final payment shall be determined by the City Engineer from measured quantities of work performed based upon the unit price.

In case of discrepancy between the written price and the numerical price, the written price shall prevail.

The undersigned agrees that this Bid Form constitutes a firm offer to the City which cannot be withdrawn for the number of calendar days indicated in the Notice Inviting Bids from and after the bid opening, or until a Contract for the Work is fully executed by the City and a third party, whichever is earlier.

The Contract duration shall commence on the date stated in the City's Notice to Proceed, and shall be completed by the Contractor in the time specified in the Contract Documents. In no case shall the Contractor commence construction prior to the date stated in the City's Notice to Proceed.

Bidder certifies that it is licensed in accordance with the law providing for the registration of Contractors, License No. 881123, Expiration Date 1/31/2020, class of license A,B. If the bidder is a joint venture, each member of the joint venture must include the above information.

The undersigned acknowledges receipt, understanding and full consideration of the following addenda to the Contract Documents.

1. Addenda No. 1 thru 2
2. Attached is the required bid security in the amount of not less than 10% of the Total Bid Price.
3. Attached is the fully executed Non-Collusion Affidavit form.
4. Attached is the completed Designation of Subcontractors form.
5. Attached is the completed Bidder Information Form.
6. Attached is the completed Contractor's Certificate Regarding Workers' Compensation form.
7. Attached is the completed Iran Contracting Act Form
8. Attached is the completed DBE Commitment Form
9. Bidder acknowledges and understands that, pursuant to Public Contract Code Section 20676, sellers of "mined material" must be on an approved list of sellers published pursuant to Public Resources Code Section 2717(b) in order to supply mined material for this Contract.

I hereby certify under penalty of perjury under the laws of the State of California, that all of the information submitted in connection with this Bid and all of the representations made herein are true and correct.

Name of Bidder TSR CONSTRUCTION AND INSPECTION

Signature 

Name and Title GABRIEL ZAPIRTAN/ PRESIDENT

Dated 9/04/19

**CONTRACTOR'S CERTIFICATE REGARDING
WORKERS' COMPENSATION**

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this Contract.

Name of Bidder TSR CONSTRUCTION AND INSPECTION

Signature  _____

Name GABRIEL ZAPIRTAN

Title PRESIDENT

Dated 9/04/19

**CONTRACTOR'S CERTIFICATE REGARDING
WORKERS' COMPENSATION**

DESIGNATION OF SUBCONTRACTORS

In compliance with the Subletting and Subcontracting Fair Practices Act of the Public Contract Code of the State of California, each bidder shall set forth below: (a) the name and the location of the place of business and (b) the portion of the work which will be done by each subcontractor who will perform work or labor or render service to the Contractor in or about the construction of the work in excess of ½ of 1% of the total bid or \$10,000 whichever is greater.

Subcontractor	License Number	DIR Registration Number	Business Address	Construction Items (Item #)	Check if Partial Work
AVRAM ELECTRIC	906069	1000007824	10235 VOGUE LANE JURUPAVALLEY CA 91752	3	X

DESIGNATION OF SUBCONTRACTORS

Subcontractor	License Number	DIR Registration Number	Business Address	Construction Items (Item #)	Check if Partial Work

Percent of work to be performed by Subcontractors: 10 %

Note: A minimum of 50% of the work is required to be performed by the prime/general Contractor

Name of Bidder TSR CONSTRUCTION AND INSPECTION

Signature 

Name and Title GABRIEL ZAPIRTAN

Dated 9/04/19

DESIGNATION OF SUBCONTRACTORS

INFORMATION REQUIRED OF BIDDERS

A. INFORMATION ABOUT BIDDER

[**Indicate not applicable (“N/A”) where appropriate.**]

NOTE: Where Bidder is a joint venture, pages shall be duplicated and information provided for all parties to the joint venture.

1.0 Name of Bidder: TSR CONSTRUCTION AND INSPECTION

2.0 Type, if Entity: CORPORATION

3.0 Bidder Address: 8264 AVENIDA LEON

RANCHO CUCAMONGA, CA 91730

9099877519 9093312249

Facsimile Number

Telephone Number

4.0 License Information:

<u>881123</u>	<u>A,B</u>	<u>1/31/2019</u>
License No.	Class of License	Expiration Date

1000014389
DIR Registration No.

5.0 How many years has Bidder’s organization been in business as a Contractor?
14

6.0 How many years has Bidder’s organization been in business under its present name? 14

5.1 Under what other or former names has Bidder’s organization operated?: N/A

7.0 If Bidder’s organization is a corporation, answer the following:

6.1 Date of Incorporation: 2016

6.2 State of Incorporation: CALIFORNIA

6.3 President’s Name: GABRIEL ZAPIRTAN

6.4 Vice-President’s Name(s): GABRIEL ZAPIRTAN

INFORMATION REQUIRED OF BIDDERS

6.5 Secretary's Name: GABRIEL ZAPIRTAN

6.6 Treasurer's Name: GABRIEL ZAPIRTAN

8.0 If an individual or a partnership, answer the following:

7.1 Date of Organization: _____

7.2 Name and address of all partners (state whether general or limited partnership):

9.0 If other than a corporation or partnership, describe organization and name principals:

N/A

10.0 List other states in which Bidder's organization is legally qualified to do business.

N/A

11.0 What type of work does the Bidder normally perform with its own forces?

DEMO, GRADING, PCC, AC, UTILITIES, LANDSCAPE, IRRIGATION, ETC

12.0 Has Bidder ever failed to complete any work awarded to it? If so, note when, where, and why:

NO

13.0 Within the last five years, has any officer or partner of Bidder's organization ever been an officer or partner of another organization when it failed to complete a contract? If so, attach a separate sheet of explanation:

INFORMATION REQUIRED OF BIDDERS

14.0 List Trade References:

15.0 List Bank References (Bank and Branch Address):

WELLS FARGO

10540 FOOTHILL BLVD SUITE 110

RANCHO CUCAMONGA, CA 91730

16.0 Name of Bonding Company and Name and Address of Agent:

CONTRACTORS BROKERAGE SERVICE, INC

9940 BUSINESS PARK DR SUITE 150

SACRAMENTO, CA 95827

D. EXPERIENCE AND TECHNICAL QUALIFICATIONS QUESTIONNAIRE

Personnel:

The Bidder shall identify the key personnel to be assigned to this project in a management, construction supervision or engineering capacity.

1. List each person's job title, name and percent of time to be allocated to this project:

GABRIEL ZAPIRTAN

2. Summarize each person's specialized education:

UNIVERSITY

3. List each person's years of construction experience relevant to the project:

20

4. Summarize such experience:

VARIOUS CONSTRUCTION PROJECTS

Bidder agrees that personnel named in this Bid will remain on this Project until completion of all relevant Work, unless substituted by personnel of equivalent experience and qualifications approved in advance by the City.

Additional Bidder's Statements:

If the Bidder feels that there is additional information which has not been included in the questionnaire above, and which would contribute to the qualification review, it may add that information in a statement here or on an attached sheet, appropriately marked:

N/A

E. VERIFICATION AND EXECUTION

These Bid Forms shall be executed only by a duly authorized official of the Bidder:

I declare under penalty of perjury under the laws of the State of California that the foregoing information is true and correct:

Name of Bidder TSR CONSTRUCTION AND INSPECTION

Signature 

Name GABRIEL ZAPIRTAN

Title PRESIDENT

Dated 9/04/19

NON-COLLUSION AFFIDAVIT

I, GABRIEL ZAPIRTAN, being first duly sworn, deposes and says that he is PRESIDENT of TSR CONSTRUCTION AND INSP the party making the attached bid; that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Name of Bidder TSR CONSTRUCTION AND INSPECTION

Signature 

Name GABRIEL ZAPIRTAN

Title PRESIDENT

Dated 9/04/19

Bond # 72197665

BID BOND

The makers of this bond are, T S R Construction and Inspections, as Principal, and WESTERN SURETY COMPANY, as Surety and are held and firmly bound unto the City of Beaumont, hereinafter called the City, in the penal sum of TEN PERCENT (10%) OF THE TOTAL BID PRICE of the Principal submitted to CITY for the work described below, for the payment of which sum in lawful money of the United States, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that whereas the Principal has submitted the accompanying bid dated September 17, 20 19, for **RANGEL PARK IMPROVEMENTS PROJECT (2018-005A) CDBG 5.BEA.36-18**

If the Principal does not withdraw its bid within the time specified in the Contract Documents; and if the Principal is awarded the Contract and provides all documents to the City as required by the Contract Documents; then this obligation shall be null and void. Otherwise, this bond will remain in full force and effect.

Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract Documents shall in affect its obligation under this bond, and Surety does hereby waive notice of any such changes.

In the event a lawsuit is brought upon this bond by the City and judgment is recovered, the Surety shall pay all litigation expenses incurred by the City in such suit, including reasonable attorneys' fees, court costs, expert witness fees and expenses.

IN WITNESS WHEREOF, the above-bound parties have executed this instrument under their several seals this 17th day of September, 20 19, the name and corporate seal of each corporation.

(Corporate Seal)

T S R Construction and Inspections
Principal

By [Signature]
Title _____

WESTERN SURETY COMPANY

(Corporate Seal)

Surety [Signature]
By _____
Attorney-in-Fact

(Attach Attorney-in-Fact Certificate)

Title Anthony Charles Clark, Attorney In Fact

BID BOND

STATE OF CALIFORNIA)
)
CITY OF Sacramento)

ss.

On this 11th day of September, in the year 2019, before me,
Sarah Otto, a Notary Public in and for said state, personally appeared
Anthony Charles Clark, known to me to be the person whose name is subscribed
to the within instrument as the Attorney-In-Fact of the (Surety) acknowledged to me that he
subscribed the name of the WESTERN SURETY COMPANY (Surety) thereto and his own name
as Attorney-In-Fact.



S. Otto
Notary Public in and for said State

(SEAL)

Commission expires: 12/29/21

NOTE: A copy of the Power-of-Attorney to local representatives of the bonding company must
be attached hereto.

Western Surety Company

POWER OF ATTORNEY - CERTIFIED COPY

Bond No. 72197665

Know All Men By These Presents, that WESTERN SURETY COMPANY, a corporation duly organized and existing under the laws of the State of South Dakota, and having its principal office in Sioux Falls, South Dakota (the "Company"), does by these presents make, constitute and appoint Anthony Charles Clark

its true and lawful attorney(s)-in-fact, with full power and authority hereby conferred, to execute, acknowledge and deliver for and on its behalf as Surety, bonds for:

Principal: T S R Construction and Inspections

Obligee: City of Beaumont

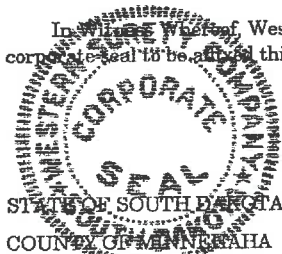
Amount: \$1,000,000.00

and to bind the Company thereby as fully and to the same extent as if such bonds were signed by the Vice President, sealed with the corporate seal of the Company and duly attested by its Secretary, hereby ratifying and confirming all that the said attorney(s)-in-fact may do within the above stated limitations. Said appointment is made under and by authority of the following bylaw of Western Surety Company which remains in full force and effect.

"Section 7. All bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, any Assistant Secretary, Treasurer, or any Vice President or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or agents who shall have authority to issue bonds, policies, or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile."

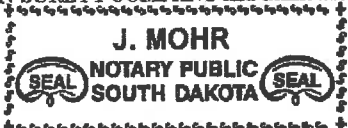
If Bond No. 72197665 is not issued on or before midnight of December 17, 2019, all authority conferred in this Power of Attorney shall expire and terminate.

In witness whereof Western Surety Company has caused these presents to be signed by its Vice President, Paul T. Bruflat, and its corporate seal to be affixed this 17th day of September, 2019



WESTERN SURETY COMPANY
Paul T. Bruflat
Paul T. Bruflat, Vice President

On this 17th day of September, in the year 2019, before me, a notary public, personally appeared Paul T. Bruflat, who being to me duly sworn, acknowledged that he signed the above Power of Attorney as the aforesaid officer of WESTERN SURETY COMPANY and acknowledged said instrument to be the voluntary act and deed of said corporation.



J. Mohr
Notary Public - South Dakota

My Commission Expires June 23, 2021

I the undersigned officer of Western Surety Company, a stock corporation of the State of South Dakota, do hereby certify that the attached Power of Attorney is in full force and effect and is irrevocable, and furthermore, that Section 7 of the bylaws of the Company as set forth in the Power of Attorney is now in force.

In testimony whereof, I have hereunto set my hand and seal of Western Surety Company this 17th day of September, 2019

WESTERN SURETY COMPANY
Paul T. Bruflat
Paul T. Bruflat, Vice President

To validate bond authenticity, go to www.cnasurety.com > Owner/Obligee Services > Validate Bond Coverage.

**CERTIFICATION OF BIDDER
REGARDING NONSEGREGATED FACILITIES**

Project Name: RANGEL PARK IMPROVEMENTS PROJECT

Name of Bidder: TSR CONSTRUCTION AND INSPECTION

The above named Bidder hereby certifies that:

I do not maintain or provide for my employees any segregated facilities at any of my establishments, and that I do not permit my employees to perform their services at any location, under my control, where segregated facilities are maintained. As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms, wash rooms, restaurants and other eating areas, time clocks, locker rooms or other dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, national origin, or because of habits, local customs, or otherwise.

I further agree to obtain identical certifications from all proposed subcontractors prior to the award of subcontracts exceeding \$10,000.

Signature:  _____

Name (Print): GABRIEL ZAPIRTAN

Title: PRESIDENT

Date: 9/16/19

BIDDER CERTIFICATION FOR SECTION 3 COMPLIANCE

(Housing and Community Development Act of 1968)

Project Title: RANGEL PARK IMPROVEMENTS PROJECT Amount of Bid: 237,700

The undersigned hereby certifies that he/she has read and understands Riverside County's Section 3 Affirmative Action Program as well as Section 3 of the *Housing and Community Development Act of 1968*, and further certifies adoption of, and adherence to, said program, and certifies understanding of the following for all construction contracts over \$100,000.

I. Employment Opportunities

I understand and agree that in the event that I am awarded this contract, and in the event that any new employment opportunities are created as a result of this CDBG-funded project, I will:

- a. Contact the U.S. Department of Housing and Urban Development (HUD) Section 3 website at www.hud.gov/section3 to review the list of certified Section 3 persons, within Riverside County, to be considered for available employment opportunities; and

GZ
Initial Here

- b. Forward to the Economic Development Agency all detailed job descriptions for new employment opportunities and Section 3 reports, in a form, at a place, and at a time as directed by the Economic Development Agency.

GZ
Initial Here

Complete your proposed workforce plan for this project below: GZ

Initial Here

JOB CATEGORY	CURRENT POSITIONS	NUMBER OF NEW HIRES IF AWARDED BID	NUMBER OF NEW HIRES PROPOSED TO BE SECTION 3 RESIDENTS	% OF NEW HIRES TO BE SECTION 3
PROFESSIONALS	1	0		
TECHNICIANS		0		
OFFICE/CLERICAL		0		
CONSTRUCTION BY TRADE	1	0		
TRADE		0		
TRADE				
TRADE				
TRADE				
TRADE				
TRADE				
APPRENTICE		0		
TRAINING		0		
OTHER		0		
TOTAL		0		

EXHIBIT B-6

Page 3 of 3

BIDDER CERTIFICATION FOR SECTION 3 COMPLIANCE

II. Subcontracting Opportunities

a. I understand and agree that for any and all subcontracting opportunities that may result from this CDBG-funded project, I will contact the U.S. Department of Housing and Urban Development (HUD) Section 3 website at www.hud.gov/section3 to review the list of certified Section 3 Businesses, within Riverside County, to be considered for available subcontracting opportunities prior to selecting any subcontractor for my bid submittal.

6.3
Initial Here

b. I understand and agree that any and all sub-contracts and sub-tier agreements resulting from this CDBG-funded project are also subject to Section 3 compliance, and therefore, as the General/Prime Contractor, I am responsible to ensure compliance from all subcontractors.

6.3
Initial Here


Complete your Subcontracting Plan for this project below:

TRADE	AMOUNT OF SUBCONTRACT(\$)	IS THE SUBCONTRACTOR SECTION 3 ELIGIBLE? YES OR NO	IF SUBCONTRACTOR IS SECTION 3, INDICATE ELIGIBLE STATUS.	
			51% OWNER	30% EMPLOYEE
ELECTRICAL	2500	NO	X	

* Add additional sheets if necessary

Bidder (Company) Name: TSR CONSTRUCTION AND INSPECTION

Authorized Representative (Type Name): GABRIEL ZAPIRTAN

Signature: 

Date: 9/16/19

SUBCONTRACTOR CERTIFICATION FOR SECTION 3 COMPLIANCE

MUST BE COMPLETED BY ALL SUBCONTRACTORS
(Housing and Community Development Act of 1968)

Project Title: RANGEL PARK IMPROVEMENTS PROJECT

Subcontractor: AVRAM ELECTRIC

Contractor/Bidder: TSR CONSTRUCTION AND INSPECTION

The undersigned hereby certifies that he/she has read and understands Riverside County's Section 3 Affirmative Action Program as well as Section 3 of the *Housing and Community Development Act of 1968*, and further certifies adoption of, and adherence to, said program, and certifies understanding of the following for all prime construction contracts over \$100,000:

- a. I understand and agree that in the event that I am awarded a subcontract, and in the event that any new employment opportunities are created as a result of this CDBG-funded project, I will contact the U.S. Department of Housing and Urban Development (HUD) Section 3 website at www.hud.gov/section3 to review the list of certified Section 3 persons, within Riverside County, to be considered for available employment opportunities;

G Z
Initial Here

- b. I will forward to the Economic Development Agency all detailed job descriptions and Section 3 reports, in a form, at a place, and at a time as directed by the Economic Development Agency.

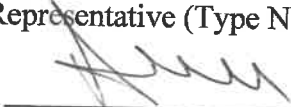
G Z
Initial Here

Complete your proposed workforce plan for this project below:

JOB CATEGORY	CURRENT POSITIONS	NUMBER OF NEW HIRES IF AWARDED BID	NUMBER OF NEW HIRES PROPOSED TO BE SECTION 3 RESIDENTS	% OF NEW HIRES TO BE SECTION 3
PROFESSIONALS	2	0	0	0
TECHNICIANS	0	0	0	0
OFFICE/CLERICAL				
CONSTRUCTION BY TRADE	0	0	0	
TRADE		0		
TRADE				
TRADE				
TRADE				
TRADE				
TRADE				
APPRENTICE		0		
TRAINING		0		
OTHER		0		
TOTAL		0		

Subcontractor (Company) Name: AVRAM ELECTRIC

Authorized Representative (Type Name): GEORGE AVRAM

Signature: 

Date: 9/16/19

EXHIBIT B-7
Required Bid Form

COUNTY OF RIVERSIDE
CDBG PROGRAM

**BIDDER CERTIFICATION ON
FEDERAL CONTRACT REQUIREMENTS**

PROJECT NAME: RANGEL PARK IMPROVEMENTS

CERTIFICATION:

I hereby certify that I have reviewed and understand the diversified Federal construction contract related requirements imposed on the Contractor(s) of HUD-funded construction projects, including but not limited to the following:

1. The subject project is being financed with Community Development Block Grant funds (*24 CFR Part 570*);
2. This project and all related construction contracts are subject to the U.S. Department of Housing and Urban Development's Federal Labor Standards Provisions (HUD 4010 – revised 06/2009); and
1. This project is subject to all applicable laws and regulations as listed in the General Summary of these Special Federal Provisions; and
2. If my bid is \$100,000 or more, this project and all related contracts will subject to Section 3 requirements (12 U.S.C.1701u).

CONTRACTOR'S NAME: TSR CONSTRUCTION AND INSPECTION

CONTRACTOR'S LICENSE NO.: 881123

ADDRESS: 8264 AVENIDA LEON RANCHO CUCAMONGA, CA 91730

AUTHORIZED REPRESENTATIVE: GABRIEL ZAPIRTAN (Type Name)

SIGNATURE: 

DATE: 9/16/19

QUESTIONNAIRE REGARDING BIDDERS

Bidder has been engaged in the contracting business under the present name of _____

TSR CONSTRUCTION AND INSPECTION _____, since 07/2006 (Date).

Present business address is: 8264 AVENIDA LEON, RANCHO CUCAMONGA, CA 91730

Federal Tax ID: 562620017 **Amount of Bid \$** 237,700

California Contractor's License No.: _____ **Expiration Date:** _____

DUNS Number: 808096072 **or CAGE Code:** _____

Because this project is Federally-funded, it is necessary to obtain information concerning minority and other group participation for statistical purposes. The U.S. Department of Housing and Urban Development (HUD) uses this information to determine the degree to which its programs are being utilized by minority business enterprises and targeted group contractors.

A minority enterprise is defined by the Federal Government as a business that is fifty-one percent (51%) or more "minority-owned". Please check applicable box concerning the ownership of your business:

- American Indian or Native Alaskan
- Asian or Pacific Islander/Native Hawaiian
- Black/African American
- Hispanic
- White
- Hasidic Jews
- Other _____

A woman-owned enterprise is defined by the Federal Government as a business that is fifty-percent (50%) or more woman-owned. Please check applicable box concerning the ownership of your business:

- Woman/Female owned
- Male owned

A Section 3 Contractor or Subcontractor is a business concern that is more than fifty-one percent (51%) owned by a low or very low-income person, or a business concern that provides economic opportunities to low and very low-income residents. Please check applicable box concerning the ownership of your business:

- Section 3 Business concern
- Non-Section 3 Business concern

The United States Department of Housing and Urban Development (HUD) is authorized to solicit the information requested in this form by virtue of *Title 12, United States Code, Section 1701 et seq.*, and other regulations. It will not be disclosed or released outside of HUD without your consent, except as required or permitted by law.

LIST OF SUBCONTRACTORS

SUBCONTRACTOR	FED. I.D.#	AMOUNT	ADDRESS/PHONE NO.
AVRAM ELECTRIC		2,500	9519664774

SUPPLIERS

NAME OF SUPPLIER	ADDRESS/PHONE NO.	CONTRACT AMOUNT
HOLLIDAY ROCK	888 273 2200	N/A

This form is to be completed and submitted with the bid package.

CITY OF BEAUMONT
PUBLIC WORKS AGREEMENT
(NAME OF CONTRACTOR)

EXHIBIT “C”

PROJECT CONSTRUCTION SCHEDULE

(120 Calendar Day from date of Notice to
Proceed.)

CITY OF BEAUMONT
PUBLIC WORKS AGREEMENT
(NAME OF CONTRACTOR)

EXHIBIT “D”

ADDITIONAL FEDERAL REQUIREMENTS

(Insert behind this page.)

ADDITIONAL FEDERAL REQUIREMENTS

Whereas, the work under this Agreement is subject to applicable Federal, State, and local laws and regulations, including but not limited to the regulations pertaining to the Community Development Block Grant program (24 CFR Part 570) and 2 CFR Part 200 . Contractor, sub-contractors, Consultants, and sub-consultants agree to comply with, and are subject to, all applicable requirements as follows:

1. ***Equal Employment Opportunity*** - Compliance with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity", as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60). The Contractor/Consultant will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. Contractor/Consultant will ensure that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin. The Contractor/Consultant will take affirmative action to ensure that applicants are employed and the employees are treated during employment, without regard to their race color, religion, sex, or national origin. Such actions shall include, but are not limited to, the following: employment, up-grading, demotion, or transfer; recruitment or recruitment advertising; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor/Consultant agrees to post in a conspicuous place, available to employees and applicants for employment, notices to be provided by the County setting forth the provisions of this non-discriminating clause.

2. ***Copeland "Anti-Kickback" Act (18 U.S.C. 874 and 40 U.S.C. 276c:*** All contracts and subgrants in excess of \$2,000 for construction or repair awarded by recipients and subrecipients shall include a provision for compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. 874), as supplemented by Department of Labor regulations (29 CFR part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient shall be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he is otherwise entitled. The recipient shall report all suspected or reported violations to HUD.

3. ***Davis-Bacon Act, as amended (40 U.S.C. 276a to a-7:*** When required by Federal program legislation, all construction contracts awarded by the recipients and subrecipients of more than \$2000 shall include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 276a to a-7) and as supplemented by Department of Labor regulations (29 CFR part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction"). Under this Act, contractors shall be required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor. In addition, contractors shall be required to pay wages not less than once a week. The recipient shall place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation and the award of a contract shall be conditioned upon the acceptance of the wage determination. The recipient shall report all suspected or reported violations to HUD.

4. ***Contract Work Hours and Safety Standards Act (40 U.S.C. 327 through 333:*** Where applicable, all contracts awarded by recipients in excess of \$2000 for construction contracts and in excess of \$2500 for other contracts that involve the employment of mechanics or laborers shall include a provision for compliance with Sections 102 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327–333), as supplemented by Department of Labor regulations (29 CFR part 5). Under Section 102 of the Act, each contractor shall be required to compute the wages of every mechanic and laborer on the basis of a standard workweek of 40 hours. Work in excess of the standard workweek is permissible provided that the worker is compensated at a rate of not less than 1 1/2 times the basic rate of pay for all hours worked in excess of 40 hours in the workweek. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

5. ***Rights to Inventions Made Under a Contract or Agreement—*** Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 CFR part 401, "Rights to Inventions Made by Nonprofit

Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by HUD.

6. ***Rights to Data and Copyrights*** – Contractors and consultants agree to comply with all applicable provisions pertaining to the use of data and copyrights pursuant to 48 CFR Part 27.4, Federal Acquisition Regulations (FAR).

7. ***Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.)***, as amended—Contracts and subgrants of amounts in excess of \$100,000 shall contain a provision that requires the recipient to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251 et seq.). Violations shall be reported to HUD and the Regional Office of the Environmental Protection Agency (EPA).

8. ***Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)***— Contractors who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient.

9. ***Debarment and Suspension (E.O.s 12549 and 12689)***—No contract shall be made to parties listed on the General Services Administration's List of Parties Excluded from Federal Procurement or Nonprocurement Programs in accordance with E.O.s 12549 and 12689, “Debarment and Suspension,” as set forth at 24 CFR part 24. This list contains the names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible under statutory or regulatory authority other than E.O. 12549. Contractors with awards that exceed the small purchase threshold shall provide the required certification regarding its exclusion status and that of its principal employees.

10. ***Drug-Free Workplace Requirements***—The Drug-Free Workplace Act of 1988 (42 U.S.C. 701) requires grantees (including individuals) of federal agencies, as a prior condition of being awarded a grant, to certify that they will provide drug-free workplaces. Each potential recipient must certify that it will comply with drug-free workplace requirements in accordance with the Act and with HUD's rules at 24 CFR part 24, subpart F.

11. ***Access to Records and Records Retention***: The Consultant or Contractor, and any sub-consultants or sub-contractors, shall allow all duly authorized Federal, State, and/or County officials or authorized representatives access to the work area, as well as all books, documents, materials, papers, and records of the Consultant or Contractor, and any sub-consultants or sub-contractors, that are directly pertinent to a specific program for the purpose of making audits, examinations, excerpts, and transcriptions. The Consultant or Contractor, and any sub-consultants or sub-contractors, further agree to maintain and keep such books, documents, materials, papers, and records, on a current basis, recording all transactions pertaining to this agreement in a form in accordance with generally acceptable accounting principles. All such books and records shall be retained for such periods of time as required by law, provided, however, notwithstanding any shorter periods of retention, all books, records, and supporting detail shall be retained for a period of at least four (4) years after the expiration of the term of this Agreement.

12. ***Federal Employee Benefit Clause***: No member of or delegate to the congress of the United States, and no Resident Commissioner shall be admitted to any share or part of this agreement or to any benefit to arise from the same.

13. ***Energy Efficiency***: Mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94A 163, 89 Stat. 871).

PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, _____ (hereinafter referred to as “City”) has awarded to _____, (hereinafter referred to as the “Contractor”) _____ an agreement for _____ (hereinafter referred to as the “Project”).

WHEREAS, the work to be performed by the Contractor is more particularly set forth in the Contract Documents for the Project dated _____, (hereinafter referred to as “Contract Documents”), the terms and conditions of which are expressly incorporated herein by reference; and

WHEREAS, the Contractor is required by said Contract Documents to perform the terms thereof and to furnish a bond for the faithful performance of said Contract Documents.

NOW, THEREFORE, we, _____, the undersigned Contractor and _____ as Surety, a corporation organized and duly authorized to transact business under the laws of the State of California, are held and firmly bound unto the City in the sum of _____ DOLLARS, (\$_____), said sum being not less than one hundred percent (100%) of the total amount of the Contract, for which amount well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that, if the Contractor, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and agreements in the Contract Documents and any alteration thereof made as therein provided, on its part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their intent and meaning; and shall faithfully fulfill all obligations including the one-year guarantee of all materials and workmanship; and shall indemnify and save harmless the City, its officers and agents, as stipulated in said Contract Documents, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

As a part of the obligation secured hereby and in addition to the face amount specified therefore, there shall be included costs and reasonable expenses and fees including reasonable attorney’s fees, incurred by City in enforcing such obligation.

As a condition precedent to the satisfactory completion of the Contract Documents, unless otherwise provided for in the Contract Documents, the above obligation shall hold good for a period of one (1) year after the acceptance of the work by City, during which time if Contractor shall fail to make full, complete, and satisfactory repair and replacements and totally protect the City from loss or damage resulting from or caused by defective materials or faulty workmanship. The obligations of Surety hereunder shall continue so long as any obligation of Contractor remains. Nothing herein shall limit the City’s rights or the Contractor or Surety’s obligations under the

PERFORMANCE BOND

Contract, law or equity, including, but not limited to, California Code of Civil Procedure section 337.15.

Whenever Contractor shall be, and is declared by the City to be, in default under the Contract Documents, the Surety shall remedy the default pursuant to the Contract Documents, or shall promptly, at the City’s option:

- (1) Take over and complete the Project in accordance with all terms and conditions in the Contract Documents; or
- (2) Obtain a bid or bids for completing the Project in accordance with all terms and conditions in the Contract Documents and upon determination by Surety of the lowest responsive and responsible bidder, arrange for a Contract between such bidder, the Surety and the City, and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term “balance of the contract price” as used in this paragraph shall mean the total amount payable to Contractor by the City under the Contract and any modification thereto, less any amount previously paid by the City to the Contractor and any other set offs pursuant to the Contract Documents.
- (3) Permit the City to complete the Project in any manner consistent with California law and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term “balance of the contract price” as used in this paragraph shall mean the total amount payable to Contractor by the City under the Contract and any modification thereto, less any amount previously paid by the City to the Contractor and any other set offs pursuant to the Contract Documents.

Surety expressly agrees that the City may reject any contractor or subcontractor which may be proposed by Surety in fulfillment of its obligations in the event of default by the Contractor.

Surety shall not utilize Contractor in completing the Project nor shall Surety accept a bid from Contractor for completion of the Project if the CITY, when declaring the Contractor in default, notifies Surety of the City’s objection to Contractor’s further participation in the completion of the Project.

The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project to be performed thereunder shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project.

[Remainder of Page Left Intentionally Blank.]

PERFORMANCE BOND

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, 2017.

CONTRACTOR/PRINCIPAL

Name

By _____

SURETY:

By: _____

Attorney-In-Fact

The rate of premium on this bond is _____ per thousand. The total amount of premium charges, \$ _____.
(The above must be filled in by corporate attorney.)

THIS IS A REQUIRED FORM

Any claims under this bond may be addressed to:

(Name and Address of Surety)

(Name and Address of Agent or Representative for service of process in California, if different from above)

(Telephone number of Surety and Agent or Representative for service of process in California)

STATE OF CALIFORNIA)
) ss.
CITY OF _____)

On this _____ day of _____, in the year 2011, before me, _____, a Notary Public in and for said state, personally appeared _____, known to me to be the person whose name is subscribed to the within instrument as the Attorney-In-Fact of the (Surety) acknowledged to me that he subscribed the name of the _____ (Surety) thereto and his own name as Attorney-In-Fact.

Notary Public in and for said State

(SEAL)

Commission expires: _____

NOTE: A copy of the Power-of-Attorney to local representatives of the bonding company must be attached hereto.

PAYMENT BOND (LABOR AND MATERIALS)

KNOW ALL MEN BY THESE PRESENTS That

WHEREAS, the City of Beaumont (hereinafter designated as the "City"), by action taken or a resolution passed _____, 20____ has awarded to _____ hereinafter designated as the "Principal," a contract for the work described as follows:

(the "Project"); and

WHEREAS, said Principal is required to furnish a bond in connection with said contract; providing that if said Principal or any of its Subcontractors shall fail to pay for any materials, provisions, provender, equipment, or other supplies used in, upon, for or about the performance of the work contracted to be done, or for any work or labor done thereon of any kind, or for amounts due under the Unemployment Insurance Code or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of said Principal and its Subcontractors with respect to such work or labor the Surety on this bond will pay for the same to the extent hereinafter set forth.

NOW THEREFORE, we, the Principal and _____ as Surety, are held and firmly bound unto the City in the penal sum of _____ Dollars (\$_____) lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if said Principal, his or its subcontractors, heirs, executors, administrators, successors or assigns, shall fail to pay any of the persons named in Section 3181 of the Civil Code, fail to pay for any materials, provisions or other supplies, used in, upon, for or about the performance of the work contracted to be done, or for any work or labor thereon of any kind, or amounts due under the Unemployment Insurance Code with respect to work or labor performed under the contract, or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department or Franchise Tax Board from the wages of employees of the contractor and his subcontractors pursuant to Section 18663 of the Revenue and Taxation Code, with respect to such work and labor the Surety or Sureties will pay for the same, in an amount not exceeding the sum herein above specified, and also, in case suit is brought upon this bond, all litigation expenses incurred by the City in such suit, including reasonable attorneys' fees, court costs, expert witness fees and investigation expenses.

This bond shall inure to the benefit of any of the persons named in Section 3181 of the Civil Code so as to give a right of action to such persons or their assigns in any suit brought upon this bond.

It is further stipulated and agreed that the Surety on this bond shall not be exonerated or released from the obligation of this bond by any change, extension of time for performance, addition, alteration or modification in, to, or of any contract, plans, specifications, or agreement pertaining or relating to any scheme or work of improvement herein above described, or pertaining or relating to the furnishing of labor, materials, or equipment therefore, nor by any change or modification of

PAYMENT (LABOR AND MATERIALS) BOND

any terms of payment or extension of the time for any payment pertaining or relating to any scheme or work of improvement herein above described, nor by any rescission or attempted rescission or attempted rescission of the contract, agreement or bond, nor by any conditions precedent or subsequent in the bond attempting to limit the right of recovery of claimants otherwise entitled to recover under any such contract or agreement or under the bond, nor by any fraud practiced by any person other than the claimant seeking to recover on the bond and that this bond be construed most strongly against the Surety and in favor of all persons for whose benefit such bond is given, and under no circumstances shall Surety be released from liability to those for whose benefit such bond has been given, by reason of any breach of contract between the owner or City and original contractor or on the part of any obligee named in such bond, but the sole conditions of recovery shall be that claimant is a person described in Section 3110 or 3112 of the Civil Code, and has not been paid the full amount of his claim and that Surety does hereby waive notice of any such change, extension of time, addition, alteration or modification herein mentioned.

IN WITNESS WHEREOF, two (2) identical counterparts of this instrument, each of which shall for all purposes be deemed unoriginal thereof, have been duly executed by the Principal and Surety above named, on the ____ day of _____ 20____ the name and corporate seal of each corporate party being hereto affixed and these presents duly signed b its undersigned representative pursuant to authority of its governing body.

(Corporate Seal of Principal,
if corporation)

Principal (Property Name of Contractor)

By _____
(Signature of Contractor)

(Seal of Surety)

Surety

By _____
Attorney in Fact

(Attached Attorney-In-Fact
Certificate and Required
Acknowledgements)

*Note: Appropriate Notarial Acknowledgments of Execution by Contractor and +surety and a power of Attorney MUST BE ATTACHED.



Staff Report

TO: Mayor and City Council Members
 FROM: Sean Thuilliez, Police Chief
 DATE: October 15, 2019
 SUBJECT: Approval of a Five-Year Purchase Contract with Axon Enterprise, Inc. for Taser 7 Systems in an Amount Not to Exceed \$78,549.76

Background and Analysis:

The Police Department requests that City Council approve the purchase of twenty Taser 7 systems to include cartridges, batteries, holsters, support and warranty from Axon Enterprises, Inc., (Axon). Purchasing the Taser 7 systems from Axon not only provides officers with the most technologically advanced, less-than-lethal electronic control device (ECD), but also increases public safety by providing a method that is less lethal to a suspect and less likely to cause injury and damage to others. Outfitting front-line officers with high-tech, less-than-lethal force options is congruent with the department’s organizational strategy and the legislative intent of California Assembly Bill 392.

Fiscal Impact:

There is no anticipated direct fiscal impact to the general fund. Funding for the ECD purchase would come from the Supplemental Law Enforcement Services Account (SLESA) Grant funds pursuant to Government Code 30061 to 30063.

The fiscal impact to the SLESA Grant fund budget (Account 220-0000-8040) for the five-year contract is \$78,549.76. Payments will be made to Axon in five annual installments as follows:

Year 1	\$16,485.76
Year 2	\$15,516.00
Year 3	\$15,516.00
Year 4	\$15,516.00
Year 5	\$15,516.00
 Total payments	 \$78,549.76

Recommendation:

1. Approve a five-year purchase contract with Axon Enterprises, Inc., in an amount not to exceed \$78,549.76 and as provided in quote Q-212204-43591.913TC.

A handwritten signature in blue ink, appearing to be 'TP', is positioned above the City Manager Review text.

City Manager Review: Todd Parton
City Manager

Attachments:

[Attachment A - Quote](#)



Axon Enterprise, Inc.
 17800 N 85th St.
 Scottsdale, Arizona 85255
 United States
 Phone: (800) 978-2737

Q-212204-43591.913TC

Issued: 05/06/2019

Quote Expiration: 07/31/2019

Account Number: 151907

Payment Terms: Net 30
 Delivery Method: Fedex - Ground

SHIP TO

Greg Fagan
 Beaumont Police Dept. - CA
 660 Orange Avenue
 Beaumont, CA 92223
 US

BILL TO

Beaumont Police Dept. - CA
 660 Orange Avenue
 Beaumont, CA 92223
 US

SALES REPRESENTATIVE

Travis Cole
 Phone: 480-463-2200
 Email: tcole@taser.com
 Fax: 480-478-1636

PRIMARY CONTACT

Greg Fagan
 Phone: (951) 769-8500
 Email: gfagan@beaumontpd.org

Year 1

Item	Description	Quantity	List Unit Price	Net Unit Price	Total (USD)
Axon Plans & Packages					
20140	TASER 7 DUTY CARTRIDGE REPLENISHMENT PROGRAM	20	0.00	0.00	0.00
20141	TASER 7 EVIDENCE.COM LICENSE	20	0.00	0.00	0.00
20141	TASER 7 EVIDENCE.COM LICENSE	1	0.00	0.00	0.00
Hardware					
20008	TASER 7 HANDLE, HIGH VISIBILITY, CLASS 3R	20	0.00	0.00	0.00
20040	TASER 7 HANDLE WARRANTY, 4-YEAR	20	0.00	0.00	0.00
20042	TASER 7 DOCK & CORE WARRANTY, 4-YEAR	1	0.00	0.00	0.00
20012	TASER 7 LIVE CARTRIDGE, STANDOFF (3.5-DEGREE)	40	0.00	0.00	0.00
20013	TASER 7 LIVE CARTRIDGE, CLOSE QUARTERS (12-DEGREE)	40	0.00	0.00	0.00
20012	TASER 7 LIVE CARTRIDGE, STANDOFF (3.5-DEGREE)	40	0.00	0.00	0.00
20013	TASER 7 LIVE CARTRIDGE, CLOSE QUARTERS (12-DEGREE)	40	0.00	0.00	0.00
20014	TASER 7 HOOK-AND-LOOP TRAINING (HALT) CARTRIDGE, STANDOFF (3	40	0.00	0.00	0.00
20015	TASER 7 HOOK-AND-LOOP TRAINING (HALT) CARTRIDGE, CLOSE QUART	40	0.00	0.00	0.00
20018	TASER 7 BATTERY PACK, TACTICAL	24	0.00	0.00	0.00
20041	TASER 7 BATTERY PACK WARRANTY, 4-YEAR	24	0.00	0.00	0.00
20160	TASER 7 HOLSTER - SAFARILAND, RH+CART CARRIER	20	0.00	0.00	0.00

Year 1 (Continued)

Item	Description	Quantity	List Unit Price	Net Unit Price	Total (USD)
Hardware (Continued)					
74200	DOCK AND CORE, TASER 7	1	0.00	0.00	0.00
20016	TASER 7 INERT CARTRIDGE, STANDOFF (3.5-DEGREE)	6	0.00	0.00	0.00
20017	TASER 7 INERT CARTRIDGE, CLOSE QUARTERS (12-DEGREE)	6	0.00	0.00	0.00
70033	WALL MOUNT BRACKET, ASSY, EVIDENCE.COM DOCK	1	0.00	0.00	0.00
20050	HOOK-AND-LOOP TRAINING (HALT) SUIT	1	750.00	750.00	750.00
Other					
20144	TASER 7 CERTIFICATION PLAN	20	0.00	0.00	0.00
20147	AXON DEVELOPED OCULUS TRAINING CONTENT ACCESS	1	0.00	0.00	0.00
20135	OCULUS GO STANDALONE VIRTUAL REALITY HEADSET	1	0.00	0.00	0.00
20146	TASER 7 ONLINE TRAINING CONTENT ACCESS	20	0.00	0.00	0.00
20088	TASER 7 CERTIFICATION PLAN YEAR 1 PAYMENT	20	720.00	720.00	14,400.00
80087	TASER 7 TARGET, CONDUCTIVE, PROFESSIONAL (RUGGEDIZED)	1	150.00	150.00	150.00
				Subtotal	15,300.00
				Estimated Shipping	0.00
				Estimated Tax	1,185.76
				Total	16,485.76

Year 2

Item	Description	Quantity	List Unit Price	Net Unit Price	Total (USD)
Hardware					
20012	TASER 7 LIVE CARTRIDGE, STANDOFF (3.5-DEGREE)	40	0.00	0.00	0.00
20013	TASER 7 LIVE CARTRIDGE, CLOSE QUARTERS (12-DEGREE)	40	0.00	0.00	0.00
20014	TASER 7 HOOK-AND-LOOP TRAINING (HALT) CARTRIDGE, STANDOFF (3	40	0.00	0.00	0.00
20015	TASER 7 HOOK-AND-LOOP TRAINING (HALT) CARTRIDGE, CLOSE QUART	40	0.00	0.00	0.00

Year 2 (Continued)

Item	Description	Quantity	List Unit Price	Net Unit Price	Total (USD)
Other					
20089	TASER 7 CERTIFICATION PLAN YEAR 2 PAYMENT	20	720.00	720.00	14,400.00
				Subtotal	14,400.00
				Estimated Tax	1,116.00
				Total	15,516.00

Year 3

Item	Description	Quantity	List Unit Price	Net Unit Price	Total (USD)
Hardware					
20012	TASER 7 LIVE CARTRIDGE, STANDOFF (3.5-DEGREE)	40	0.00	0.00	0.00
20013	TASER 7 LIVE CARTRIDGE, CLOSE QUARTERS (12-DEGREE)	40	0.00	0.00	0.00
20014	TASER 7 HOOK-AND-LOOP TRAINING (HALT) CARTRIDGE, STANDOFF (3	40	0.00	0.00	0.00
20015	TASER 7 HOOK-AND-LOOP TRAINING (HALT) CARTRIDGE, CLOSE QUART	40	0.00	0.00	0.00
Other					
20090	TASER 7 CERTIFICATION PLAN YEAR 3 PAYMENT	20	720.00	720.00	14,400.00
				Subtotal	14,400.00
				Estimated Tax	1,116.00
				Total	15,516.00

Year 4

Item	Description	Quantity	List Unit Price	Net Unit Price	Total (USD)
Hardware					
20012	TASER 7 LIVE CARTRIDGE, STANDOFF (3.5-DEGREE)	40	0.00	0.00	0.00
20013	TASER 7 LIVE CARTRIDGE, CLOSE QUARTERS (12-DEGREE)	40	0.00	0.00	0.00
20014	TASER 7 HOOK-AND-LOOP TRAINING (HALT) CARTRIDGE, STANDOFF (3	40	0.00	0.00	0.00
20015	TASER 7 HOOK-AND-LOOP TRAINING (HALT) CARTRIDGE, CLOSE QUART	40	0.00	0.00	0.00

Year 4 (Continued)

Item	Description	Quantity	List Unit Price	Net Unit Price	Total (USD)
Other					
20091	TASER 7 CERTIFICATION PLAN YEAR 4 PAYMENT	20	720.00	720.00	14,400.00
				Subtotal	14,400.00
				Estimated Tax	1,116.00
				Total	15,516.00

Year 5

Item	Description	Quantity	List Unit Price	Net Unit Price	Total (USD)
Hardware					
20012	TASER 7 LIVE CARTRIDGE, STANDOFF (3.5-DEGREE)	40	0.00	0.00	0.00
20013	TASER 7 LIVE CARTRIDGE, CLOSE QUARTERS (12-DEGREE)	40	0.00	0.00	0.00
20014	TASER 7 HOOK-AND-LOOP TRAINING (HALT) CARTRIDGE, STANDOFF (3	40	0.00	0.00	0.00
20015	TASER 7 HOOK-AND-LOOP TRAINING (HALT) CARTRIDGE, CLOSE QUART	40	0.00	0.00	0.00
Other					
20092	TASER 7 CERTIFICATION PLAN YEAR 5 PAYMENT	20	720.00	720.00	14,400.00
				Subtotal	14,400.00
				Estimated Tax	1,116.00
				Total	15,516.00

Grand Total	78,549.76
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Summary of Payments

Payment	Amount (USD)
Year 1	16,485.76
Year 2	15,516.00
Year 3	15,516.00
Year 4	15,516.00
Year 5	15,516.00
Grand Total	78,549.76

Axon's Sales Terms and Conditions

This Quote is limited to and conditional upon your acceptance of the provisions set forth herein and Axon's Master Services and Purchasing Agreement (posted at www.axon.com/legal/sales-terms-and-conditions), as well as the attached Statement of Work (SOW) for Axon Fleet and/or Axon Interview Room purchase, if applicable. Any purchase order issued in response to this Quote is subject solely to the above referenced terms and conditions. By signing below, you represent that you are lawfully able to enter into contracts. If you are signing on behalf of an entity (including but not limited to the company, municipality, or government agency for whom you work), you represent to Axon that you have legal authority to bind that entity. If you do not have this authority, please do not sign this Quote.

Signature: _____ Date: _____

Name (Print): _____ Title: _____

PO# (Or write N/A): _____

Please sign and email to Travis Cole at tcole@taser.com or fax to 480-478-1636

Thank you for being a valued Axon customer. For your convenience on your next order, please check out our online store buy.axon.com

Quote: Q-212204-43591.913TC

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PUT THE POWER TO DE-ESCALATE INTO YOUR OFFICERS' HANDS WITH FLEXIBLE SUBSCRIPTION OPTIONS THAT FIT YOUR AGENCY'S NEEDS.

All agreements are 60 months.

TASER 7 CERTIFICATION PLAN (\$60 PER OFFICER PER MONTH)¹

This plan has all of the features of the previous two plans, but also includes unlimited instructor training, end-user training, and access to ongoing online and VR training content. It also includes 8 training cartridges per handle, per year for training and unlimited cartridges for field use, an Oculus Go, and, for agencies with 50+, a HALT training suit and a training target.

TASER 7 CERTIFICATION ADD ON (\$20 PER OFFICER PER MONTH)¹

For agencies that have previously purchased TASER 7, this allows you to get all of the training deliverables and cartridges that are included in the \$60 Certification plan.

TASER 7 BASIC PLAN - SUBSCRIPTION (\$40 PER OFFICER PER MONTH)

This plan has the same deliverables as the plan above, except it rolls the agency's handles and holsters into the monthly cost. Agencies still purchase training, cartridges and any other equipment a la carte.

TASER 7 BASIC PLAN - UPFRONT PLUS SUBSCRIPTION (\$9.75 PER OFFICER PER MONTH)

With this plan, agencies buy their handle and holster upfront (\$1720), and the \$9.75 goes toward their dock, rechargeable battery, Axon Evidence (evidence.com) license and hardware warranties. Training, cartridges and any other equipment are purchased a la carte.

Feature	Basic - Upfront	Basic - Subscription	Certification	Certification Add On
Handle	✓	✓	✓	
Holster	✓	✓	✓	
Dock	✓	✓	✓	
Rechargeable Battery	✓	✓	✓	
Evidence.com License	✓	✓	✓	
Hardware Warranty	✓	✓	✓	
Cartridges			✓	✓
End User Training			✓	✓
Unlimited Instructor Training ²			✓	✓
Access to online Training Content			✓	✓
Access to VR Content			✓	✓
HALT Training Suit ³			✓	✓
Oculus Go			✓	✓
Training Target ³			✓	✓

¹ Full deployment for patrol for program eligibility. For more information, please contact your representative.

² Instructor voucher offered at a 1% ratio to agencies with 50 or more licenses. One Master Instructor voucher offered at 50 or more licenses with additional voucher per 1,000 cumulative licenses.

³ Only for agencies with 50+ officers.

Oculus Go is a registered trademark of Oculus VR, LLC.



Staff Report

TO: Mayor and City Council Members

FROM: Carole Kendrick, Senior Planner

DATE: October 15, 2019

SUBJECT: An Interim Urgency Ordinance for a Temporary Moratorium Prohibiting Public Storage Facilities, Moving and Storage Establishments, Automobile Parking Facilities (Including Recreational Vehicles), Truck Stops and Terminals, and Building Storage Yards

Background and Analysis:

Recently, the Planning Department has received an increase number of inquiries from developers regarding sites zoned to allow or conditionally allow public storage facilities, moving and storage establishments, automobile parking facilities, recreational vehicle parking, truck stops and terminals and building storage yards.

The City of Beaumont is in the process of updating the General Plan and subsequently consistency zoning efforts. Staff raised concerns with the City Council at the October 1, 2019, City Council meeting, regarding uses that do not meet the intent of the current goals and polices of the current General Plan and may conflict with potential land use changes as part of the ongoing update.

In addition, staff identified that public storage facilities, moving and storage establishments, automobile parking facilities, recreational vehicle parking, truck stops and terminals and building storage yards are not consistent with the recently adopted (July 2, 2019) Economic Development Strategic Plan.

Pursuant to City staff's recommendation, City Council directed that an interim emergency ordinance be prepared to declare a 45-day moratorium to restrict the processing of entitlements or building permits to construct any and all public storage facilities, moving and storage establishments, automobile parking facilities, recreational vehicle parking, truck stops and terminals and building storage yards.

The staff report from the October 1, 2019, City Council meeting, is attached for reference as Attachment B and the Economic Development Strategic Plan goals are attached as Attachment C.

Staff is recommending City Council approve the interim urgency ordinance for a moratorium on public storage facilities, moving and storage establishments, automobile parking facilities, recreational vehicle parking, truck stops and terminals and building storage yards. This ordinance will put a hold on the issuance of any entitlements or permits for new applications which do not have a complete application after the effective date of the ordinance.

Fiscal Impact:

Staff estimates that the research and preparation of the staff report regarding the proposed interim urgency ordinance is approximately \$500.00.

Recommendation:

Waive the full reading and adopt by title only, "An Interim Urgency Ordinance of The City of Beaumont, Enacting A Temporary Moratorium Prohibiting Public Storage Facilities, Moving and Storage Establishments, Automobile Parking Facilities (Including Recreational Vehicles), Automobile Parking Facilities, Truck Stops and Terminals and Building Storage Yards, Pursuant to Government Code Section 65858."



City Manager Review: Todd Parton
City Manager

Attachments:

[Attachment A - Interim Urgency Ordinance](#)

[Attachment B - October 1, 2019 City Council Staff Report](#)

[Attachment C - Economic Development Strategic Plan Goals](#)

ORDINANCE NO. _____

**AN INTERIM URGENCY ORDINANCE OF THE CITY OF
BEAUMONT, ENACTING A TEMPORARY
MORATORIUM PROHIBITING PUBLIC STORAGE
FACILITIES, MOVING AND STORAGE
ESTABLISHMENTS, AUTOMOBILE PARKING
FACILITIES (INCLUDING RECREATIONAL VEHICLES),
TRUCK STOPS AND TERMINALS AND BUILDING
STORAGE YARDS, PURSUANT TO GOVERNMENT CODE
SECTION 65858.**

**THE CITY COUNCIL OF THE CITY OF BEAUMONT DOES ORDAIN
AS FOLLOWS:**

The City Council finds and declares as follows:

A. Government Code Section 65858(a) allows a city to adopt effective immediately, as an urgency measure, an interim ordinance for the immediate preservation of the public health or safety without following the procedures otherwise required prior to the adoption of a zoning ordinance.

B. Such an urgency measure requires a four-fifths vote (4 votes) of the City Council for adoption and it shall be of not further force and effect forty-five (45) days from its date of adoption unless otherwise extended pursuant to Government Code Section 65858(a).

C. As used in this ordinance:

i. "Public Storage Facilities" and "Moving and Storage Establishments" means any real property designed and used for the purpose of renting or leasing individual storage space to occupants who are to have access to such facility for the purpose of storing and removing personal property, including recreational vehicles. A public storage facility is not a public warehouse.

ii. "Automobile Parking Facilities" means any real property designed for and used for the purpose of storing and removing automobiles, including recreational vehicles and trucks.

iii. "Truck Stops and Terminals" means a business engaged in the storage and distribution of goods having more than five (5) heavy trucks (having a rating of

more than 10,000 pounds and/or an unladen weight of more than 6,000 pounds) on the premises at any one time but excluding trucking accessory to another industrial use on the site.

iv. “Building Materials Yard” means an establishment engaged in retailing or wholesaling of building supplies or equipment. This classification includes lumber yards and tool and equipment sales, but excludes businesses engaged in the retail sales of paint and hardware, building contractor’s yards, and activities classified under “equipment leasing and rentals” in Municipal Code Section 17.14.030.

D. The City of Beaumont currently has 16 active City business licenses for either storage or vehicle (truck) parking, six (6) of which are trucking related businesses and 10 storage related businesses. Planning has one (1) RV storage facility pending entitlement, which is on hold at the applicants required and two (2) recently entitled storage facilities in the plan check and construction process.

E. Public storage facilities are located throughout the City and have been allowed under the City’s Zoning Code to operate in the Commercial General (CG), Community Commercial (CC), Manufacturing (M) and Commercial Manufacturing Zones as a conditionally permitted use.

F. Moving and storage establishments are located throughout the City and have been allowed under the City’s Zoning Code to operate in Manufacturing (M) Zone as a permitted use and the Commercial Manufacturing (CM) Zone as a conditionally permitted use.

G. Automobile Parking Facilities are located throughout the City and have been allowed under the City’s Zoning Code to operate in the Commercial General (CG), Community Commercial (CC), Manufacturing (M) and Commercial Manufacturing Zones as a permitted use.

H. Truck stops and terminals are located throughout the City and have been allowed under the City’s Zoning Code to operate in Commercial General (CG), Community Commercial (CC), Manufacturing (M) and Commercial Manufacturing Zones as a conditionally permitted use.

I. Building materials yards are located throughout the City and have been allowed under the City’s Zoning Code to operate in Commercial General (CG) as a conditionally

permitted use and the Community Commercial (CC), Manufacturing (M) and Commercial Manufacturing Zones as a permitted use.

J. The City of Beaumont is in the process of updating the General Plan, which envisions a City structure that enhances the quality of life of the residents, meets the community's vision for the future, and connects new growth areas together with established Beaumont neighborhoods.

K. Public storage facilities, Moving and Storage Establishments, Automobile Parking Facilities, Truck Stops and Terminals and Building Materials Yards do not promote the City's goals of achieving either aesthetic or fiscal health of the community, do not foster economic growth, do not promote the City's heritage or an environmentally sustainable community, and the City is becoming increasingly concerned about the over-saturation of these types of facilities in the City and the increased interest in locating even more of these facilities within its limits.

L. For the reasons set forth above, this ordinance is declared by the City Council to be necessary for preserving the public welfare, health, or safety and to avoid a current, immediate and direct threat to the health, safety, or welfare of the community, and the recitals above taken together constitute the City Council's statements of the reasons constituting such necessity and urgency.

M. The City Council now desires to adopt a moratorium that prohibits Public Storage Facilities, Moving and Storage Establishments, Automobile Parking Facilities, Truck Stops and Terminals and Building Materials Yards from locating in the City of Beaumont.

N. This urgency ordinance is adopted pursuant to the requirements of Government Code Section 65858 and shall be in effect for 45 days unless further extended by the City Council of the City of Beaumont.

O. Adoption of this ordinance is exempt from review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guideline Section 15060(c)(2) (no significant environmental impact).

SECTION 1. The City currently has an over-concentration of Public Storage Facilities, Moving and Storage Establishments, Automobile Parking Facilities, Truck Stops and Terminals and Building Materials Yards within its borders and has recently seen an increase in inquires to locate even more facilities within the City.

SECTION 2. Findings.

A. The Community Development Element of the City's General Plan includes specific goals and policies that aim to minimize land use conflicts and develop a logical pattern of land use as well as to upgrade the City's appearance and establish a strong economic base. Specifically, goals of the City's General Plan provide for 1) to maintain and, where appropriate expand the City's commercial base (Goal 3), 2) to promote the expansion of industrial and other employment generating land uses (Goal 4), 3) to continue to promote the maintenance and preservation of industrial activities and business that contribute to the City's economic and employment base (Community Development Element Policy 15), 4) to encourage the continued expansion of the City's industrial districts to accommodate economic development and growth (Community Development Element Policy 16), and 5) to promote development of modern and attractive business activities that will enhance the City's economic well-being. The City Council finds that the large number of existing facilities and the potential for additional facilities is inconsistent with the existing General Plan goals of economic growth and expectations for development.

B. The City Council adopted the City of Beaumont's Economic Development Strategic Plan on July 2, 2019 and it is intended provide a blueprint for attracting targeted new development and business investment, creating jobs, and contributing to the City's long-term fiscal health. The plan established goals specifically include 1) development of an economically balanced community, 2) to recruit new business, while retaining and expanding local business, that promote growth of primary jobs and/or sales tax revenue, 3) to develop an online Economic Development presence to provide business owners and site selectors resources they need, and 4) leverage the City's strengths to maximize business opportunities. The City Council finds that the large number of existing facilities and the potential for additional facilities is inconsistent with the existing goals established by the Economic Development Strategic Plan.

C. The City of Beaumont is a small city. Due to its small size, the proliferation of Public Storage Facilities, Moving and Storage Establishments, Automobile Parking Facilities, Truck Stops and Terminals and building materials has the potential to adversely affect the City's economic and aesthetic environments by over-saturating the

City with Public Storage Facilities, Moving and Storage Establishments, Automobile Parking Facilities, Truck Stops and Terminals and building material yards rather than retail, commercial, manufacturing, and industrial uses that the City is endeavoring to promote.

D. The large number of Public Storage Facilities, Moving and Storage Establishments, Automobile Parking Facilities, Truck Stops and Terminals and building materials within and around the City of Beaumont contribute to an overall negative aesthetic image and do not promote economic development.

E. Adoption of a moratorium on Public Storage Facilities, Moving and Storage Establishments, Automobile Parking Facilities, Truck Stops and Terminals and building material yards will provide the City with an opportunity to review the proposed General Plan, Zoning Code and Economic Development Strategic Plan and make revisions in order to prevent the current over-proliferation of Public Storage Facilities, Moving and Storage Establishments, Automobile Parking Facilities, Truck Stops and Terminals and building material yards in the City from further expanding.

F. Due to the City's need to study and review the proposed General Plan, Zoning Code and Economic Development Strategic Plan, it is urgent that the City study and evaluate options available to it regarding regulation of Public Storage Facilities, Moving and Storage Establishments, Automobile Parking Facilities, Truck Stops and Terminals and building materials to prevent the adverse impacts that may result from continued approvals of Public Storage Facilities, Moving and Storage Establishments, Automobile Parking Facilities, Truck Stops and Terminals and building material yard in the City.

G. Based on the above findings and all evidence in the record, there is a current and immediate threat to the public health, safety, and welfare, in that the approval of use permits, variance, building permits, or any other applicable Public Storage Facilities, Moving and Storage Establishments, Automobile Parking Facilities, Truck Stops and Terminals and building materials entitlements would result in a threat to public health, safety, or welfare. It is therefore a need to enact an urgency interim ordinance establishing a moratorium on all new Public Storage Facilities, Moving and Storage Establishments, Automobile Parking Facilities, Truck Stops and Terminals and building

material yards within the City of Beaumont. It is the intent of the City Council that this Ordinance take effect immediately pursuant to Section 65858 of the Government Code.

SECTION 3. Applicability. Based on the facts and findings set forth in the recitals and Section 2 of this Ordinance, the City of Beaumont hereby establishes a moratorium on the establishment of new Public Storage Facilities, Moving and Storage Establishments, Automobile Parking Facilities, Truck Stops and Terminals and Building Materials Yards anywhere in the City of Beaumont. No application for a building permit, business permit, conditional use permit, or any entitlement for the establishment of a Public Storage Facilities, Moving and Storage Establishments, Automobile Parking Facilities, Truck Stops and Terminals and building material yards shall be processed or approved during the moratorium established by this Ordinance.

SECTION 4. Moratorium Term. This Ordinance shall expire, and the moratorium established herein shall terminate, 45 days after the date of its adoption unless extended by the City Council, at a regularly noticed public hearing, pursuant to California Government Code Section 65858. The City Council intends to terminate this moratorium as soon as reasonably feasible within a timeframe to allow the adoption of the updated General Plan and zoning consistency with respect to Public Storage Facilities, Moving and Storage Establishments, Automobile Parking Facilities, Truck Stops and Terminals and building material yards, to the extent reasonably advisable by staff following its study. Notwithstanding the foregoing, City staff may deny any application for a permit is which prohibited from being issued under this ordinance.

SECTION 5. Report. The City Manager or his designee is authorized and directed to prepare and issue, on behalf of the City Council, a written report describing the measures taken by the City to alleviate the conditions which have led to the adoption of this ordinance, at least ten (10) days prior to the expiration of this ordinance. A copy of the same shall be subsequently provided to the City Council for review.

SECTION 6. CEQA Review. The City Council hereby finds that this ordinance is not subject to review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines sections **15060(c)(2)** [the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment], **15060(c)(3)** [the activity is not a project as defined by CEQA], and **15061(b)(3)** [there is no possibility the activity in question may have a significant effect on the environment]. These findings are premised on the fact that the adoption

of this urgency interim ordinance will maintain existing environmental conditions arising from the City's current land use regulations without significant change or alteration. The City Manager is hereby directed to ensure that a Notice of Exemption is filed pursuant to CEQA Guidelines section 15062 [14 C.C.R. § 15062].

SECTION 7. No Liability. The provisions of this ordinance shall not in any way be construed as imposing any duty of care, liability or responsibility for damage to person or property upon the City of BEAUMONT , or any official, employee or agent thereof.

SECTION 8. Pending Actions. Nothing in this ordinance or in the codes hereby adopted shall be construed to affect any suit or proceeding pending or impending in any court, or any rights acquired, or liability incurred, or any cause or causes of action acquired or existing, under any act or ordinance or code repealed by this ordinance, nor shall any just or legal right or remedy of the City of any character be lost, impaired or affected by this ordinance.

SECTION 9. Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this ordinance, or its application to any person or circumstance, is for any reason held to be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases of this ordinance, or its application to any other person or circumstance. The City Council of the City of Beaumont hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase hereof, irrespective of the fact that any one or more other sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases hereof be declared invalid or unenforceable.

SECTION 10. Construction. The City Council intends this ordinance to supplement, not to duplicate or contradict, applicable state and federal law and this ordinance shall be construed in light of that intent. To the extent the provisions of the Beaumont Municipal Code as amended by this ordinance are substantially the same as provisions in the Beaumont Municipal Code existing prior to the effectiveness of this ordinance, then those amended provisions shall be construed as continuations of the earlier provisions and not as new enactments.

SECTION 11. Urgency; Effective Date; Duration and Publication.

This ordinance is adopted by the City Council pursuant to the California Constitution, article XI, Section 7 and Government Code section 65858 by a four-fifths (4/5) or greater

vote, as an urgency measure to protect the public health, safety and welfare, and shall take effect immediately. The reasons for such urgency are set forth in **Section 2** above. This ordinance shall expire and be of no further force or effect 45 days after its adoption, unless it is extended pursuant to Government Code Section 65858. Prior to the expiration of fifteen (15) days from the passage hereof a certified copy of this ordinance shall be posted in the office of the City Clerk pursuant to Government Code Section 36933(c)(1) and a summary shall be published once in the Press Enterprise, a newspaper printed and published in the County of Riverside and distributed in the City of BEAUMONT, State of California, together with the names of the Council members voting for and against the same.

AYES:

NOES:

ABSENT:

ABSTAIN:

Julio Martinez, Mayor

Attest: _____

Deputy City Clerk

Approved as to form:

John O. Pinkney, City Attorney

Agenda Item No. _____

Staff Report

TO: Mayor and City Council Members

FROM: Christina Taylor, Community Development Director

DATE: October 1, 2019

SUBJECT: Provide Direction to Staff on Establishing a Moratorium Prohibiting Self-Storage, RV Storage, Vehicle Parking Facilities and Similar Uses.

Background and Analysis:

The City is in the process of completing the General Plan Update. As part of this process, goals and policies are being revised, a zoning consistency analysis and update is also being prepared. Additionally, Council has recently adopted the Economic Development Strategic Plan which lays out certain goals for the City's economic growth.

Some of the City's current General Plan goals and policies are:

- Goal 3 (Community Development). The City of Beaumont will maintain and, where appropriate, expand the City's commercial base.
- Goal 4 (Community Development). The City of Beaumont will promote the expansion of industrial and other employment generating land uses.
 - Community Development Element Policy 15. The City of Beaumont will continue to promote the maintenance and preservation of industrial activities and business that contribute to the City's economic and employment base.
 - Community Development Element Policy 16. The City of Beaumont will encourage the continued expansion of the City's industrial districts to accommodate economic development and growth.
 - Community Development Element Policy 17. The City of Beaumont will promote the development of modern and attractive business activities that will enhance the City's economic well-being.

The City's Economic Development Strategic Plan goals include:

- Develop an economically balanced community.
- Recruit new business, while retaining and expanding local business, that promote growth of primary jobs and/or sales tax revenue.
- Develop an online Economic Development presence to provide business owners and site selectors resources they need.
- Leverage the City's strengths to maximize business opportunities.

Through the General Plan update and zoning analysis, staff has determined there are some uses that do not support the intent of the current goals and policies and may conflict with potential land use changes as part of the update process. The uses identified are:

Use	CG	CC	M	CM
Automobile Parking Facilities	P	P	P	P
Moving and Storage Establishments	N	N	P	C
Truck Stops and Terminals	C	C	C	C
Public Storage Facility	C	C	C	C
Building Materials	C	P	P	P

Use	6 th Street Overlay	BAO	Urban Village Overlay
Automobile Parking Facilities	P	C	N
Truck Stops and Terminals	C	N	N
Building Materials	P	N	N
Building Materials with Outdoor Storage	C	N	N

In addition to what the code identifies, there are contractor storage yards, truck parking facilities and RV storage yards that are typically classified into one of these categories or requested as an ancillary use to an existing use.

There are 16 active City business licenses for either storage or vehicle (truck) parking: 6 trucking related businesses and 10 storage related businesses. Additionally, Planning has one RV storage facility pending entitlement but on-hold at the applicants request and 2 recently entitled storage facilities in the plan check and construction process.

In an effort to maintain consistency with the current and future goals, policies and land uses, staff would like time to evaluate this group of uses to ensure that future development will be cited appropriately and developed with appropriate standards in place.

Fiscal Impact:

Staff time to prepare this report and legal counsel consultation \$500.

Finance Director Review: _____

Recommendation:

1. Provide direction to staff on establishing a moratorium prohibiting self-storage, RV storage, vehicle parking facilities and similar uses.

City Manager Review: _____

EDSP Vision Statement

The City of Beaumont strives to create a balanced, sustainable and diverse economic environment by leveraging existing local business, recruiting targeted industries, and encouraging outside investment, that will enhance Beaumont's quality of life and support community values.

EDSP Goals

1. Develop an economically balanced community
2. Recruit new business, while retaining and expanding local business, that promote growth of primary jobs and/or sales tax revenue
3. Develop an online Economic Development presence to provide business owners and site selectors resources they need
4. Create a Quality of place that establishes Beaumont as a community to build and grow a business, as well as attract and retain talent
5. Connect with and assist local small business start-ups and entrepreneurs
6. Ongoing review of development review processes and identify streamlining and efficiency techniques
7. Work with regional workforce development partners to provide needed resources to the area and begin to develop a retraining program for positions under threat of automation
8. Leverage the City's strengths to maximize business opportunities



Staff Report

TO: Mayor and City Council Members
FROM: Todd Parton, City Manager
DATE: October 15, 2019
SUBJECT: Consideration to Cancel December 17, 2019 City Council Meeting

Background and Analysis:

As part of the City Council agenda item scheduling process staff has identified a meeting date that can be cancelled due to lack of items. Staff is recommending the cancellation of the City Council Meeting of December 17, 2019.

Fiscal Impact:

No fiscal impact.

Recommendation:

Discussion and direction to staff.

A handwritten signature in blue ink, appearing to be "TP", is positioned above the City Manager Review text.

City Manager Review: Todd Parton
City Manager



Staff Report

TO: Mayor and City Council Members

FROM: Kristine Day, Assistant City Manager

DATE: October 15, 2019

SUBJECT: City Council Approval of Change Order No. 9 for the Wastewater Treatment Plant Upgrade/Expansion in the Amount Not to Exceed \$138,531.73

Background and Analysis:

Wastewater Treatment Plant Change Order No. 9:

Item #1 – Solids Handling Bldg. Conveyor Capacity Increase

As a result of the acceptance of Deductive Alternate Bid A Schedule, deletion of the solar drying beds, the load carrying capacity of the shaftless screw conveyors for the solids loading facility were not adjusted for the wetter sludge condition to the truck loading equipment now located at the solids dewatering building. The equipment vendor has stated that having a larger volume unit feed a smaller volume unit in the same conveyor train will cause capacity issues downstream and thus needs to be upgraded. The cost for this work is \$8,203.69.

Item #2 – Electrical Yard Vaults Covers Change from Painted Steel to Galvanized Steel

The contract documents require the fabricated electrical vault covers to be painted steel. The owner, engineer, and contractor agree that changing the coating from painted steel to galvanized steel provides additional long-term protection. The galvanized covers will be more resistant to chips, scratches, and better corrosion resistance. The cost for this work is \$5,157.76.

Item #3 – Additional Pothole Investigation and Existing Duct Bank Removal

The contract documents require a new electrical duct bank to tie-in to the south face of an existing hand hole, HH-50. An existing concrete encased electrical duct bank was found to already exist in that location, which is not shown on the contract drawing or previous facility design drawings. Existing conduit exiting the south face of HH-50 were empty and there is speculation that the current facility influent flow meter signal conductor also routes through the duct bank from another source. The contractor is to coordinate with City staff to remove the existing flow meter cable from the duct bank conduit and temporarily route it in a conduit above ground and protect it from damage. The existing

concrete duct bank is to be carefully removed and disposed. The cost for this work is \$1,895.42.

Item #4 – Yard Utilities-Domestic Water, Fire Line, SAWPA Sampling & Natural Gas Line Routing Changes

The contract documents provided a routing alignment, indicated pipeline sizes and connection locations for new onsite utilities to connect to offsite utility suppliers; Beaumont Cherry Valley Water District (BCVWD) and SoCal Gas. In addition, this change request includes items required by the Santa Ana Watershed Project Authority (SAWPA), related to brine water sampling for permitting into the Inland Empire Brine Line (IEBL).

Below is a summary of changes:

- The City's discussion with BCVWD resulted in reducing the domestic water line in size from 8" to 4" and adding backflow protection devices. While there is an initial construction cost increase, there will be an annual operations savings of minimum charges for an 8" connection.
- In order to provide adequate fire flow in the event of an emergency, an 8" firewater line and a backflow pressure reducing device are still required but will have a minimum monthly charge.
- SAWPA required an additional visual sampling structure on the 12" brine discharge system prior to the flow leaving the site.
- The design developed by SoCal Gas resulted in the location shown on the contract drawing for the natural gas connection and meter being within a utility corridor far away from the main gate access. This utility corridor contained domestic and firewater piping, SCE 12'kV power, a 12" brine line, 16" utility water line and existing 30" plant influent raw sewer. The City is to install the contractor's gas termination location and meter near the facility entrance.

The cost for this item is \$123,274.86.

Summary of Change Order No. 9 Costs:

The costs associated for this change order is in the amount not to exceed \$138,531.73 and will have no change to the project schedule. The costs for the change order are as summarized below:

Item	Cost
Item #1 – <u>Solids Handling Bldg. Conveyor Capacity Increase</u>	\$8,203.69
Item #2 – <u>Electrical Yard Vaults Covers Change from Painted Steel to Galvanized Steel</u>	\$5,157.76
Item #3 – <u>Additional Pothole Investigation and Existing Duct bank Removal</u>	\$1,895.42
Item #4 – <u>Yard Utilities-Domestic Water, Fire Line, SAWPA Sampling & Natural Gas Line Routing Changes</u>	\$123,274.86
Total:	\$138,531.73

Wastewater Treatment Plant Change Order Summary:

CO No.	Description	Reason for Change	Amount
1	MBR System Improvements	Enhance the performance of MBR System	\$149,741.00
2	RO System Electrical Modifications & Storm Drain System Material Change	Design & Material Updates	(\$245.00)
3	New Aeration Basin 1 through 3 Excavation	Conflict with Existing Utilities	\$19,998.00
4	Structural and Mechanical Modifications	Pre-Selected Submittals	\$57,450.64
5	Vactor Truck Dump Station Modifications	Conflict with Construction	NTE \$15,000.00
6	EDI/Fine Coarse Bubble Diffuser Equipment	Design Change	\$24,298.00
7	Various Changes – MBR/RO Structural, Site Civil & Headworks SCADA Design Modifications	Design Changes	\$59,167.49
8	Various Changes - Demolition, Piping Realignment, Material Change, and Electric Actuated Valve Voltage Change	Unforeseen Conditions and Value Engineering	\$7,942.00
9	Various Changes - Solids Handling Bldg. Conveyor Capacity Increase, Electrical Yard Vaults Cover Changes, Additional Pothole Investigation and Existing Duct Bank Removal, and Yard	Design Changes, Conflict with Construction, Owner Requested Changes	\$138,531.73

Utilities			
WWTP Contingency	Budget Amount	Change Orders 1-9	Remaining
	\$4,000,000.00	\$471,883.86	\$3,528,116.14

Fiscal Impact:

Wastewater Treatment Plant Expansion/Renovation:

The project accounting below represents the status of funds should the change order be approved by City Council. A contingency balance of \$3,528,116.14 would remain should City Council approve this item.

WWTP	Budget Amount	Paid to Date	Remaining
Design	\$2,709,798.23	\$2,556,649.26	\$153,148.97
Construction Management	\$5,308,585.72	\$2,148,433.80	\$3,160,151.92
Equipment	\$252,906.00	\$215,793.50	\$37,112.50
Permits	\$324,776.76	\$62,498.74	\$262,278.02
Construction	\$53,910,737.00	\$18,703,626.12	\$35,207,110.88
Contingency	\$4,000,000.00	\$160,136.67	\$3,839,863.33
Total	\$66,506,803.71	\$23,847,138.09	\$42,659,665.62

Recommendation:

1. Approval of Change Order No. 9 for the Wastewater Treatment Plant Expansion/Renovation Project in the amount not to exceed \$138,531.73.



City Manager Review: Todd Parton
City Manager

Attachments:

[Change Order No. 9](#)



City of Beaumont Wastewater Treatment Plant Salt Mitigation Upgrade Project Change Order No. 09

Sept 24, 2019

			Amount	Calendar Days	Comp. Date
Contractor:	W.M. Lyles Co.	Original Contract:	\$ 53,312,000.00	820	1/26/2021
Project Name:	Wastewater Treatment Plant Salt Mitigation Upgrade Project	Previous Approved Changes:	\$316,477.13	18	
Contract No.:	C18-80	This Change: Amount	\$138,531.73	0	
CO Number:	09	Revised Contract:	\$53,767,008.86	838	2/13/2021
		Original Phase 1 Completion Date			1/22/2020
		Revised Phase 1 Completion Date			2/06/2020

This change order covers changes to the subject contract as described herein. The Contractor shall supply all labor, equipment and materials to complete the Change Order items for the lump sum price agreed upon herein. All Change Order items must be submitted to the City for approval prior to fabrication.

Item No.	PCO No.	Description of Changes	Amount	Phase 1 Time Extension (CD*)	Phase 2 / Project Completion Time Extension (CD*)
1	06	RFI-13 /WML COP-05 Solids Handling Bldg. Conveyor Capacity Increase	\$8,203.69	0	0
2	17	WML COP-19 Electrical Yard Vaults Covers Change from Painted Steel to Galvanized Steel	\$5,157.76	0	0
3	19	RFI-76 / WML COP-21: Additional Pothole Investigation and Existing Duct Bank Removal	\$1,895.42	0	0
4	20	CLAR-15 Yard Utilities-Domestic Water, Fire Line, SAWPA Sampling & Natural Gas Line Routing Changes	\$123,274.86	0	0
NET CHANGE IN CONTRACT AMOUNT – INCREASE (OR-DECREASE)			\$138,531.73	0	0

*Calendar Days

The amount of the Contract will be increased/decreased by the amount of One Hundred Thirty-Eight Thousand Five Hundred Thirty-One Dollars and Seventy-three cents (\$138,531.73). The Contract Time will be increased by zero (0) calendar days.

The Contractor agrees to furnish all labor, equipment and materials and to perform all other necessary work, inclusive of the directly or indirectly related work, within the approved time extension required to complete the above Change Order items. The undersigned Contractor approves the foregoing Change Order as to the changes, if any, in the Contract Price specified for each item including any and all supervision costs and other miscellaneous costs relating to the change in Work, and as to the extension of time allowed, if any, for the completion of the entire Work on account of said Change Order. The City and the Contractor hereby agree that this Change Order constitutes full mutual accord and satisfaction for all time, all costs, and all impacts related directly or indirectly to this Change Order. The Contractor hereby agrees that this Change Order represents the full equitable adjustment owed under the Contract, and further agrees on behalf of himself and all subcontractors to waive all right to file any further claims or request for equitable adjustment arising out of or as a result of this Change Order or the cumulative effect of this Change Order on the performance of the overall Work under the Contract. This document will become a supplement of the contract and all provisions will apply hereto. It is understood that the Change Order shall be effective when approved by the City.

Recommended: Charles Reynolds
MWH Constructors, Senior Resident Engineer

Date: 9/23/2019

Accepted: W.M. Lyles Co.
W.M. Lyles Co., Contractor

Date: 9/23/19

Approved: _____
Albert A. Webb Associates, Program Manager

Date: 9/25/2019

Approved: _____
City of Beaumont, City Manager

Date: _____



City of Beaumont

Water Treatment Plant Salt Mitigation Upgrade Project

Technical Justification:

Technical Justification:

PCO-06	
Design Adjustment:	RFI-13 Solids Loading Conveyor Capacity Increase – Equipment Change
<p>As a result of the acceptance of Deductive Alternate Bid A Schedule, deletion of the Solar Drying Beds, the load carrying capacity of the Shaftless Screw Conveyors for the Solids Loading Facility were not adjusted for the wetter sludge condition to the truck loading equipment now located at the Solids Dewatering Building. The equipment vendor has stated that having a larger volume unit feed a smaller volume unit in the same conveyor train will cause capacity issues downstream.</p> <p>The engineer’s response to RFI-13, “The conveyors shall be provided as a single train in lieu of two distinct trains “dewatered sludge” (ME-9101, ME-9102) instead of “dried sludge” (ME-9602, ME-9603, ME-9604) from the bid alternate. The design volume and dryness of conveyors ME-9602, ME-9603 and ME-9604 shall match the volume and dryness of conveyors ME-9101 and ME-9102, 380 cubic-feet/hr. and are to be located at the new Solids Handling Building.”</p> <p><u>Design and Scope Changes:</u></p> <p>Spirac, the equipment manufacturer, in January of 2019 submitted a cost proposal to W.M. Lyles to upsize conveyor ME=9602 from model U355 to larger units U420. After the engineer’s review of the equipment manufacturer’s submittal the drive unit to be installed at the new facility shall be model OK355 to accommodate the increased capacity.</p> <p><u>Cost Impact:</u></p> <p>MWHC evaluated the extra cost proposal by the Contractor and agree that this scope change has resulted in extra cost in the amount of \$8,203.69.</p>	

PCO 06 - MWHC Evaluation Summary - OH&P

Item	Description	WML Estimated Cost Change	MWHC Calculated Cost Change	Final Cost Estimate
1	Labor	\$0.00	\$0.00	\$0.00
2	Material	\$7,063.01	\$6,555.00	\$7,063.01
3	Equipment	\$0.00	\$0.00	\$0.00
	Credits			
	Tax Credit			
	Net Total	\$7,063.01	\$6,555.00	\$7,063.01
	Material Taxes		\$508.01	
	markup	\$1,059.45	\$1,059.45	\$1,059.45
	subtotal	\$8,122.46	\$8,122.46	\$8,122.46
	Subcontractor			
4	Labor	\$0.00	\$0.00	\$0.00
	Material	\$0.00	\$0.00	\$0.00
	Equipment	\$0.00	\$0.00	\$0.00
	Subcontractors Net Cost	\$0.00	\$0.00	\$0.00
	Subcontractor Markup	\$0.00	\$0.00	\$0.00
	Subcontractor credit	\$0.00	\$0.00	\$0.00
	Subcontractor Tax on Material	\$0.00	\$0.00	\$0.00
	Subcontractor's total w/o Bond	\$0.00		
	Bond	\$0.00	\$0.00	\$0.00
	subtotal	\$0.00	\$0.00	\$0.00
	GC - Subcontract markup	\$0.00	\$0.00	\$0.00
	Total	\$8,122.46	\$8,122.46	\$8,122.46
	GC Bond & Ins	\$81.22	\$81.22	\$81.22
	Total	\$8,203.69	\$8,203.69	\$8,203.69

C.O. Cost

CITY OF BEAUMONT WWTP SALT MITIGATION UPGRADE PROJECT

**CHANGE ORDER PROPOSAL (COP) # 05
(By Contractor)**

To (Engineer/CM): MWH Constructors Attention: Charles Reynolds Phone: 702-497-8024 Email: Charles.w.reynolds@stantec.com	From (Contractor): W.M. Lyles Co. Attention: Juan C. Ahumada Phone: 951-972-2056 Email: jahumada@wmlylesco.com
PCO/DCM No.: PCO #06	
Subject: Conveyors capacity increase	
Reference Documents: RFI #13	
DESCRIPTION	
The attached change order cost proposal is as result of RFI #13 response to adjust the design volume and dryness of conveyors ME-9602, ME-9603 and ME-9604 to match the design volume of conveyors ME-9101 and ME-9102.	
COST ESTIMATE	
Total Cost \$ 8,203.69 – see attached breakdown	
SCHEDULE IMPACT	
None	
Received by MWH Constructors (Date):	

RESPONSE	
Response By:	Date:

Final Distribution: Juan C. Ahumada, W.M. Lyles Co.
Brian Knoll, Webb Associates
MWH Inspector

W. M. Lyles Co.
 42142 Roick Drive
 Temecula, CA 92590

Date: 22-Feb-19

Reference #: RFI #13

Attention: Charles W. Reynolds
 Project: City of Beaumont WWTP Salt Mitigation Upgrade Project
 Description: Conveyors Capacity change

Item:	Unit	Total MH	MH Cost	Total MH Cost	Eq. Cost	Material	Subcont.	Total Cost	
1	Conveyors Capacity change	LS	0	-	\$ -	\$ -	\$ 7,063.01	\$ -	\$ 7,063.01
Total Costs			0	\$ -	\$ -	\$ 7,063.01	\$ -	\$ 7,063.01	

<u>Subtotal</u>		\$ 7,063.01
Mark-up - Labor	15%	\$ -
Mark-up - Equipment	15%	\$ -
Mark-up - Materials	15%	\$ 1,059.45
Mark-up - Subcontractor	5%	\$ -
Bond	1%	\$ 81.22
Total This Change Order		\$ 8,203.69

Comments:

City of Beaumont WWTP Salt Mitigation Upgrade Project

Conveyors Capacity change

2/22/2019

A. Labor

RFI #13

Description	Lab Pipe FM	Lab Pipe	Carp FM	Carp	OP	
	0	0	0	0	0	0

Name	Rate	Hours	Extension
Lab Pipe FM	\$75.35	0	\$0.00
Lab Pipe	\$72.74	0	\$0.00
Carp FM	\$82.14	0	\$0.00
Carp	\$78.22	0	\$0.00
OP	\$94.03	0	\$0.00
0	\$0.00	0	\$0.00
0	\$0.00	0	\$0.00
0	\$0.00	0	\$0.00
0	\$0.00	0	\$0.00
		0	
Total Labor =			\$0.00

B. Equipment

Description	FRM Truck	40-104	32-030	30-601	31-016	
	0	0	0	0	0	0

Number	Description	Rate	Hours	Extension
FRM Truck	Foreman Truck	\$26.90	0	\$0.00
40-104	Tow Air Compr. (185cfm)	\$21.23	0	\$0.00
32-030	JLG Reachlift (10,000#)	\$64.11	0	\$0.00
30-601	JD 310 K	\$46.47	0	\$0.00
31-016	65 Ton Crane	\$145.81	0	\$0.00
0 -		\$0.00	0	\$0.00
Total Equipment =				\$0.00

C. Materials

	Quantity	Unit	Price	Extension
Conveyor Manufacturer (Spirac)	1	LS	\$6,555.00	\$6,555.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
Tax	7.75%			\$508.01
Freight				
Total Material =				7,063.01

D. Subcontractor

	Quantity	Unit	Price	Extension
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
Total Subcontract =				\$0.00



18 JANUARY 2019

W.M. Lyles & Co.
ATTN: Juan Ahumada
42142 Rock Drive
Temecula, CA 92590

Re: RFI 013 for Specification 411213 Nov 16, 2019

Dear Mr. Ahumada,

SPIRAC (USA) Inc is pleased to provide a change order in the amount of **\$6,555.00** to comply with RFI 013 response below:

The design volume and dryness of conveyors ME-9602, ME-9603 and ME-9604 shall match the volume and dryness of conveyors ME-9101 and ME-9102.

OK355

This would change Conveyor ME-9602 from the originally proposed "U355" to the larger ~~U420~~ model to accommodate for increased capacity. If this is acceptable SPIRAC can execute a formal change order.

Sincerely,

Jonathan Ball
SPIRAC (USA) INC.

SPIRAC (USA) INC
75 Jackson Street, Suite 300
Newnan, Georgia 30263 USA
Tel: 770-632-9833
Fax: 770-632-9838

CHANGE ORDER

SPIRAC (USA) INC.

75 Jackson Street Suite 300
Newnan, GA 30263

Change Order No 999-01

Change Order Date 7/26/19

Page: 1

Voice: 770-632-9833
Fax: 770-632-9838

To:	Job Address:
W.M. Lyles Co. PO Box 4377 Fresno, CA 93744-4377	715 W. 4th Street Beuamont, CA 92223

Job ID	Job Description	Start Date
999	Beaumont, CA	10/30/18

Change Description	Change Amour
To change Conveyor ME-9602 from the originally proposed "U355" to an "OK355" model to accommodate for increased capacity	6,555.00

Original Contract Sum was.....	\$ 233,000.00
Net changes by previously authorized Change Orders.....	\$ 0.00
The Contract Sum prior to this Change Order was.....	\$ 233,000.00
The Contract Sum will be <u>increased</u> by this Change Order in the amount of.....	\$ 6,555.00
The new Contract Sum including this Change Order will be.....	\$ 239,555.00
The Projected End Date for this Job will be <u>unchanged</u>	

Customer Approval:

Printed Name: _____ Signature: _____ Date: _____

CONTRACTOR'S REQUEST FOR INFORMATION (RFI) # 013

To (Engineer):	
From (Contractor): W.M. Lyles Co.	
Subject: Conveyors Capacity Clarifications	
Reference: Construction Drawing: SHM-2/SLM-1	Specification (Section and Page): 411213
REQUEST	
Information is requested as follows:	
<p>The Shaftless Screw conveyors manufacturer requests clarifications for the capacity of conveyors tag's ME-9602, ME-9603, and ME-9604. The conveyors are being provided as a single train in lieu of two distinct trains "dewatered sludge" (ME-9101, ME-9102) and "dried sludge" (ME-9602, ME-9603, ME-9604) from the bid alternate. These conveyors specify two different volumes, 380 ft³/hr and 192 ft³/hr respectively. Having a larger volume feeding a smaller volume in the same conveyor train will cause capacity issues downstream. Please clarify which volume the conveyors manufacturer should use.</p>	
Information Requested By (Name): Juan Ahumada	Date: 11/16/2018
Response Requested By (Date): 11/27/2018	
Received by CM (Date):	
RESPONSE	
Response to Information Request:	
<p>The design volume and dryness of conveyors ME-9602, ME-9603 and ME-9604 shall match the volume and dryness of conveyors ME-9101 and ME-9102.</p>	
Response By (Name): D. Stephens	Date: 11/16/18

Final Distribution:

Page ___ of ___



City of Beaumont

Water Treatment Plant Salt Mitigation Upgrade Project

Technical Justification:

Technical Justification:

PCO-17	
Design Adjustment:	Electrical Yard Vaults – Cover Change from Painted Steel to Galvanized Steel
<p>The contract documents require the fabricated electrical vault covers to be painted steel.</p> <p>The Owner/Engineer/Contractor agree that changing the coating from painted steel to galvanized steel provides additional long-term protection. The galvanized covers will be more resistance to chips, scratches and better corrosion resistance.</p> <p><u>Design and Scope Changes:</u></p> <p>The twenty-two new electrical yard vaults throughout the project site are to be provided with galvanized steel covers instead of painted steel.</p> <p><u>Cost Impact:</u></p> <p>MWHC evaluated the extra cost proposal by the Contractor and agree that this scope change has resulted in extra cost in the amount of \$5,157.76.</p>	

WML COP-19 - MWHC Evaluation Summary

Item	Description	WML Estimated Cost Change	MWHC Cost Review	Final Cost Estimate
1	Labor	\$0.00	\$0.00	\$0.00
2	Material	\$0.00	\$0.00	\$0.00
3	Equipment	\$0.00	\$0.00	\$0.00
	Credits	\$0.00	\$0.00	\$0.00
	Tax Credit	\$0.00	\$0.00	\$0.00
	Net Total	\$0.00	\$0.00	\$0.00
	markup	\$0.00	\$0.00	\$0.00
	subtotal	\$0.00	\$0.00	\$0.00
	Subcontractor			
4	Southern Contracting	\$0.00	\$0.00	\$0.00
	Labor	\$0.00	\$0.00	\$0.00
	Material	\$3,964.00	\$3,964.00	\$3,964.00
	Equipment	\$0.00	\$0.00	\$0.00
		\$0.00	\$0.00	\$0.00
		\$0.00	\$0.00	\$0.00
	Subcontractors Net Cost	\$3,964.00	\$3,964.00	\$3,964.00
	Subcontractor Markup	\$594.60	\$594.60	\$594.60
	Subcontractor credit	\$0.00	\$0.00	\$0.00
	Subcontractor Tax on Material	\$307.21	\$307.21	\$307.21
	Subcontractor's total w/o Bond	\$4,865.81	\$4,865.81	\$4,865.81
	Bond	\$0.00	\$0.00	\$0.00
	subtotal	\$4,865.81	\$4,865.81	\$4,865.81
	GC - Subcontract markup	\$243.29	\$243.29	\$243.29
	Total	\$5,109.10	\$5,109.10	\$5,109.10
	GC Bond & Ins	\$48.66	\$51.09	\$48.66
	Total	\$5,157.76	\$5,160.19	\$5,157.76

C.O. Cost

CITY OF BEAUMONT WWTP SALT MITIGATION UPGRADE PROJECT

**CHANGE ORDER PROPOSAL (COP) # 019
(By Contractor)**

To (Engineer/CM): MWH Constructors Attention: Charles Reynolds Phone: 702-497-8024 Email: Charles.w.reynolds@stantec.com	From (Contractor): W.M. Lyles Co. Attention: Juan C. Ahumada Phone: 951-972-2056 Email: jahumada@wmlylesco.com
PCO/DCM No.:	
Subject: HDG Handhole covers	
Reference Documents:	
DESCRIPTION	
Please review the attached change order proposal for the additional cost associated with supplying all of the electrical hand hole covers on the project with a hot dipped galvanized finish in lieu of a painted finish.	
COST ESTIMATE	
Total cost \$ 5,157.76 – see attached breakdown	
SCHEDULE IMPACT	
No	
Received by MWH Constructors (Date):	

RESPONSE	
Response By:	Date:

Final Distribution: Juan C. Ahumada, W.M. Lyles Co.
Brian Knoll, Webb Associates
MWH Inspector

W. M. Lyles Co.
 42142 Roick Drive
 Temecula, CA 92590

Date: 12-Aug-19

Reference #:

Attention: Charles W. Reynolds

JOB LOCATION: City of Beaumont WWTP Slat Mitigation Upgrade Project

DESCRIPTION: HDG handhole covers

Item:		Unit	Total MH	Total MH Cost	Eq. Cost	Material	Subcont.	Total Cost
1	HDG handhole covers	LS	0	\$ -	\$ -	\$ -	\$ 4,865.81	\$ 4,865.81
2	-	LS	0	\$ -	\$ -	\$ -	\$ -	\$ -
Total Costs			0	\$ -	\$ -	\$ -	\$ 4,865.81	\$ 4,865.81

Subtotal		\$	4,865.81
Mark-up - Labor	15%	\$	-
Mark-up - Equipment	15%	\$	-
Mark-up - Materials	15%	\$	-
Mark-up - Subcontractor	5%	\$	243.29
Bond	1.0%	\$	48.66
Total This Change Order		\$	5,157.76

Comments:



Southern Contracting Company
 P.O. Box 445 San Marcos, CA 92079-0445
 Tel 760-744-0760 Fax 760-744-6475
 website: www.southerncontracting.com
 email: info@southerncontracting.com

Change Order Request

103801 – Wastewater Treatment Plant Salt Mitigation Upgrade

COR Subject: HH Covers - HDG Coating

To Juan C. Ahumada
 W.M. Lyles
 42142 Roick Drive
 Temecula, CA 92590
 951-973-7393

Contract No: 55.1173
COR Number: 103801-COR#011
COR Revision Number: 0
COR Date: 8/8/2019
Work Type: Price / Do Not Proceed
Days Valid: 5

Return To Dan Alcantar
 Southern Contracting Company
 760-744-0760x621
 619-778-0681
 DAlcantar@southerncontracting.com

Scope Of Work / Time Extension Request

Provide QTY 22 Hand Hole Covers with added HDG Coating as sized below;

2X3X3 boxes #107, 104A, 106, 106A, 108A

2'X3"X42" #205A

2'X3'X38" #104, 105A

2'X3'X60" #108, 205

30"X48"X48" #102A, 103A, 203A

30"X48"X54" #105, 202A

4'X5"X60" #101A, 203

4'X5'X66" #102, 103, 202

4'X6'X60" #201, 100

Summary

Total: \$4,865.81

Reservation of Rights

This COR does not include any amount for impacts such as interference, disruptions, rescheduling, changes in the sequence of work, delays and/or associated acceleration. We expressly reserve the right to submit our request for any of these items.

Signed By:



Daniel Alcantar

PM

Dated: 8/8/2019

Bid Summary Report

103801 Beaumont Chang Orders Estimator: Dan Alcantar

Job #2336

Job Name: 103801 Beaumont Chang Orders

Contractor:

Estimator: Dan Alcantar

Notes:

Bid Date:

Summary Description	Material			Labor		
	Extended	%	Adjusted	Extended	%	Adjusted
COR#011 HDG HH Lid Coating	\$0.00	0.00%	\$0.00	0.00	0.00%	0.00

Top Sheet

Raw Cost	\$3,964.00	Sales per Month	\$0.00
Tax	\$307.21	Return per Month	\$0.00
Raw Cost with Tax	\$4,271.21	Price per Square Foot	\$0.00
Overhead	\$594.60	Hours per Square Foot	0.00
Profit	\$0.00	Square Feet	0.00
Total Return Amount	\$594.60	Job Months	0.00
Total Return %	12.10%	Hours per Week	40.00
Price	\$4,865.81	Workers per Day	0.00
Bond	\$48.66	Total Hours	0.00
Sell Price	\$4,914.47	Mark Up Sales Tax	Yes
Adjusted Sell ()	\$0.00	Use Bond Table	Yes
Adjusted Sell Return 0.00 %	\$0.00		

Mark Ups

	OVERHEAD			PROFIT		
	Total	%	Amount	%	Amount	
Materials	\$0.00	+ 15.00%	\$0.00	+ 0.00%	\$0.00	
Labor	\$0.00	+ 15.00%	\$0.00	+ 0.00%	\$0.00	
Supplier Quotes	\$3,964.00	+ 15.00%	\$4,558.60	+ 0.00%	\$4,558.60	
SubContractors	\$0.00	+ 5.00%	\$0.00	+ 0.00%	\$0.00	
Direct Job Expense	\$0.00	+ 15.00%	\$0.00	+ 0.00%	\$0.00	
Equipment Rental	\$0.00	+ 15.00%	\$0.00	+ 0.00%	\$0.00	
Totals	\$3,964.00	15.00%	\$4,558.60	0.00%	\$4,558.60	

Tax Report

	Taxed Amount	Tax Rate %	Tax Amount
Materials	\$0.00	7.75%	\$0.00
Labor	\$0.00	0.00%	\$0.00

Bid Summary Report

103801 Beaumont Chang Orders Estimator: Dan Alcantar

Job #2336

Supplier Quotes	\$3,964.00	7.75%	\$307.21
SubContractors	\$0.00	0.00%	\$0.00
Direct Job Expense	\$0.00	0.00%	\$0.00
Equipment Rental	\$0.00	0.00%	\$0.00
Total Tax:			\$307.21

Supplier Quotes

Name	Supplier	Tax (7.8 %)	Unit Cost	Multiplier	Amount
2X3 cover coating		Yes	\$169.00	10.00	\$1,690.00
30"X48" Cover Coating		Yes	\$86.00	5.00	\$430.00
4X5 Cover coating		Yes	\$186.00	5.00	\$930.00
4X6.5 Cover Coating		Yes	\$457.00	2.00	\$914.00
Total:					\$3,964.00



**City of Beaumont
Wastewater Treatment Plant Salt Mitigation
Upgrade Project**

Technical Justification:

PCO-19	
Design Adjustment: RFI-76	Headworks Area Elect. Duct Bank Conflicts
<p>Location: Headworks – Bar Screens Existing MCC</p> <p>The contract documents require a new electrical duct bank to tie-in to the south face of an existing hand hole, HH-50. An existing concrete encased electrical duct bank was found to already existing in that location, which is not shown on the contract drawing or previous facility design drawings. Existing conduit exiting the south face of HH-50 were empty and speculation that the current facility influent flow meter signal conductor also routed through the duct bank from another source.</p> <p>On Wednesday August 21th the Design Engineer, MWHC and electrical subcontractor Southern Contracting discussed in the field options for installation of the new electrical system.</p> <p><u>Design and Scope Changes:</u></p> <p>The contractor is to coordinate with City Staff, remove the existing flow meter cable from the duct bank conduit and temporary route in a conduit above ground and protect from damage. The existing concrete duct bank is to carefully be removed and disposed.</p> <p><u>Cost Impact:</u></p> <p>A not to exceed authorization of \$3,000.00 was granted and tracked by MWHC with T&M tickets are attached. MWHC evaluated the W.M. Lyles cost proposal and recommend a cost of \$1,895.42 be processed in a contract increase change order.</p>	

WML COP-21 - MWHC Evaluation Summary

Item	Description	WML Estimated Cost Change	MWHC Cost Review	Final Cost Estimate
1	Labor	\$1,183.88	\$1,183.88	\$1,183.88
2	Material	\$0.00	\$0.00	\$0.00
3	Equipment	\$450.10	\$450.10	\$450.10
	Credits	\$0.00	\$0.00	\$0.00
	Tax Credit	\$0.00	\$0.00	\$0.00
	Net Total	\$1,633.98	\$1,633.98	\$1,633.98
	markup	\$245.10	\$245.10	\$245.10
	subtotal	\$1,879.08	\$1,879.08	\$1,879.08
	Subcontractor			
4	Southern Contracting	\$0.00	\$0.00	\$0.00
	Labor	\$0.00	\$0.00	\$0.00
	Material	\$0.00	\$0.00	\$0.00
	Equipment	\$0.00	\$0.00	\$0.00
		\$0.00	\$0.00	\$0.00
		\$0.00	\$0.00	\$0.00
	Subcontractors Net Cost	\$0.00	\$0.00	\$0.00
	Subcontractor Markup	\$0.00	\$0.00	\$0.00
	Subcontractor credit	\$0.00	\$0.00	\$0.00
	Subcontractor Tax on Material	\$0.00	\$0.00	\$0.00
	Subcontractor's total w/o Bond	\$0.00	\$0.00	\$0.00
	Bond	\$0.00	\$0.00	\$0.00
	subtotal	\$0.00	\$0.00	\$0.00
	GC - Subcontract markup	\$0.00	\$0.00	\$0.00
	Total	\$1,879.08	\$1,879.08	\$1,879.08
	GC Bond & Ins	\$16.34	\$18.79	\$16.34
	Total	\$1,895.42	\$1,897.87	\$1,895.42

C.O. Cost

CITY OF BEAUMONT WWTP SALT MITIGATION UPGRADE PROJECT

**CHANGE ORDER PROPOSAL (COP) # 021
(By Contractor)**

To (Engineer/CM): MWH Constructors Attention: Charles Reynolds Phone: 702-497-8024 Email: Charles.w.reynolds@stantec.com	From (Contractor): W.M. Lyles Co. Attention: Juan C. Ahumada Phone: 951-972-2056 Email: jahumada@wmlylesco.com
PCO/DCM No.:	
Subject: Pothole and removal of existing ductbank at Headworks	
Reference Documents: RFI #76	
DESCRIPTION	
Please review attached T&M change order proposal for the pothole and removal of an existing ductbank that was interfering with new ductbank installation near the Headworks facility (reference RFI #76).	
COST ESTIMATE	
Total cost \$ 1,895.42 – see attached breakdown	
SCHEDULE IMPACT	
No	
Received by MWH Constructors (Date):	

RESPONSE	
Response By:	Date:

Final Distribution: Juan C. Ahumada, W.M. Lyles Co.
Brian Knoll, Webb Associates
MWH Inspector

W. M. Lyles Co.
 42142 Roick Drive
 Temecula, CA 92590

Date: 28-Aug-19

Reference #: RFI #76

Attention: Charles W. Reynolds

JOB LOCATION: City of Beaumont WWTP Slat Mitigation Upgrade Project

DESCRIPTION: Pothole & removal of exit. ductbank at Headworks

Item:	Unit	Total MH	Total MH Cost	Eq. Cost	Material	Subcont.	Total Cost
1 Pothole & removal of exit. ductbank at Headworks	LS	14	\$ 1,183.88	\$ 450.10	\$ -	\$ -	\$ 1,633.98
Total Costs		14	\$ 1,183.88	\$ 450.10	\$ -	\$ -	\$ 1,633.98

Subtotal		\$ 1,633.98
Mark-up - Labor	15%	\$ 177.58
Mark-up - Equipment	15%	\$ 67.52
Mark-up - Materials	15%	\$ -
Mark-up - Subcontractor	5%	\$ -
Bond	1.0%	\$ 16.34
Total This Change Order		\$ 1,895.42

Comments:

W.M. Lyles Co.
 PO Box 4377
 Fresno, CA 93744

TIME & MATERIAL SHEET



Project Name SALT MITIGATION WWTP UPGRADE Project No. 55-1173
 Phase Code 99.010.0080 Date 8/15/19

DESCRIPTION OF WORK

REMOVE EXISTING DUCT BANK AT HEADWORKS

LABOR

NAME	CLASS	ST	OT	DT	SHIFT
MICHAEL GORMAN	OP	/			
DANIEL SCHROEDER	AP. OP	/			

EQUIPMENT

DESCRIPTION	EQUIP. NO.	QTY	HRS	SHIFT
J.D. BACKHOE	30.051		/	

MATERIAL

DESCRIPTION	QTY	UM

I CERTIFY THAT I HAVE THE AUTHORITY TO AUTHORIZE THE WORK PERFORMED UNDER THIS FIELD WORK ORDER

Verification of Resources Only

CUSTOMER

Signature [Signature]

Print Name MWNC

Title INSPECTOR Date 8-22-19

W.M. Lyles Co.

Signature [Signature]

Print Name ROBERT BECK

Title SUPER. Date 8/15/19

W.M. Lyles Co.
 PO Box 4377
 Fresno, CA 93744

TIME & MATERIAL SHEET



Project Name SALT MITIGATION UPGRADE Project No. 55.1173
 Phase Code _____ Date 8/26/19

DESCRIPTION OF WORK	
BACKFILL D.B. 104	2 HOURS
EX D.B. 104	4 HOURS

LABOR					
NAME	CLASS	ST	OT	DT	SHIFT
MIKE GORMAN	OPER.	6			
GIO. PAREGAGUIRE	LAB.	6			

EQUIPMENT				
DESCRIPTION	EQUIP. NO.	QTY	HRS	SHIFT
JD 410 BACKHOE	30.951		6	

MATERIAL		
DESCRIPTION	QTY	UM

I CERTIFY THAT I HAVE THE AUTHORITY TO AUTHORIZE THE WORK PERFORMED UNDER THIS FIELD WORK ORDER

Verification of Resources only

CUSTOMER
 Signature Cleod Beck
 Print Name MWHC
 Title Inspector Date 8-26-19

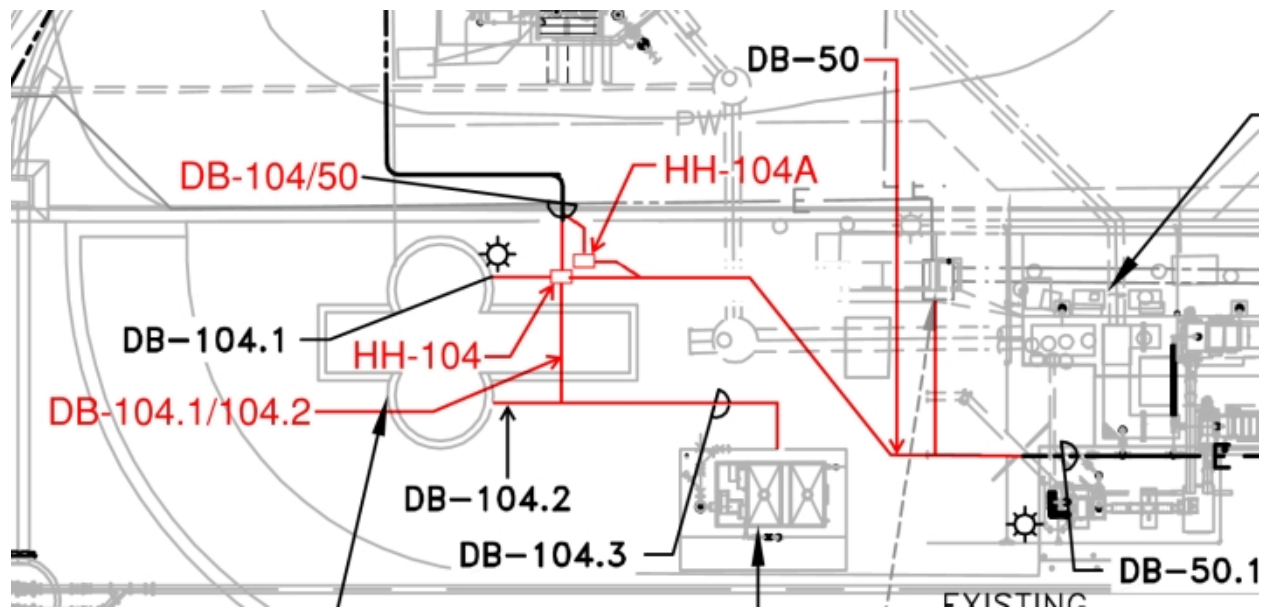
W.M. Lyles Co.
 Signature [Signature]
 Print Name ROBERT BECK
 Title SUPER. Date 8-26-19

CONTRACTOR'S REQUEST FOR INFORMATION (RFI) # 076_

To (Engineer): MWH Constructors Attention: Charles Reynolds Phone: 702-497-8024 Email: Charles.w.reynolds@stantec.com	
From (Contractor): W.M. Lyles Co. Attention: Juan C. Ahumada Phone: 951-972-2056 Email: jahumada@wmlylesco.com	
Subject: Headworks area ductbank/slab conflicts	
Reference: Construction Drawing: DE-02,SE-02, LE-02	Specification (Section and Page):
REQUEST	
Information is requested as follows: Construction of DB-50.1 has been stopped short of existing HH-50 due to some existing ductbanks not shown on the plans that are in the way (see attached pictures). The existing ductbanks found are on the south side of existing HH-50 and are in conflict of new ductbank 50.1 and of the installation of new HH-50.A. Additionally DB-50 going north out of HH-50.A as shown on SE-02 is going across an existing 20" +/- thick concrete slab that is not shown to be demolished/replaced per the contract plans and likely has other existing ductbank under the slab in conflict (see DE-02). Please advise.	
Information Requested By (Name): Juan Ahumada	Date: 5/30/2019
Response Requested By (Date): 6/6/2019	
Received by CM (Date):	
RESPONSE	
Response to Information Request: Per the meeting held on site on 8/21/19 the duct bank routing should be modified so that HH-50A is located near HH-104 and be relabeled HH-104A. Conduits that are to route to HH-50 shall now be connected to the south of the handhole instead of the north. The duct bank routing shall be modified as shown on the next page.	
Response By (Name): Mark Jeppsen	Date: 8/21/19

Final Distribution:

Page ___ of ___







METER VAULT

EXISTING MCC HW

EXISTING HANDHOLE HH-50

EXISTING DUCTBANKS NOT SHOWN ON PLANS

APPROXIMATE LOCATION OF NEW HANDHOLE HH-50.A

THICK CONCRETE SLAB



**City of Beaumont
Wastewater Treatment Plant Salt Mitigation
Upgrade Project**

Technical Justification:

PCO-20	
Design Adjustments: CLAR- 15	Yard Utilities – Domestic Water, Fire Line, SAWPA sampling & Natural Gas Line Routing

Location: Civil Yard Piping

The contract documents provided routing alignment, indicated pipeline sizes and connection locations for new onsite utilities to connect to offsite utility suppliers; Beaumont Cherry Valley Water, and SoCal Gas. Also required in this change request are changes the City negotiated with the Santa Ana Watershed Project Authority, SAWPA, related to brine water sampling.

- The City’s discussion with BCVW resulted in the domestic water line being reduced in size from 8” to 4” and the addition of backflow protection devices.
- Discussion with the Fire Marshall resulted in the addition of an 8” Firewater line and a backflow pressure reducing device.
- SAWPA required an additional visual sampling structure on the 12” Brine discharge system prior to flow leaving the site.
- The design developed by SoCal Gas resulted in the location shown on the contract drawing for the natural gas connection and meter was within a utility corridor far away from the main gate access. This utility corridor contained domestic and firewater piping, SCE 12-kV power, a 12” brine line, 16” utility water line and existing 30” plant influent raw sewer. The City to install the contractor’s gas termination location and meter near the facility entrance.

Design and Scope Changes:

1. Potable Water – Deleted 920-Lf of 8” HDPE DR-11 and added 920-Lf of 4” HDPE DR-11 pipe, no quantity change on 2” HDPE DR 11 piping. Added 4” reduced pressure assembly, service line assembly (excludes BCVWD water meter).
2. Fire Line - Added approximately 790-Lf of 8” HDPE DR 11 pipe and 8” pressure reducing assembly
3. Brine Line – Added 48” sampling manhole and sampling line, deleted flex couplings (material already onsite, no credit). Manhole will have 36” watertight bolted cover with “City of Beaumont Brine” cast lid.
4. Gas Line - Added approx. 220-Lf of 2” MDPE SDR-11 pipe, chain link fence enclosure (exclude gas meter), area grading and 4” of base inside gas meter area along with the installation of two bollards at a location to be determined by SoCal Gas.

Cost Impact:

MWHC evaluated W.M. Lyles first cost proposal of \$136,315.10 and negotiated changes. Production rates were lowered to follow industry guidelines, which also lowered equipment costs. MWHC recommend a contract cost increase of \$123,274.86 to be processed as an Owner indicated design change order.

WML COP-18.1 - MWHC Evaluation Summary				
Item	Description	WML COP-18 Cost Change	MWHC-18.1 Estimate	WML COP-18.1 Cost Change
1	Labor	\$52,120.60	\$43,730.73	\$43,730.73
2	Material	\$41,219.58	\$41,917.53	\$41,917.53
3	Equipment	\$16,058.36	\$12,508.68	\$12,508.68
	Credits	\$0.00	\$0.00	\$0.00
	Tax Credit	\$0.00	\$0.00	\$0.00
	Net Total	\$109,398.54	\$98,156.94	\$98,156.94
	markup	\$16,409.78	\$14,723.54	\$14,723.54
	subtotal	\$125,808.32	\$112,880.48	\$112,880.48
	Subcontractor			
4	Prada Painting	\$5,500.00	\$5,500.00	\$5,500.00
	Matt Chlor, Inc.	\$3,380.00	\$3,380.00	\$3,380.00
	Material	\$0.00	\$0.00	\$0.00
	Equipment	\$0.00	\$0.00	\$0.00
	Labor	\$0.00	\$0.00	\$0.00
		\$0.00		
	Subcontractors Net Cost	\$8,880.00	\$8,880.00	\$8,880.00
	Subcontractor Markup	\$0.00	\$0.00	\$0.00
	Subcontractor credit	\$0.00	\$0.00	\$0.00
	Subcontractor Tax on Material	\$0.00	\$0.00	\$0.00
	Subcontractor's total w/o Bond	\$8,880.00	\$8,880.00	\$8,880.00
	Bond	\$0.00	\$0.00	\$0.00
	subtotal	\$8,880.00	\$8,880.00	\$8,880.00
	GC - Subcontract markup	\$444.00	\$444.00	\$444.00
	Total	\$135,132.32	\$122,204.48	\$122,204.48
	GC Bond & Ins	\$1,182.77	\$1,222.04	\$1,070.37
	Total	\$136,315.10	\$123,426.53	\$123,274.86

C.O. Cost

CITY OF BEAUMONT WWTP SALT MITIGATION UPGRADE PROJECT

**CHANGE ORDER PROPOSAL (COP) # 018.1
(By Contractor)**

To (Engineer/CM): MWH Constructors Attention: Charles Reynolds Phone: 702-497-8024 Email: Charles.w.reynolds@mwhconstructors.com	From (Contractor): W.M. Lyles Co. Attention: Juan C. Ahumada Phone: 951-972-2056 Email: jahumada@wmlylesco.com
PCO/DCM No.: DCM no.09	
Subject: Brine Line Metering, Potable Water and Gas Line Changes	
Reference Documents: Clarification no. 15	
DESCRIPTION	
<p>Please review the attached change order proposal associated with the piping changes indicated in clarification no. 15. Below is a summary of these changes.</p> <p><u>Potable Water</u> – Deleted 920 lf of 8” HDPE DR 11 and added 920 lf of 4” HDPE DR 11 pipe, no quantity change on 2” HDPE DR 11 piping. Added 4” reduced pressure assembly, service line assembly (excludes BCVWD water meter)</p> <p><u>Fire Line</u> - Added approximately 790 lf of 8” HDPE DR 11 pipe and 8” pressure reducing assembly</p> <p><u>Brine Line</u> – Added 48” sampling manhole and sampling line, deleted flex couplings (material already onsite, no credit). Manhole will have 36” watertight bolted cover with “City of Beaumont Brine” cast lid.</p> <p><u>Gas Line</u> - Added approx. 220 lf of 2” MDPE SDR 11 pipe, chain link fence enclosure (exclude gas meter), grade and base gas meter area and installation of two bollards.</p> <p>Change order does not include hot tap connection and valve to existing 16” water line. It does not include connection to existing 6” gas main and pipe across the road to new meter location. Change order does not include backflow preventors third party certification.</p> <p>This proposal is valid for 30 days.</p>	
COST ESTIMATE	

Total Cost \$ 123,274.86 see attached breakdown.

SCHEDULE IMPACT

None

Received by MWH Constructors (Date):

RESPONSE

Response By:

Date:

Final Distribution: Juan C. Ahumada, W.M. Lyles Co.
Brian Knoll, Webb Associates
MWH Inspector

W. M. Lyles Co.
 42142 Roick Drive
 Temecula, CA 92590

Date: 22-Aug-19

Reference #: Clarification no. 15

Attention: Charles W. Reynolds

JOB LOCATION: City of Beaumont WWTP Slat Mitigation Upgrade Project

DESCRIPTION: Brine Line Metering, Potable Water and Gas Changes

Item:		Unit	Total MH	Total MH Cost	Eq. Cost	Material	Subcont.	Total Cost
1	Potable water line changes	LS	39	\$ 3,188.60	\$ 957.22	\$ (1,266.63)	\$ -	\$ 2,879.19
2	Fire line	LS	290	\$ 23,277.28	\$ 6,731.76	\$ 31,810.53	\$ 3,380.00	\$ 65,199.57
3	Brine Line changes	LS	64	\$ 5,192.24	\$ 1,703.28	\$ 4,553.52	\$ 5,500.00	\$ 16,949.04
4	Gas line changes	LS	150	\$ 12,072.62	\$ 3,116.42	\$ 6,820.11	\$ -	\$ 22,009.15
Total Costs			543	\$ 43,730.73	\$ 12,508.68	\$ 41,917.53	\$ 8,880.00	\$ 107,036.94

Subtotal		\$ 107,036.94
Mark-up - Labor	15%	\$ 6,559.61
Mark-up - Equipment	15%	\$ 1,876.30
Mark-up - Materials	15%	\$ 6,287.63
Mark-up - Subcontractor	5%	\$ 444.00
Bond	1.0%	\$ 1,070.37
Total This Change Order		\$ 123,274.86

Comments:

City of Beaumont WWTP Slat Mitigation Upgrade Project

Brine Line changes

A. Labor

Description	Lab Pipe FM			Lab Pipe			Operator			Cement Mason			Carp FM			Carp																	
	ST	PT	DT	ST	PT	DT	ST	PT	DT	ST	PT	DT	ST	PT	DT	ST	PT	DT	ST	PT	DT	ST	PT	DT	ST	PT	DT	ST	PT	DT			
48" sampling manhole ex/set/backfill	16			32			16																										

Fax: 858-391-5958

17:55:00 AUG 05 2019

Reference No: B346836

Item	Description	Quantity	Net Price	UM	Total
JE1975WSGK	LF 2 CTS X MTR FLG ANG VLV	1	309.840	EA	309.84
JE1931K	LF 2 MIP X FIP BALL CORP ST	1	222.290	EA	222.29
N114BCW	14X19 VLV BX W/ OVRLAP WTR CVR	1	37.610	EA	37.61

Net Total: \$21540.48
Tax: \$1717.88
Freight: TBD
Total: \$23258.36

Item Code	Description	Notice
W475DALFP	LF 4 RED BFP DET W/ OS&Y GATE VLV	⚠ WARNING: Cancer and Reproductive Harm - www.P65Warnings.ca.gov
WMJSP	4 MJ X MJ WILKINS BFP VLV SETTER	⚠ WARNING: Cancer and Reproductive Harm - www.P65Warnings.ca.gov
W475DALFX	LF 8 RED BFP DET W/ OS&Y GATE VLV	⚠ WARNING: Cancer and Reproductive Harm - www.P65Warnings.ca.gov
WMJSX	8 MJ X MJ WILKINS BFP VLV SETTER	⚠ WARNING: Cancer and Reproductive Harm - www.P65Warnings.ca.gov

Quoted prices are based upon receipt of the total quantity for immediate shipment (48 hours). SHIPMENTS BEYOND 48 HOURS SHALL BE AT THE PRICE IN EFFECT AT TIME OF SHIPMENT UNLESS NOTED OTHERWISE. QUOTES FOR PRODUCTS SHIPPED FOR RESALE ARE NOT FIRM UNLESS NOTED OTHERWISE.

CONTACT YOUR SALES REPRESENTATIVE IMMEDIATELY FOR ASSISTANCE WITH DBE/MBE/WBE/SMALL BUSINESS REQUIREMENTS.

Seller not responsible for delays, lack of product or increase of pricing due to causes beyond our control, and/or based upon Local, State and Federal laws governing type of products that can be sold or put into commerce. This Quote is offered contingent upon the Buyer's acceptance of Seller's terms and conditions, which are incorporated by reference and found either following this document, or on the web at <https://www.ferguson.com/content/website-info/terms-of-sale>
 Govt Buyers: All items are open market unless noted otherwise.

LEAD LAW WARNING: It is illegal to install products that are not "lead free" in accordance with US Federal or other applicable law in potable water systems anticipated for human consumption. Products with *NP in the description are NOT lead free and can only be installed in non-potable applications. Buyer is solely responsible for product selection.
 WATER FLOW RATE NOTICE: Lavatory Faucets with flow rates over 0.5 GPM are not allowed for 'public use' in California.



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Scan the QR code or use the link below to complete a survey about your bids:

<https://survey.medallia.com/?bidsorder&fc=1083&on=25463>



163 Sixth Ave. City of Industry CA 91746

Portable Restrooms / Hand Wash Sinks
Luxury Trailer Restrooms / Barricades
Chain Link Fencing

MBE- SBE Certified



We use recycled products

Billing Info:
WM Lyles Co
Job:715 West 4th St
Beaumont, Ca 92223

**Confidential Fence
Purchase Proposal**

Name: **Armando Cayama**
Phone: **951-501-6717**
Fax:
Email: **acayama@wmlylesco.com**

August 6, 2019

Thank you for considering So Cal Industries for your upcoming project. Our goal is to provide you with "Clean Quality Service."
I look forward to working with you soon.

Approximate	EQUIPMENT DESCRIPTION		UNIT PRICE	EXTENSION
1	EA	6x3 9ga clf man gate including fork latch, barbed wire, hindges and linepost ss40	3,150.00	\$3,150.00
2	EA	6x10 9ga clf panels including barbed wire line posts (3) ss40 and claps ***Panels must be manufactured once ordered no cancellation***		
1	EA	Delivery drop off	350.00	\$350.00
Final footage will be counted at end of installation quantaties are subject to change				
*****Customer must have all underground utilities marked *****				
*****FENCE LINE MUST BE CLEAR OF ANY BRUSH OR OBSTRUCTION*****				
Specifications:				
SoCal Industries is not a union shop. This quote is conditioned on reciept review and acceptanceof the requirements for this job, Accepting this quote you acknowledge this is NOT a PLA, PSA or Union only project				
<input type="checkbox"/>	<input checked="" type="checkbox"/> Purchase Drop Off	<input type="checkbox"/> Drop Off Only	7.75%	
			Subtotal	\$3,500.00
			TAX	\$299.25
			Total w/ tax	\$3,799.25

Special Notes:

Job Location:	Job contact:	Contact #:
Address:	X-Street:	Alternate #:
City, State ZIP:	Delivery Date	Pick/Up Date
VISA M.C. AMEX DISC P.O.	Number	Expiration
		Sec Code
		C.O.D \$

Terms & Conditions ALL PURCHASE/SALES ARE FINAL
28 day billing cycle applies. Payment in the form of a credit card, cashier's check or cash is due prior to delivery. Any purchase, rental or service already charged to a credit card and later cancelled will receive a 7% cancellation fee. Orders cancelled the day of scheduled delivery will be charged a delivery fee. Lessee shall be deemed to have accepted terms and conditions by a signed proposal, equipment delivery request, use of equipment, acknowledgement, or other conduct of Customer indicating acceptance. All rental units must be accessible for service. Lessee agrees to pay or reimburse all breakage, vandalism, missing, stolen or any damage to equipment other than normal wear while in the lessee's control and/or possession. The Lessor shall have the right, without notice or service, to immediately recover or stop service of items and equipment from customer. Unpaid invoices 30 days past due will receive a 1.5% late fee. Customer changes in equipment quantities or service and fence installation resulting in additional linear footage and/or abnormal conditions, i.e., standby time, relocations, hand carry, hard/rocky ground, hillside, core drill for asphalt, concrete, or partial pickup will incur additional charges. Fence rental will be billed at 15% of installation cost after initial term. Customer is responsible for all taxes and environmental energy disposal fees (EED). Quotation is valid for up to 30 days from quotation date.

ACCEPTANCE OF PROPOSAL:	Printed Name	SIGNATURE:	DATE:
Representative: JOSE MUNIZ		Rep's Signature:	Date:
			Approval



Jose.Muniz@SoCallIndustries.com

Direct (626) 422-2538 Fax: (626) 333-2949



August 6, 2019

Juan Ahumada
WM Lyles

Job Name: Beaumont Project
Job Location: Riverside County
Bid Date: August 10, 2019

Dear Juan,

Please find listed below our proposal to disinfect water mains for the job listed above.

Scope of Work

Day 1: Chlorinate 800 feet of 8 inch

Price: \$1,690.00

Day 2: De-Chlorinate and collect water sample(s) (if required) (24 hours after chlorination)

On 800 feet of 8 inch

Price: \$1,690.00 plus sample processing fee (see prices below)

If additional trips are required, then additional charges would be incurred.

NOTE: If there is a Water Truck involved in the process of this project, and no notification was given before the start of the project. This quote will be subject to additional charges.

Sample Prices & Applicable Fees:

1. Coliform (Present/Absent) & plate count testing: \$95.00 per sample
2. **Weekend fee** –(sample(s) testing for coliform & plate count): \$50.00 per day
 - Fee applies to sample(s) collect & delivered to laboratory on Thursday, Friday, Saturday, and Sunday
3. Coliform (Present/Absent) “ONLY” \$60.00 per sample
4. **Weekend fee** – (sample(s) testing for coliform & plate count): \$50.00 per day
 - Fee applies to sample(s) collected & delivered on Friday, Saturday, and Sunday
5. **Holiday Fee** \$50.00 per day

***Note:** To avoid weekend sample fees, samples should be collected on Monday, Tuesday, or Wednesday (coliform & plate count testing) or Monday, Tuesday, Wednesday, or Thursday (coliform testing only). It is customer's responsibility to schedule according to their needs and required by the district and this is why we opted to make it mandatory that all water samples are tested for coliform & plate count. The only exception will be if the customer signs waiver acknowledging that they do not want the water sample(s) tested for plate count.*

4107 N. Arden Dr.
El Monte, CA 91731

EMAIL info@mattchlor.com • WEB www.mattchlor.com

Los Angeles (626) 443-5034 • San Diego (619) 542-0155 • Austin, Texas (512) 506-8446 • FAX (626) 443-2226

STANDARD TERMS AND CONDITIONS OF OUR SERVICES

THE TERMS AND CONDITIONS BELOW SHALL APPLY TO THE PROPOSAL AND ANY SUBSEQUENT CONTRACT WITH MATT-CHLOR, INC. FOR THE SUPPLY OF THE DISINFECTION SERVICES DETAILED IN THE PROPOSAL. PLEASE READ CAREFULLY.

1. **Definitions.** For purposes of the Proposal and these Standard Terms and Conditions, the following terms shall have their meanings assigned to them hereunder, namely:
 - A. You, your, customer means your company which has contracted with Matt-Chlor, Inc. to perform services set forth in the Proposal.
 - B. Matt-Chlor, Inc. we, us, our shall mean Matt-Chlor, Inc., its authorized representatives and employees.
 - C. Services shall mean the chlorination/de-chlorination services provided by Matt-Chlor, Inc. under the Proposal.
 - D. Proposal shall mean the document which was supplied to you by Matt-Chlor, Inc. which sets forth the services to be performed by Matt-Chlor, Inc., which, when countersigned by you, becomes the agreement of the parties.
 - E. Agreement shall mean the Proposal together with all attachments hereto, as well as all amendments thereto which are executed by all parties.
 - F. Personnel or Employee(s) of a Party includes employees, agents, consultants, Subcontractors, or other representatives of that Party.
 - G. Party, Parties shall mean either you or Matt-Chlor, Inc., or both Matt-Chlor, Inc. and you, collectively, depending upon the context as used in this Agreement.
 - H. Project means the project, jobsite, or other location where Matt-Chlor, Inc. is to perform services pursuant to the Proposal/Agreement.
2. The type of service we perform is a very minimal part of your entire projects. Our scope of work is usually covered in the first pages in an Owner's Contract. We want to clarify that Matt-Chlor will only be responsible for Contract documents it has been provided. We cannot be held liable for terms and conditions that were not provided to us.
3. The proposal given on or attached to these Standard Terms and Conditions will only remain valid for Thirty (30) days.
4. Acknowledgment and acceptance of this proposal by you indicates that you will be bound by these terms and condition. No addition, alteration, substitution or waiver of these terms and conditions will be valid unless expressly accepted in writing by Matt-Chlor, Inc. or a person authorized to sign on behalf of Matt-Chlor, Inc.
5. These Standard Terms and Conditions shall be construed in accordance with the laws of the State of California and shall be subject to the exclusive jurisdiction of the California Courts.
6. **Job Site Conditions and Requirements for Chlorination and De-Chlorination:**
 - A. Size and length of pipeline to be chlorinated/dechlorinated to be provided by you.
 - B. Chlorination using sodium hypochlorite (12.5%) **NSF/ANSI Standard 60 Approved** (per AWWA Standard ANSI/AWWA B300)
 - C. Minimum Required Water Flow:
 - 1 to 12 inch pipe: 200 GPM
 - 13 to 23 inch pipe: 500 GPM
 - D. The pipeline must be full of water and have all air purged from the system.
 - E. Water meter must be on all jobs.
 - F. Chlorine Concentration: minimum 25 PPM/maximum 50 PPM
 - G. De-Chlorination using sodium bisulfite (25%) **NSF/ANSI Standard 60 Approved** We will de-chlorinate until the water residual is at 1.5PPM of the incoming residual
7. If Minimum Required Water Flow (Item 6.C.) or a higher Chlorine Concentration (Item 6.E) is required, Matt-Chlor, Inc. must be advised prior to commencement of work. Cost adjustment will be made to the Proposal as these factors have an adverse impact on the cost to complete the project.
8. **All building disinfections:**
 - A. You (our customer) must have personnel available to provide Matt-Chlor, Inc. with access to the areas that will require disinfections.
 - B. In order for Matt-Chlor Inc. to do the building chlorination and de-chlorination properly, all of the drains in the building must be functioning.
 - C. We will be flushing water into all the drains for a prolong periods of time and the importance of the drains working properly is critical.
 - D. We will not be responsible for any water damage caused by non functioning drains.
 - E. Technicians will NOT start the job without confirming that all drains have been check and are all up to standards.
9. The system must be isolated with all fittings, valves, hydrants and plugs restrained.
10. **Factors Affecting Costs as Set Forth in Proposal.** Prices are subject to increase for the following:
 - A. Changes in the size of the pipe
 - B. Changes in the length of the pipe
 - C. Changes in number of trips required
 - D. Changes to any Job Site Conditions (Item 7)
 - E. Matt-Chlor, Inc. technicians are not allowed to commence work when scheduled (waiting time), or are required to return at a later time to commence work (return trip)
 - F. Work is scheduled before 6:00AM or after 4:00PM (standard work only) or is scheduled on a Saturday, Sunday or holiday
 - G. Upon review of specifications and job instructions/requirements by Matt-Chlor, Inc., the parameters of the Scope of Work must be modified.
 - H. Work is cancelled by you less than 24 hours prior to commencement of work **(TO CANCEL APPT. AFTER HOURS - MUST CALL 818-253-6465)**
 - I. Additional monitoring, testing/sampling is required
 - J. Projects involving other contractors/suppliers (e.g. chemicals) require TEN (10) days advance notice for scheduling)
 - K. If distance from the water source exceeds 150 feet, additional charges will apply at the discretion of Matt-Chlor, Inc. service manager.
 - L. **If Matt Chlor Inc. is not informed that this is a prevailing wage project when obtaining our proposal, and is informed after the job is completed or quote issued, that certified payroll is required, then there will be additional charges.**
 - M. If Matt Chlor Inc. is not informed that this is a time & materials project, there will be additional charges.
 - N. Services will be billed portal to portal at all times.
 - O. Any special handling, use or disposal of discharge water (i.e. bucket, water buffalo, water truck, etc.)

11. Scope of Work does not include the following:
 - A. Any plumbing or piping work
 - B. Any pipeline or pipe fittings
 - C. Any backflow or flow metering equipment
 - D. Materials for blow-offs, pumping wells or air vacs
 - E. Preparation of blow-offs, pumping wells or air vac.
 - F. Disposal or removal of water or any material and/or equipment not belonging to Matt-Chlor, Inc.
 - G. Providing access to or closure from pipeline for spraying or securing any mechanical operation.
 - H. Providing water or water pressure to the project
 - I. Providing pumps or other equipment necessary to remove or transfer water
 - J. Backflow preventions and water feeders
 - K. Operation of valves
 - L. Obtaining any permits
 - M. Any additional monitoring, testing, and/or sampling not specifically included in Scope of Work
 - N. Coordination with City/County inspectors. This is your responsibility.
12. Matt-Chlor, Inc. services are in strict compliance with American Water Works Association (AWWA) Standards C651-05 (Disinfecting of Water Mains-Pipeline) or C652-11 (Water Storage Facilities Tanks and Reservoirs). Only State of California Department of Health Services Water Treatment Operator Certified & Water Distribution Operator Certified Technicians will be provided.
13. Matt-Chlor, Inc. cannot warrant or guarantee satisfactory bacteriological test results. Any pipe and/or samples that fail must be re-chlorinated and samples re-collected at additional charge.
14. You must provide preliminary job information to Matt-Chlor, Inc. prior to commencement of work to enable Matt-Chlor, Inc. to complete the Twenty (20) Day Preliminary Notice.
15. **Insurance:** Matt-Chlor, Inc. insurance carrier allows no amendment of the cancellation clause of the certificate of insurance. You waive this requirement by accepting this proposal. If your project requires EXCESS LIABILITY Matt Chlor Inc. can provide it for a fee of \$1,500.00 per policy year. Amount can be pro-rated based on the months left in a policy year. The cost when pro-rated is \$125.00 per month.
16. **Payment Terms.** Invoices shall be dated no earlier than the date services are rendered. Net Thirty (30) days from invoice date. Past due invoices will be subject to a late payment fee of 1.8% of the unpaid balance. Withholding of retentions is not authorized. Payment of Matt-Chlor, Inc. invoices is **not** contingent upon payment to you by any third party.
17. Matt-Chlor, Inc. does not perform services on a time and materials basis. Rates and costs are set forth in these Standard Terms and Conditions unless modified in the Proposal.
18. Matt-Chlor, Inc. must be informed prior to acceptance of the Proposal as to whether your project is a prevailing wage project which requires certification of payroll. Additional charges may apply
19. **Attachments.** Documents designated by Matt-Chlor, Inc. in the body of the proposal, including these Standard Terms and Conditions, are incorporated by reference the same as if set forth in full thereon.
20. **Changes.** Any changes in the Proposal and/or Scope of Work must be agreed to by Matt-Chlor, Inc. and you in writing prior to the commencement of work.
21. **Entire Agreement.** Unless superseded by a specific signed agreement between Matt-Chlor, Inc. and you, this agreement shall include the Proposal, these Standard Terms and Conditions, and all attachments referenced to in the Proposal or in the Standard Terms and Conditions, and it shall constitute the entire agreement of the parties with regard to the subject matter contained herein. All other prior or contemporaneous representations, warranties, covenants, or agreements between Matt-Chlor, Inc. and you, or the parties respective representatives, with respect to the subject matter are hereby superseded. This agreement may not be modified except by mutual agreement of the parties in a signed writing.
22. **Attorneys Fees.** If any litigation or other action is commenced between the parties concerning the proposal, the work, or the rights and duties of either in relation thereto, the party prevailing in that litigation or action shall be entitled to, in addition to any other relief that may be granted in the litigation or action, a reasonable sum as and for its attorneys fee in that litigation or action that are determined by the court, mediator or arbitrator in that litigation or action.

**ANY MODIFICATIONS TO MATT CHLOR INC. TERMS & CONDITIONS
MUST BE AGREED TO IN WRITING**

By: _____
Signature / Title (*Office Manager*)

By: _____
Signature / Title

Company Name: Matt Chlor Inc. **Date:** _____

Company Name: _____ **Date:** _____

Job Questionnaire & REQUEST FOR Preliminary Job Information
REQUIRED FOR "ALL" JOBS – NO EXCEPTIONS

It is critical that you inform us if this is a Public Works Project in order for us to comply with General Prevailing Wage Determination made by the Director of Industrial Relations Pursuant to California Labor Code Sections 1770, 1773, and 1174.

It is your (our customer's) responsibility to provide us this information. If you do not have this information, please contact the awarding body and they should be able to provide it to you so that you can then provide it to us.

Prevailing wages must be paid to all workers employed on a Public Works project when the Public Works project value is over \$1,000.

Your Company Name: _____

Billing Address for this job: _____ **City:** _____ **Zip Code:** _____

Certified Payroll Contact: _____ **Phone:** _____ **Email:** _____

Is this a Public Works Project (Labor Code § 1720(a)): YES NO

For your reference files, Matt Chlor's DIR# is: 1000012252

Job Name _____ **Job #:** _____ **PO #:** _____

DIR Project # _____

Public Works job information must be consistent with the information listed on PWC 100

Job Street Address or Cross Street: _____

Job City, State, Zip Code: _____

Prime Contractor: _____ **Phone:** _____ **Fax:** _____

Awarding Body (Owner): _____

Owner Address: _____

Owner Contact: _____ **(if any)** **Owner Phone:** _____

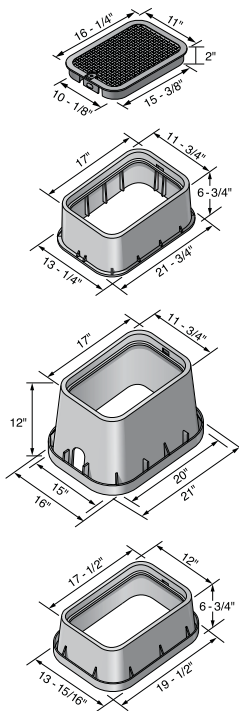
1. If this is a Public Works project, please provide the total contract value for the entire project. \$ _____
2. Please contact carmen@mattchlor.com with project requirements and contact information of who to send compliance documents to.
3. Is Matt Chlor Inc. **as a sub-contractor of this project, responsible for paying Prevailing wages** to employees working on this project:

YES or NO (circle one)



NDS Standard Series 14"x 19" Rectangular Valve Boxes

The NDS Standard Series 14" x 19" body is tapered and has a minimum wall thickness of 0.200". The body has a double wall at the top cover seat area with a minimum thickness of 0.250". The cover seat area has 16 structural support ribs on the underside of the seat, each with a minimum thickness of 0.250". The bottom of the body has a 0.500" flange. The 14" x 19" cover has an average thickness of 0.250". The valve box has a 3/8" 304 Brass nut for the bolt-down as a standard feature.



Part No.	Description	Color (Box/Cover)	Pallet Qty.	Weight Ea. (lbs.)	Product Class
Box & Cover					
115	14" x 19" x 6" Extension, Overlapping Cover - ICV	Black/Green	49	16.16	20ND
116	14" x 19" x 6" Extension, Overlapping Cover - ICV	Green/Green	49	6.16	20ND
113BC	14" x 19" Box, Overlapping Cover - ICV	Black/Green	78	9.1	20ND
113BC CTN	12" x 17" Valve Box Overlap ICV Cover	Black/Green	48	9.32	20ND
113BC SAND	14" x 19" Box, Overlapping Cover - ICV	Sand/Sand	78	9.25	20ND
113BCBLK	14" x 19" Box, Overlapping Cover - ICV	Black/Black	78	9.1	20ND
113BCD	14" x 19" Box, Drop-in Cover - ICV	Black/Green	78	8	20ND
113BCE	14" x 19" Box, Overlapping Cover - Electrical	Black/Green	78	9.32	20NM
113BCR	14" x 19" Box, Overlapping Cover - Reclaimed Water	Black/Purple	78	9.1	20ND
113BCRBLK	14" x 19" Box, Overlapping Cover - Reclaimed Water	Black/Black	78	9.1	20ND
113BCRG	14" x 19" Box, Overlapping Cover - Reclaimed Water	Black/Green	78	9.1	20ND
113BCS	14" x 19" Box, Overlapping Cover - Sewer	Black/Green	78	9.1	20ND
113BCW	14" x 19" Box, Overlapping Bolt-Down Cover - Water	Black/Black	300	9.32	20NM
113BCWG	14" x 19" Box, Overlapping Cover - Water	Black/Green	78	9.1	20ND
113PBCR	14" x 19" Box, Overlapping Cover - Reclaimed Water	Purple/Purple	78	9.29	20ND
114BC	14" x 19" Box, Overlapping Cover - ICV	Green/Green	78	9.95	20ND
114BCS	14" x 19" Box, Overlapping Cover - Sewer	Green/Green	78	9.95	20NM
114BCW	14" x 19" Box, Overlapping Cover - Water	Green/Green	78	9.95	20NM
115BCR	14" x 19" x 6" Box, Overlapping Cover - ICV	Black/Purple	42	7.29	20ND
115TBC	14" x 19" x 6" Tapered Box, Overlapping Cover - ICV	Black/Green	96	6	20ND
116TBC	14" x 19" x 6" Tapered Box, Overlapping Cover - ICV	Green/Green	96	5.55	20ND
116TBC SAND	14" x 19" x 6" Tapered Box, Overlapping Cover - ICV	Sand/Sand	96	6.16	20ND
Cover Only					
113C	14" x 19" Overlapping Cover - ICV	Green	300	2	20ND
113C BRN	14" x 19" Overlapping Cover - ICV	Brown	300	2	20ND
113C SAND	14" x 19" Overlapping Cover - ICV	Sand	300	2	20ND
113CB	14" x 19" Overlapping Cover - ICV	Black	300	2	20ND
113CE	14" x 19" Overlapping Cover - Electrical	Green	300	2.3	20NM
113CR	14" x 19" Overlapping Cover - Reclaimed Water	Purple	300	2.5	20ND
113CRB	14" x 19" Overlapping Cover - Reclaimed Water	Black	300	2	20ND
113CRG	14" x 19" Overlapping Cover - Reclaimed Water	Green	300	2	20ND
113CS	14" x 19" Overlapping Cover - Sewer	Green	300	2	20ND
113CW	14" x 19" Overlapping Cover - Water	Black	300	2	20ND
114CW	14" x 19" Overlapping Cover - Water	Green	300	2	20ND
Box Only					
113-6	14" x 19" x 6" Extension	Black	49	4.1	20ND
113B	14" x 19" Box	Black	78	6.03	20NM
114-6	14" x 19" x 6" Rectangular Extension	Green	49	3.86	20ND
114B	14" x 19" Box	Green	78	6.1	20ND
116-SAND	14" x 19" x 6" Extension	Sand	49	6	20ND
113BB	2-1/2" x 3/8" SS Bolt	Steel	n/a	0.1	20NM

Application

Designed for installation on water lines in fire protection systems to protect against both backsiphonage and backpressure of contaminated water into the potable water supply. The Model 475DA/475DAV shall provide protection where a potential health hazard exists. Incorporates metered by-pass to detect leaks and unauthorized water use.



MODEL 475DAV



MODEL 475DA

Standards Compliance

- ASSE® Listed 1047 (4" thru 8")
- AWWA Compliant C550
- UL® Classified (4" thru 10")
- C-UL® Classified (4" thru 10")
- FM® Approved (4" thru 8")
- NYC MEA 170-02-M VOL 2 (4-8")
- Approved by the Foundation for Cross Connection Control and Hydraulic Research at the University of Southern California (4" thru 8")
- NSF® Listed-Standard 61, Annex G*
*(0.25% MAX. WEIGHTED AVERAGE LEAD CONTENT)

Materials

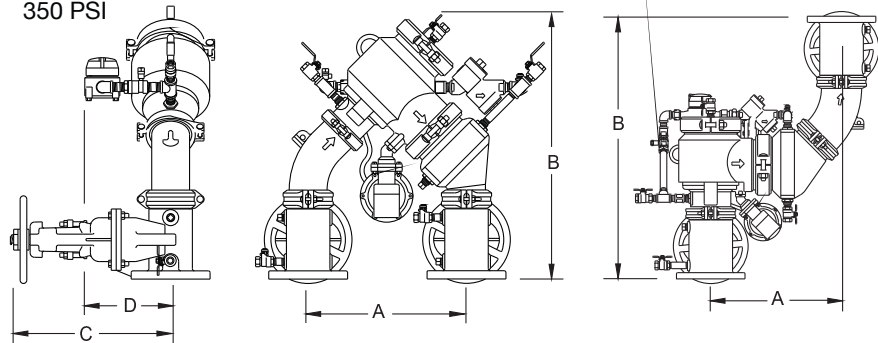
Main valve body Ductile Iron ASTM A 536 Grade 4
 Access covers Ductile Iron ASTM A 536 Grade 4
 Coatings FDA Approved fusion epoxy finish
 Fasteners Stainless Steel, 300 Series
 Elastomers EPDM (FDA approved)
 Buna Nitrile (FDA approved)
 Polymers NORYL™, NSF Listed
 Springs Stainless steel, 300 series

Features

Sizes: 4", 6", 8", 10"
 Maximum working water pressure 175 PSI
 Maximum working water temperature 140°F
 Hydrostatic test pressure 350 PSI
 End connections
 (Grooved for steel pipe) AWWA C606
 (Flanged) ANSI B16.1 Class 125

Relief Valve discharge port:
 2 1/2" - 6" - 2.75 sq. in.
 8" - 10" - 3.69 sq. in.

175 PSI
 140°F
 350 PSI



Options (Suffixes can be combined)

- with OS & Y gate valves (standard)
- L - less shut-off valves (grooved body connections)
- LM - less water meter
 - with remote reading meter
 - with gpm meter (standard)
 - with cu ft/min meter
- V - vertical flow up configuration
- G - with groove end gate valves
- FG - with flanged inlet gate connection and grooved outlet gate connection
- MS - with integral relief valve monitor switch
- BGVIC - with grooved end butterfly valves with integral supervisory switches
- PI - with post indicator gate valve

Accessories

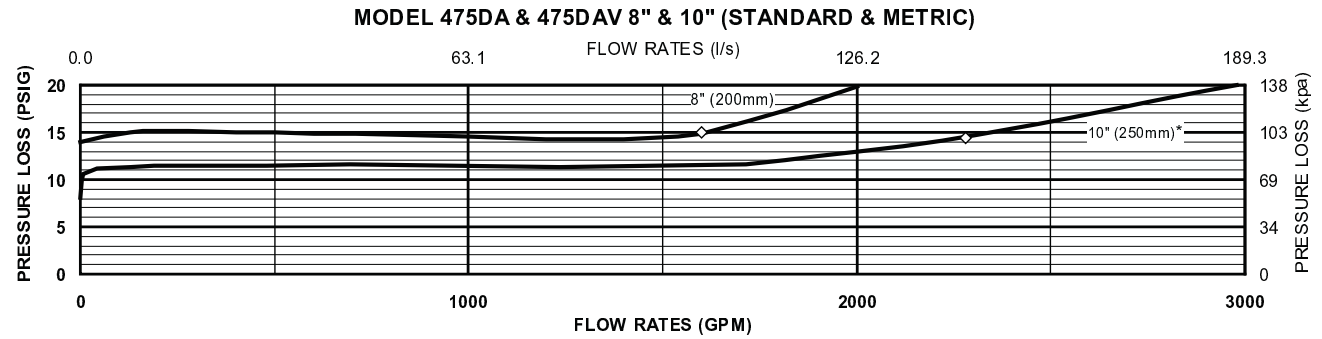
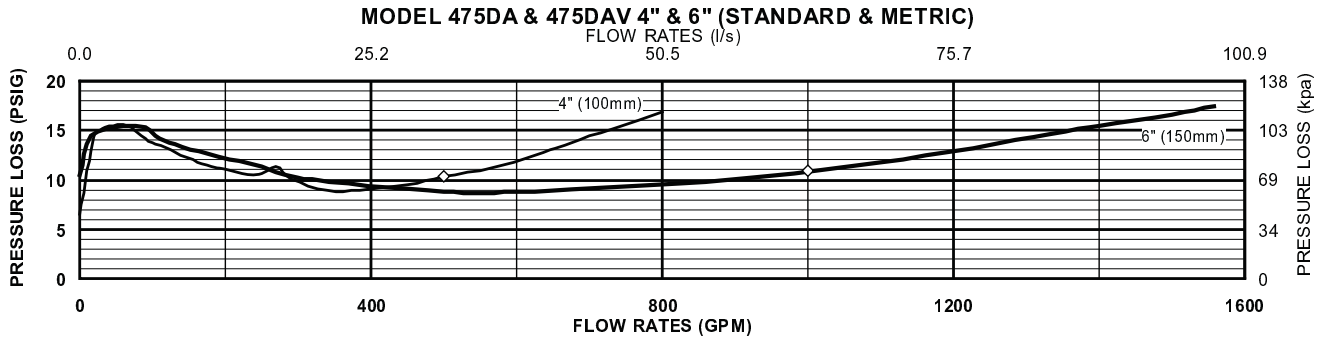
- Air gap (see spec sheet BF-AG)
- Repair kit (rubber only)
- Thermal expansion tank (Model XT)
- Valve setter (Model FLS or MJS or MJFS)
- Gate valve tamper switch (OSY-40)
- QT-SET Quick Test Fitting Set

Dimensions & Weights (do not include pkg.)

MODEL 475DA & 475DAV SIZE	DIMENSIONS (approximate)														WEIGHT							
	A		B WITH GATE VALVES		B WITH BFLY VALVES		B LESS GATE VALVES		C OS&Y OPEN		C OS&Y CLOSED		C WITH BFLY		D	LESS GATE VALVES		OS&Y GATE VALVES		WITH BFLY VALVES		
	in.	mm	in.	mm	in.	mm	in.	mm	in.	mm	in.	mm	in.	mm	in.	mm	lbs.	kg	lbs.	kg	lbs.	kg
4" 475DA	18 5/16	465	30	762	27 3/4	705	21	533	22 3/4	578	18 1/4	464	9 1/2	241	8	203	113	51.3	303	137.4	151	68.5
4" 475DAV	18 7/8	479	36 1/2	927	32	813	18 1/2	470	22 3/4	578	18 1/4	464	9 1/2	241	8	203	113	51.3	303	137.4	151	68.5
6" 475DA	18 11/16	475	35 1/2	902	32 1/8	816	25	635	30 1/8	765	23 3/4	603	10 1/2	267	10	254	187	84.9	487	221	243	110.2
6" 475DAV	21	533	42	1067	35 1/4	895	21	533	30 1/8	765	23 3/4	603	10 1/2	267	10	254	187	84.9	487	221	243	110.2
8" 475DA	29	737	46	1168	42 9/16	1081	34 7/16	875	37 3/4	959	29 1/4	743	13	330	13	330	421	191.1	897	406.8	543	246.3
8" 475DAV	30 5/16	770	53 1/2	1359	46 9/16	1183	30 5/16	770	37 3/4	959	29 1/4	743	13	330	13	330	421	191.1	897	406.8	543	246.3
10" 475DA	29	737	47 1/2	1207	44 7/16	1129	34 7/16	875	45 3/4	1162	35 3/8	899	13 5/16	338	13	330	439	199.3	1113	504.8	625	283.5
10" 475DAV	30 5/16	770	56 1/2	1435	50 5/16	1278	30 5/16	770	45 3/4	1162	35 3/8	899	13 5/16	338	13	330	439	199.3	1113	504.8	625	283.5

Zurn Industries, LLC | Wilkins
 1747 Commerce Way, Paso Robles, CA U.S.A. 93446 Ph. 855-663-9876, Fax 805-238-5766
 In Canada | Zurn Industries Limited
 3544 Nashua Drive, Mississauga, Ontario L4V 1L2 Ph. 905-405-8272, Fax 905-405-1292

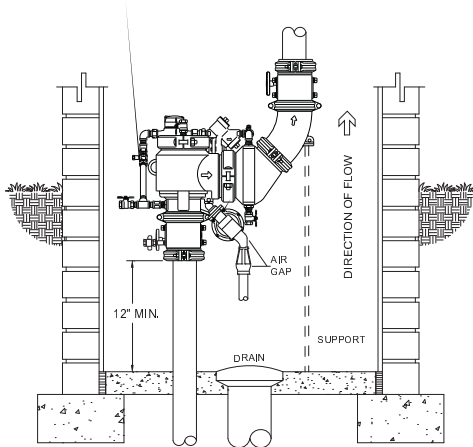
Rev. C
 Date: 12/13
 Document No. BF-475DA&V
 Patent No. 5,913,331
 Product No. Model 475DA & 475DAV



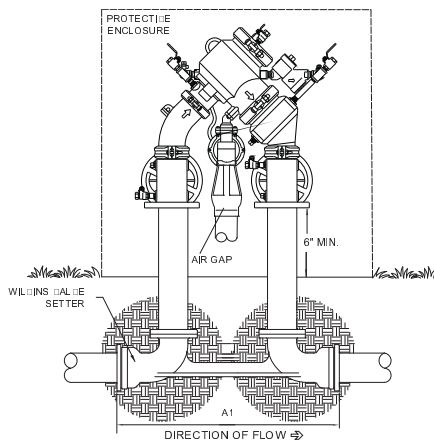
Typical Installation

Local codes shall govern installation requirements. To be installed in accordance with the manufacturers' instructions and the latest edition of the Uniform Plumbing Code. Unless otherwise specified, the assembly shall be mounted above adequate drains with sufficient side clearance for testing and maintenance. The installation shall be made so that no part of the unit can be submerged.

Capacity thru Schedule 40 Pipe (GPM)				
Pipe size	5 ft/sec	7.5 ft/sec	10 ft/sec	15 ft/sec
2 1/2"	75	112	149	224
3"	115	173	230	346
4"	198	298	397	595
6"	450	675	900	1351
8"	780	1169	1559	2339
10"	1229	1843	2458	3687



VERTICAL INSTALLATION



OUTDOOR INSTALLATION

MODEL SIZE	DIMENSIONS (approximate)			
	A1 SETTER END TO END FLS		A1 SETTER END TO END MJS	
in. mm	in. mm	in. mm	in. mm	
4 100	31 5/16 795	29 5/16 745		
6 150	34 3/4 884	32 3/4 832		
8 200	47 1194	44 5/8 1133		
10 250	51 1295	47 1194		

Specifications

The Reduced Pressure Detector Assembly shall be ASSE® Listed 1047, and supplied with full port OS & Y gate valves. The main body and access covers shall be epoxy coated ductile iron (ASTM A 536 Grade 4), the seat ring and check valve shall be NORYL™, the stem shall be stainless steel (ASTM A 276) and the seat disc elastomers shall be EPDM. The first and second checks shall be accessible for maintenance without removing the relief valve or the entire device from the line. If installed indoors, the installation shall be supplied with an air gap adapter. The Reduced Pressure Detector Assembly shall be a ZURN WILKINS Model 475DA or 475DAV.

Juan Ahumada

From: david parada <davidparadajr@yahoo.com>
Sent: Tuesday, August 6, 2019 4:14 PM
To: Lisa Greenelsh
Cc: Juan Ahumada
Subject: Scope letter

Lisa please send Juan a scope letter for additional manhole to be coated for 5,500\$

He is cc'd in this email if you have any questions.

Thank You
David Parada Jr.
Parada Painting, Inc.
[858-602-6037](tel:858-602-6037) Mobile
[858-748-3540](tel:858-748-3540) Main Office
[858-748-3774](tel:858-748-3774) Fax
www.paradapainting.com



ROXANN M. VOTAW
votaw@sbemp.com
FIRM ADMINISTRATOR

REPLY TO:
Palm Springs, California

OCTOBER 3, 2019

CITY OF BEAUMONT PROFESSIONAL SERVICES THRU: 9/30/2019

TOTAL DUE: \$110,707.04

Sincerely,
SBEMP, LLP

By: Roxann M Votaw

SLOVAK BARON EMPEY MURPHY & PINKNEY LLP

Palm Springs, CA
T (760) 322-2275

Indian Wells, CA
T (760) 322-9240

Costa Mesa, CA
T (714) 435-9592

San Diego, CA
T (619) 501-4540

Princeton, NJ
T (609) 955-3393

New York, NY
T (212) 829-4399

www.sbemp.com
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1800 E Tahquitz Canyon Way
Palm Springs, CA 92262
Fed. ID #33-0833010
Telephone 760-322-2275
Facsimile 760-322-2107

OCTOBER 3, 2019

City of Beaumont
E-MAIL INVOICES

Our file no:
City of Beaumont*ULC Defense

Professional services through: 8/31/2019:

Invoice # 54914

BALANCE DUE – PLEASE SUBMIT PAYMENT:

Amount

\$6,700.83

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Palm Springs, California 92262
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 Facsimile 760-322-2107

OCTOBER 3, 2019

City of Beaumont
 E-MAIL INVOICES

Our file no:
 City of Beaumont*Urban Logic

Professional services through: 8/31/2019:

Invoice # 54915

	<u>Amount</u>
BALANCE DUE – PLEASE SUBMIT PAYMENT:	\$7,562.50

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Facsimile 760-322-2107

OCTOBER 3, 2019

City of Beaumont
E-MAIL INVOICES

Our file no:
City of Beaumont*Norton Rose

Professional services through: 9/29/2019:

Invoice # 54916

	<u>Amount</u>
BALANCE DUE – PLEASE SUBMIT PAYMENT:	\$40,305.07

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Telephone 760-322-2275
Facsimile 760-322-2107

OCTOBER 3, 2019

City of Beaumont
E-MAIL INVOICES

Our file no:
City of Beaumont*Gregg

Professional services through: 9/30/2019:

Invoice # 54917

	<u>Amount</u>
BALANCE DUE – PLEASE SUBMIT PAYMENT:	<u>\$82.50</u>

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Telephone 760-322-2275
Facsimile 760-322-2107

OCTOBER 3, 2019

City of Beaumont
E-MAIL INVOICES

Our file no:
City of Beaumont*Hupp

Professional services through: 9/30/2019:

Invoice # 54918

	<u>Amount</u>
BALANCE DUE – PLEASE SUBMIT PAYMENT:	<u>\$82.50</u>

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Facsimile 760-322-2107

OCTOBER 3, 2019

City of Beaumont
E-MAIL INVOICES

Our file no:
City of Beaumont*McFarlin Ander

Professional services through: 9/30/2019:

Invoice # 54919

	<u>Amount</u>
BALANCE DUE – PLEASE SUBMIT PAYMENT:	<u>\$2,139.00</u>

SLOVAK BARON EMPEY MURPHY & PINKNEY LLP

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Palm Springs, California 92262
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Palm Springs, CA 92262
Fed. ID #33-0833010
Telephone 760-322-2275
Facsimile 760-322-2107

OCTOBER 3, 2019

City of Beaumont
E-MAIL INVOICES

Our file no:
City of Beaumont*MV

Professional services through: 9/30/2019:

Invoice # 54920

BALANCE DUE – PLEASE SUBMIT PAYMENT:

Amount

\$660.00

SLOVAK BARON EMPEY MURPHY & PINKNEY LLP

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Palm Springs, California 92262
Tel. (760) 322-2275 • Fax (760) 322-2107

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Tel. (714) 435-9592 • Fax (714) 850-9011

103 Carnegie Center Blvd., Ste. 101
Princeton, New Jersey 08540
Tel. (609) 955-3393 • Fax (609) 520-8731

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San Diego, California 92101
Tel. (619) 501-4540

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Palm Springs, CA 92262
Fed. ID #33-0833010
Telephone 760-322-2275
Facsimile 760-322-2107

OCTOBER 3, 2019

City of Beaumont
E-MAIL INVOICES

Our file no:
City of Beaumont*Peters

Professional services through: 9/30/2019:

Invoice # 54921

Amount

BALANCE DUE – PLEASE SUBMIT PAYMENT:

\$5,166.00

SLOVAK BARON EMPEY MURPHY & PINKNEY LLP

1800 E. Tahquitz Canyon Way
Palm Springs, California 92262
Tel. (760) 322-2275 • Fax (760) 322-2107

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Costa Mesa, California 92626
Tel. (714) 435-9592 • Fax (714) 850-9011

103 Carnegie Center Blvd., Ste. 101
Princeton, New Jersey 08540
Tel. (609) 955-3393 • Fax (609) 520-8731

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1800 E Tahquitz Canyon Way
Palm Springs, CA 92262
Fed. ID #33-0833010
Telephone 760-322-2275
Facsimile 760-322-2107

OCTOBER 3, 2019

City of Beaumont
E-MAIL INVOICES

Our file no:
City of Beaumont*Successor Age

Professional services through: 9/30/2019:

Invoice # 54922

	<u>Amount</u>
BALANCE DUE -- PLEASE SUBMIT PAYMENT:	<u>\$2,287.08</u>

SLOVAK BARON EMPEY MURPHY & PINKNEY LLP

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 Facsimile 760-322-2107

OCTOBER 3, 2019

City of Beaumont
 E-MAIL INVOICES

Our file no:
 City of Beaumont*Talley

Professional services through: 9/30/2019:

Invoice # 54923

	<u>Amount</u>
BALANCE DUE – PLEASE SUBMIT PAYMENT:	\$2,622.84

SLOVAK BARON EMPEY MURPHY & PINKNEY LLP

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OCTOBER 3, 2019

City of Beaumont
E-MAIL INVOICES

Our file no:
City of Beaumont*TalleyAguirre

Professional services through: 9/30/2019:

Invoice # 54924

	<u>Amount</u>
BALANCE DUE – PLEASE SUBMIT PAYMENT:	<u>\$5,857.50</u>

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OCTOBER 3, 2019

City of Beaumont
E-MAIL INVOICES

Our file no:
City of Beaumont*Wallis Receiv

Professional services through: 9/30/2019:

Invoice # 54925

	<u>Amount</u>
BALANCE DUE – PLEASE SUBMIT PAYMENT:	<u>\$852.50</u>

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OCTOBER 3, 2019

City of Beaumont
E-MAIL INVOICES

Our file no:
City of Beaumont-3rdPartyClaim

Professional services through: 9/30/2019:

Invoice # 54926

	<u>Amount</u>
BALANCE DUE – PLEASE SUBMIT PAYMENT:	\$165.00

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OCTOBER 3, 2019

City of Beaumont
E-MAIL INVOICES

Our file no:
City of Beaumont-Gen Lit

Professional services through: 9/30/2019:

Invoice # 54927

BALANCE DUE – PLEASE SUBMIT PAYMENT:

Amount

\$3,327.50

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OCTOBER 3, 2019

City of Beaumont
E-MAIL INVOICES

Our file no:
City of Beaumont-Labor&Employ

Professional services through: 9/30/2019:

Invoice # 54928

	<u>Amount</u>
BALANCE DUE – PLEASE SUBMIT PAYMENT:	\$1,505.70

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OCTOBER 3, 2019

City of Beaumont
E-MAIL INVOICES

Our file no:
City of Beaumont-OverRetainer

Professional services through: 9/30/2019:

Invoice # 54929

Amount

BALANCE DUE – PLEASE SUBMIT PAYMENT:

\$14,172.69

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Facsimile 760-322-2107

OCTOBER 3, 2019

City of Beaumont
E-MAIL INVOICES

Our file no:
City of Beaumont-Retainer

Professional services through: 9/30/2019:

Invoice # 54930

	<u>Amount</u>
BALANCE DUE – PLEASE SUBMIT PAYMENT:	<u>\$8,481.12</u>

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Facsimile 760-322-2107

OCTOBER 3, 2019

City of Beaumont
E-MAIL INVOICES

Our file no:
City of Beaumont-Serrato

Professional services through: 9/30/2019:

Invoice # 54931

BALANCE DUE – PLEASE SUBMIT PAYMENT:

Amount

\$8,736.71

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M E M O R A N D U M

To: City of Beaumont

From: Townsend Public Affairs

Date: October 10, 2019

Subject: Monthly Report for the City of Beaumont — September 2019

State Legislative Update

The Legislature wrapped up the first year of the 2019-2020 Legislative Session on September 13, the last day to pass bills in either house. Due to the passage of Proposition 54 in 2016, all bills must now be in print for 72 hours prior to being considered on their respective Floor. Approximately 2,600 policy bills were introduced in the Legislature in 2019. Just over 1,000 of those bills passed and were sent to the Governor for his signature or veto.

The final day of session was interrupted by anti-vaccination protesters when a potential biohazard was exposed to the Senate Floor, prompting an evacuation of the Senate chamber and a criminal investigation. The protesters were opposed to SB 276 (Pan – D, Sacramento), a bill that increases oversight of vaccine exemptions and was ultimately signed into law by the Governor. After the incident, the Senate resumed its proceedings in a committee hearing room.

Of note, Governor Newsom recently vetoed SB 1 (Atkins – D, San Diego), a bill authored by the Senate Pro Tempore that would have codified federal water pumping standards and endangered species protections for the Sacramento-San Joaquin Delta into State law. The bill was an attempt by the Legislature to oppose the Trump Administration’s rollbacks of environmental protections. However, the bill was opposed by the Governor who argued that the bill did not “provide the State with any new authority to push back against the Trump Administration’s environmental policies and it limits the State’s ability to rely upon the best available science to protect our environment.”

The bill was also opposed by several Central Valley lawmakers, as well as U.S. Senator Diane Feinstein. Senator Atkins stated her disappointment with the Governor’s decision, and the lack of consensus on the issue highlights the lack of a clear path forward on future State environmental policy.

Furthermore, Governor Newsom signed AB 5 (Gonzalez – D, San Diego) into law, a high-profile labor bill that would require companies such as Uber and Lyft to classify workers as employees instead of independent contractors. Companies that employ certain independent contractors would be required to provide workers with benefits such as overtime and sick leave and would be required to pay them a minimum wage. Uber and Lyft have stated their firm opposition to the bill since it was introduced.

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Southern California Office • 1401 Dove Street • Suite 330 • Newport Beach, CA 92660 • Phone (949) 399-9050 • Fax (949) 476-8215

Central California Office • 744 P Street • Suite 308 • Fresno, CA 93721 • (949) 399-9050 • Fax (949) 476-8215

Federal Office • 600 Pennsylvania SE • Suite 207 • Washington, DC 20003 • Phone (202) 546-8696 • Fax (202) 546-4555

Northern California Office • 300 Frank Ogawa Plaza • Suite 204 • Oakland, CA 94612 • Phone (510) 835-9050 • Fax (510) 835-9030

The Governor will spend the weekend considering the remaining bills on his desk and taking action before the midnight deadline on October 13.

Below is a list of upcoming legislative deadlines:

October 13, 2019 – Last day for Governor to sign or veto bills passed by the Legislature

January 1, 2020 – Most statutes passed in 2019 take effect

January 6, 2020 – Legislature reconvenes for the 2020 Legislative Session

Homelessness Package

On September 26, Governor Newsom signed several bills into law aimed at addressing homelessness. The Governor stated that the package of bills addresses “removing regulatory barriers to solve homelessness, including California Environmental Quality Act (CEQA) exemptions for supportive housing and shelter construction.” Below is a list of the bills signed into

law:

- AB 58 (Rivas – D, Salinas) – This bill requires the Governor to appoint a representative from the California Department of Education (CDE) to the Homeless Coordinating and Financing Council. Under the federal McKinney-Vento Act, which is implemented by CDE, schools are the first points of contact to identify, interface with, and assist homeless students and their families.
- AB 139 (Quirk-Silva – D, Fullerton) – This bill updates the requirements of local governments’ housing plans to address the needs of the homeless crisis, specifically by changing the criterion for assessing the need for emergency shelters and housing to a regional level, and requiring that to be accounted for as part of the Housing Element of a city or county’s General Plan.
- AB 728 (Santiago – D, Los Angeles) – Previous legislation gave counties the authority to create Multidisciplinary Personnel Teams (MDTs) for homeless adults and families to facilitate the expedited identification, assessment, and linkage of homeless individuals to housing and supportive services, and allow provider agencies to share confidential information for those purposes to ensure continuity of care. This bill creates a five-year pilot program in the following counties (Los Angeles, Orange, Riverside, San Bernardino, San Diego, Santa Clara and Ventura) to expand the scope of an MDR to include serving individuals who are at risk of homelessness. The program would sunset on January 1, 2025.
- AB 761 (Nazarian – D, Van Nuys) – This bill allows, at the sole discretion of the Adjutant General (TAG), the use of any armory deemed vacant by the California Military Department throughout the year by the county or city in which the armory is located for the purpose of providing temporary shelter from hazardous weather conditions for homeless persons.
- AB 1188 (Gabriel – D, Woodland Hills) – This bill creates a legal framework allowing a tenant, with the written approval of the owner or landlord, to take in a person who is at risk of homelessness. It includes a number of protections for both the landlord and tenant,

including the ability for the tenant to remove the person at risk of homelessness on short notice.

- AB 1235 (Chu – D, Milpitas) – This bill renames the runaway and homeless youth shelters run by the Department of Social Services as “youth homelessness and prevention centers,” expands the categories of youth for which the centers are required to provide services to also include youth at risk of homelessness and youth exhibiting status offender behavior, and expands the time a youth can stay in the center from 21 to 90 days.
- SB 211 (Beall – D, Campbell) – This bill authorizes Caltrans to lease its property to local governments for the purpose of an emergency shelter or feeding program for \$1 per month plus administrative fees.
- SB 450 (Umberg – D, Santa Ana) – This bill provides a CEQA exemption until January 2025 for hotels converted to supportive housing.
- SB 687 (Rubio – D, West Covina) – This bill requires the Governor to appoint a representative of the state public higher education system to the Homeless Coordinating and Financing Council.
- SB 744 (Caballero – D, Merced) – This bill provides a CEQA exemption for supportive housing and No Place Like Home projects.

The Governor also referenced the homelessness investments made through the 2019-20 State Budget, including:

- \$650 million to local governments for homelessness emergency aid,
- \$120 million for expanded Whole Person Care services,
- \$150 million for strategies to address the shortage of mental health professionals in the public mental health system,
- \$25 million for Supplemental Security Income advocacy,
- \$40 million for student rapid rehousing and basic needs initiatives for students in the University of California and California State University systems,
- \$20 million in legal assistance for eviction prevention,
- Over \$400 million to increase grants to families in the CalWORKs program,
- Budget more than doubles the investment in the Cal-EITC Working Families Tax Credit to \$1 billion, which will increase the number of participating households from 2 million to 3 million, lifting some out of poverty.

Lastly, the Governor released a letter to members of the State Council on Homelessness asking them to focus on providing recommendations to local communities to use State funding to help localities address the issue of street homelessness.

Housing Bills

During the last several days of the 2019 Legislative Session, several housing bills were amended that would have impacted the City.

AB 1251 (Santiago) – Planning and zoning: housing development.

AB 1251 was pulled back from the Governor’s desk and was amended to become a housing element bill that applies to all cities.

Current law states:

- Cities are required to create an inventory of land that is dedicated to residential development according to their housing element in their general plan. If the City does not have adequate land dedicated to meet minimum levels of housing, the city is required to rezone areas to allow for additional housing production. Housing element law requires cities to rezone areas to meet its housing element requirements within one year.

AB 1251 amends current law in the following manner:

- If the City does not rezone within one year, a housing development project where at least 40 percent of the units have an affordable housing cost or affordable rent for lower income households will be a done as use-by-right in zones where multi-family, commercial, and mixed uses are permitted. This action would diminish the local government review process for these types of projects.

However, due to initial opposition to the bill, AB 1251 has been made a two-year bill. TPA will continue to advocate for the legislation to not adversely affect the City’s local control and review process.

AB 1482 (Chiu) – Tenant Protection Act of 2019: tenancy: rent caps

Another major housing related topic in 2019 was rent control. During the gubernatorial campaign and in his subsequent public appearances, Governor Newsom called upon the Legislature to send him a rent control bill. AB 1482 changes the current rental housing landscape by implementing two major provisions: rent caps and tenant eviction protections. The bill was passed by the Legislature and signed by the Governor and will go into effect on January 1, 2020. Below is a summary of these two provisions as well as a list of those exempted from the bill.

Rent Cap:

- Until 2030, landlords will not be able to increase rent more than five percent plus CPI (not to exceed 10 percent overall)

Tenant Eviction Protections:

- Requires landlords to state a just cause when evicting a tenant
- The protection applies to tenants who have occupied the residence for more than 12 months and 24 months if there is a change in roommates
- Landlords are still able to evict tenants for reasons such as failing to pay rent, breach of the lease, criminal activity, and creating a nuisance
- If a landlord evicts a tenant to withdraw the property from the rental market, occupy the residence, remodel, or is required to vacate the residence by the court or local government, the tenant will be granted one-month rental assistance from the owner (direct payment, one month of rent waived)

Exemptions:

- Single-family owner-occupied homes not owned by corporations, including accessory dwelling units
- Dormitories
- Deed-restricted affordable housing
- Duplexes where owner lives in one of the units
- New construction projects built within the last 15 years
- Units already subject to rent control

AB 1484 (Grayson) – The Housing Mitigation Fee Act

AB 1484 was held in the Senate by the author's office and is now a two-year bill. This bill would have required a city or county to post on its website each developer impact fee and other fees that are imposed that are applicable to a housing project. This bill is expected to be amended to create a more stringent standard for development impact fees that cities and special districts may charge developers. TPA will continue to monitor the status of this bill and provide timely updates as they become available.

The author will be holding four public meetings during the month of November to discuss the results of the Turner Study regarding developer fees and the impacts to local governments.

SB 330 (Skinner) – The Housing Crisis Act of 2019

SB 330 was passed by the Legislature and Governor Newsom signed the bill on October 9, 2019. The bill makes numerous changes until 2025 to various State statutes related to housing development. These changes affect the local housing approval process and imposes restrictions on City-adopted development standards. It also delays enforcement of certain code violations for housing projects. SB 330 would prevent any actions or plans by cities to reduce the amount of housing in their jurisdiction.

SB 592 (Weiner) – The Housing Accountability Act

SB 592 was held in the Assembly and is now a two-year bill. The bill would have prohibited a local agency from disapproving or conditioning approval in a way that deters a housing development project that complies with the local general plan, zoning, and subdivision standards. TPA will continue to monitor this bill as it moves forward in the legislative process next year.

Additional Priority Legislation

AB 849 (Bonta) – Elections, Local Redistricting

AB 849 revises and standardizes the criteria and process to be used by counties and cities when they adjust the boundaries of the electoral districts that are used to elect members of the jurisdictions' governing bodies. Requires counties and cities to comply with substantial public hearing and outreach requirements as part of the process for adjusting the boundaries of electoral districts. Amendments have since reduced the number of required public hearings from six to four.

AB 849 passed the Legislature and signed by the Governor on October 8, 2019.

AB 1184 (Gloria) – Retention of public records: writing transmitted by electronic mail

AB 1184 requires a public agency to retain and preserve for at least two years every writing containing information relating to the conduct of the public's business that is prepared, owned, or used by the public agency and transmitted by electronic mail, unless a statute or regulation requires a longer retention period. This bill would require public agencies to store innocuous, mundane, and duplicative information for a minimum of two years, resulting in higher digital storage needs. The bill was amended to clarify that emails that include public records only be retained as defined by the State Records Management Act.

AB 1184 passed the Legislature and has been sent to the Governor's desk.

SB 5 (Beall) – Affordable Housing and Community Development Investment Program

This bill creates the Affordable Housing and Community Development Investment Program for local agencies to use local property taxes for affordable housing and housing related projects.

SB 5 passed the passed the Legislature and has been sent to the Governor's desk.

SB 266 (Leyva) – Public Employee Retirement System, Benefit Adjustments

SB 266 would require public agencies to directly pay retirees and/or their beneficiaries disallowed retirement benefits using general fund dollars.

SB 266 is now a two-year bill. Senator Leyva has committed to working on the bill this Fall.

**City of Beaumont
2019-20 Legislative Report (10/10/2019)**

AB 11

(Chiu D) Community Redevelopment Law of 2019.

Current Text: Amended: 4/11/2019 [html](#) [pdf](#)

Status: 5/17/2019-Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. on 4/25/2019) (May be acted upon Jan 2020)

Desk	Policy	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House								

Summary: Current law dissolved redevelopment agencies as of February 1, 2012, and designates successor agencies to act as successor entities to the dissolved redevelopment agencies. This bill, the Community Redevelopment Law of 2019, would authorize a city or county, or two or more cities acting jointly, to propose the formation of an affordable housing and infrastructure agency by adoption of a resolution of intention that meets specified requirements, including that the resolution of intention include a passthrough provision and an override passthrough provision, as defined.

Organization **Position** **Department**
City of Beaumont Watch

AB 14

(Rivas, Luz D) Multifamily Housing Program: homeless youths: homeless families.

Current Text: Introduced: 12/3/2018 [html](#) [pdf](#)

Status: 1/17/2019-Referred to Com. on H. & C.D.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would appropriate an unspecified sum from the General Fund into the Housing Rehabilitation Loan Fund to be expended under the Multifamily Housing Program to fund housing for homeless youths and homeless families in accordance with certain requirements, including that the department prioritize loans to housing projects in disadvantaged communities, as defined, and that unspecified amounts be set aside for both certain homeless youths and certain homeless families.

Organization **Position** **Department**
City of Beaumont Watch

AB 40

(Ting D) Air Quality Improvement Program: Clean Vehicle Rebate Project.

Current Text: Amended: 9/10/2019 [html](#) [pdf](#)

Status: 9/15/2019-Failed Deadline pursuant to Rule 61(a)(15). (Last location was TRANS. on 9/10/2019)(May be acted upon Jan 2020)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law establishes the Air Quality Improvement Program that is administered by the State Air Resources Board for the purposes of funding projects related to, among other things, the reduction of criteria air pollutants and improvement of air quality. Pursuant to its existing statutory authority, the state board has established the Clean Vehicle Rebate Project, as a part of the Air Quality Improvement Program, to promote the use of zero-emission vehicles by providing rebates for the purchase of new zero-emission vehicles. This bill would declare it is the policy of the state to place at least 5,000,000 zero-emission vehicles on state roads by 2030 and 10,000,000 zero-emission vehicles on state roads by 2035.

Organization **Position** **Department**
City of Beaumont Watch

AB 53

(Jones-Sawyer D) Rental housing unlawful housing practices: applications: criminal records.

Current Text: Amended: 4/22/2019 [html](#) [pdf](#)

Status: 4/26/2019-Failed Deadline pursuant to Rule 61(a)(2). (Last location was H. & C.D. on 1/17/2019)(May be acted upon Jan 2020)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would make it an unlawful housing practice for the owner of a rental housing accommodation to inquire about, or require an applicant for a rental housing accommodation to disclose, a criminal record during the initial application assessment phase, as defined, unless otherwise required by state or federal law. The bill would permit an owner of a rental housing accommodation, after the successful completion of the initial application assessment phase, to request a criminal background check of the applicant and consider an applicant's criminal record in deciding whether to rent or lease to the applicant.

Organization **Position** **Department**
City of Beaumont Watch

AB 68

(Ting D) Land use: accessory dwelling units.

Current Text: Chaptered: 10/9/2019 [html](#) [pdf](#)

Status: 10/9/2019-Signed by the Governor

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The Planning and Zoning Law authorizes a local agency to provide, by ordinance, for the creation of accessory dwelling units in single-family and multifamily residential zones and requires such an ordinance to impose standards on accessory dwelling units, including, among others, lot coverage. Current law also requires such an ordinance to require that the accessory dwelling units to be either attached to, or located within, the living area of the proposed or existing primary dwelling, or detached from the proposed or existing primary dwelling and located on the same lot as the proposed or existing primary dwelling. This bill would delete the provision authorizing the imposition of standards on lot coverage and would prohibit an ordinance from imposing requirements on minimum lot size.

Organization **Position** **Department**
 City of Beaumont Watch

AB 139

(Quirk-Silva D) Emergency and Transitional Housing Act of 2019.

Current Text: Chaptered: 9/26/2019 [html](#) [pdf](#)

Status: 9/26/2019-Approved by the Governor. Chaptered by Secretary of State - Chapter 335, Statutes of 2019.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law authorizes a local government to impose only those development and management standards that apply to residential or commercial development within the same zone, however, a local government may impose specified objective standards, including standards for off-street parking based on demonstrated need, as specified. This bill would instead authorize a local government to apply a written objective standard that provides sufficient parking to accommodate the staff working in the emergency shelter, except as provided.

Organization **Position** **Department**
 City of Beaumont Watch

AB 147

(Burke D) Use taxes: collection: retailer engaged in business in this state: marketplace facilitators.

Current Text: Chaptered: 4/25/2019 [html](#) [pdf](#)

Status: 4/25/2019-Approved by the Governor. Chaptered by Secretary of State - Chapter 5, Statutes of 2019.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would specify that, on and after April 1, 2019, a retailer engaged in business in this state includes any retailer that, in the preceding calendar year or the current calendar year, has total combined sales of tangible personal property for delivery in this state by the retailer and all persons related to the retailer that exceed \$500,000. The bill would allow the California Department of Tax and Fee Administration to grant relief to certain retailers engaged in business in this state for specified interest or penalties imposed on use tax liabilities due and payable for tax reporting periods beginning April 1, 2019 and ending December 31, 2022.

Organization **Position** **Department**
 City of Beaumont Watch

AB 213

(Reyes D) Local government finance: property tax revenue allocations: vehicle license fee adjustments.

Current Text: Introduced: 1/15/2019 [html](#) [pdf](#)

Status: 8/30/2019-Failed Deadline pursuant to Rule 61(a)(12). (Last location was APPR. SUSPENSE FILE on 8/19/2019)(May be acted upon Jan 2020)

Desk	Policy	Fiscal	Floor	Desk	Policy	2 year	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would, for the 2019–20 fiscal year, require the vehicle license fee adjustment amount to be the sum of the vehicle license fee adjustment amount in the 2018–19 fiscal year, the product of that sum and the percentage change in gross taxable assessed valuation within the jurisdiction of that entity between the 2018–19 fiscal year to the 2018–19 fiscal year, and the product of the amount of specified motor vehicle license fee revenues that the Controller allocated to the applicable city in July 2010 and 1.17.

Organization **Position** **Department**
 City of Beaumont Watch

(Weber D) Peace officers: deadly force.

Current Text: Chaptered: 8/19/2019 [html](#) [pdf](#)

Status: 8/19/2019-Approved by the Governor. Chaptered by Secretary of State - Chapter 170, Statutes of 2019.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would redefine the circumstances under which a homicide by a peace officer is deemed justifiable to include when the officer reasonably believes, based on the totality of the circumstances, that deadly force is necessary to defend against an imminent threat of death or serious bodily injury to the officer or to another person, or to apprehend a fleeing person for a felony that threatened or resulted in death or serious bodily injury, if the officer reasonably believes that the person will cause death or serious bodily injury to another unless the person is immediately apprehended.

Organization **Position** **Department**
City of Beaumont Watch

(Medina D) Local government: economic development subsidies.

Current Text: Enrollment: 9/11/2019 [html](#) [pdf](#)

Status: 9/11/2019-Enrolled and presented to the Governor at 3:30 p.m.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law requires each local agency, as defined, to provide specified information to the public before approving an economic development subsidy within its jurisdiction, and to, among other things, hold hearings and report on those subsidies, as provided. Current law defines "economic development subsidy" for these purposes to mean any expenditure of public funds or loss of revenue to a local agency in the amount of \$100,000 or more, for the purpose of stimulating economic development within the jurisdiction of a local agency, as provided. This bill, on and after January 1, 2020, would similarly require each local agency to provide specified information to the public before approving an economic development subsidy for a warehouse distribution center, as defined, and to, among things, hold hearings and report on those subsidies, as provided.

Organization **Position** **Department**
City of Beaumont Watch

(Cooley D) Local government records: destruction of records.

Current Text: Introduced: 2/13/2019 [html](#) [pdf](#)

Status: 5/3/2019-Failed Deadline pursuant to Rule 61(a)(3). (Last location was L. GOV. on 2/21/2019) (May be acted upon Jan 2020)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law authorizes the head of a department of a county or city, or the head of a special district to destroy recordings of telephone and radio communications maintained by that county, city, or special district after 100 days if that person receives approval from the legislative body and the written consent of the agency attorney. This bill would exempt the head of a department of a county or city, or the head of a special district from these recording retention requirements if the county, city, or special district adopts a records retention policy governing recordings of routine video monitoring and recordings of telephone and radio communications.

Organization **Position** **Department**
City of Beaumont Watch

(Chiu D) Authority to remove vehicles.

Current Text: Amended: 7/2/2019 [html](#) [pdf](#)

Status: 8/30/2019-Failed Deadline pursuant to Rule 61(a)(12). (Last location was APPR. SUSPENSE FILE on 8/12/2019)(May be acted upon Jan 2020)

Desk	Policy	Fiscal	Floor	Desk	Policy	2 year	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law authorizes a peace officer and specified public employees, as an alternative to removal of a vehicle, to immobilize the vehicle with a device designed and manufactured for that purpose, if, among other circumstances, the vehicle is found upon a highway or public lands by the peace officer or employee and it is known to have been issued 5 or more notices of parking violations that are delinquent because the owner or person in control of the vehicle has not responded to the appropriate agency within a designated time period. This bill would delete the authority of a peace officer or public employee, as appropriate, to remove or immobilize a vehicle under those circumstances.

Organization **Position** **Department**
City of Beaumont Oppose

AB 694

(Irwin D) Veterans Housing and Homeless Prevention Bond Act of 2020.

Current Text: Amended: 8/13/2019 [html](#) [pdf](#)

Status: 8/30/2019-In committee: Held under submission.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would enact the Veterans Housing and Homeless Prevention Bond Act of 2020 to authorize the issuance of bonds in an amount not to exceed \$600,000,000 to provide additional funding for the VHHPA. The bill would provide for the handling and disposition of the funds in the same manner as the 2014 bond act.

Organization Position
City of Beaumont Watch

Department

AB 747

(Levine D) Planning and zoning: general plan: safety element.

Current Text: Chaptered: 10/9/2019 [html](#) [pdf](#)

Status: 10/9/2019-Signed by the Governor

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would, upon the next revision of a local hazard mitigation plan on or after January 1, 2022, or beginning on or before January 1, 2022, if a local jurisdiction has not adopted a local hazard mitigation plan, require the safety element to be reviewed and updated as necessary to identify evacuation routes and their capacity, safety, and viability under a range of emergency scenarios. The bill would authorize a city or county that has adopted a local hazard mitigation plan, emergency operations plan, or other document that fulfills commensurate goals and objectives to use that information in the safety element to comply with this requirement by summarizing and incorporating by reference that other plan or document in the safety element.

Organization Position
City of Beaumont Watch

Department

AB 750

(Chen R) School safety: school resource officers.

Current Text: Amended: 3/28/2019 [html](#) [pdf](#)

Status: 6/4/2019-Failed Deadline pursuant to Rule 61(a)(2). (Last location was ED. on 3/14/2019)(May be acted upon Jan 2020)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would require a school district or a charter school to hire or contract with at least one school resource officer, as defined, authorized to carry a loaded firearm, to be present at each school of the school district or charter school during regular school hours and any other time when pupils are present on campus. By imposing an additional requirement on school districts and charter schools, the bill would impose a state-mandated local program.

Organization Position
City of Beaumont Watch

Department

AB 761

(Nazarian D) State armories: homeless shelters.

Current Text: Chaptered: 9/26/2019 [html](#) [pdf](#)

Status: 9/26/2019-Approved by the Governor. Chaptered by Secretary of State - Chapter 338, Statutes of 2019.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would authorize, at the sole discretion of the Adjutant General, the use of any armory deemed vacant by the Military Department throughout the year by the county or city in which the armory is located for the purpose of providing temporary shelter from hazardous weather conditions for homeless persons.

Organization Position
City of Beaumont Watch

Department

AB 847

(Grayson D) Housing: transportation-related impact fees grant program.

Current Text: Amended: 3/27/2019 [html](#) [pdf](#)

Status: 4/26/2019-Failed Deadline pursuant to Rule 61(a)(2). (Last location was H. & C.D. on 4/1/2019)(May be acted upon Jan 2020)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would require the Department of Housing and Community Development, upon appropriation by the Legislature, to establish a competitive grant program to award grants to cities

Organization **Position** **Department**
 City of Beaumont Watch

AB 849 **(Bonta D) Elections: city and county redistricting.**

Current Text: Chaptered: 10/8/2019 [html](#) [pdf](#)

Status: 10/8/2019-Approved by the Governor. Chaptered by Secretary of State - Chapter 557, Statutes of 2019.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law establishes criteria and procedures pursuant to which cities and counties adjust or adopt council and supervisorial district area boundaries, as applicable, for the purpose of electing members of the governing body of each of those local jurisdictions. This bill would revise and recast these provisions. The bill would require the governing body of each local jurisdiction described above to adopt new district boundaries after each federal decennial census, except as specified. The bill would specify redistricting criteria and deadlines for the adoption of new boundaries by the governing body. The bill would specify hearing procedures that would allow the public to provide input on the placement of boundaries and on proposed boundary maps. The bill would require the governing body to take specified steps to encourage the residents of the local jurisdiction to participate in the redistricting process.

Organization **Position** **Department**
 City of Beaumont Watch

AB 881 **(Bloom D) Accessory dwelling units.**

Current Text: Chaptered: 10/9/2019 [html](#) [pdf](#)

Status: 10/9/2019-Signed by the Governor

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The Planning and Zoning Law provides for the creation of accessory dwelling units by local ordinance, or, if a local agency has not adopted an ordinance, by ministerial approval, in accordance with specified standards and conditions. Current law requires the ordinance to designate areas where accessory dwelling units may be permitted and authorizes the designated areas to be based on criteria that includes, but is not limited to, the adequacy of water and sewer services and the impact of accessory dwelling units on traffic flow and public safety. This bill would require a local agency to designate these areas based on the adequacy of water and sewer services and the impact of accessory dwelling units on traffic flow and public safety. The bill would also prohibit a local agency from issuing a certificate of occupancy for an accessory dwelling unit before issuing a certificate of occupancy for the primary residence.

Organization **Position** **Department**
 City of Beaumont Watch

AB 1096 **(Melendez R) Firearms: concealed carry licenses.**

Current Text: Introduced: 2/21/2019 [html](#) [pdf](#)

Status: 6/4/2019-Failed Deadline pursuant to Rule 61(a)(2). (Last location was PUB. S. on 3/7/2019) (May be acted upon Jan 2020)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would require the sheriff of a county, or the chief or other head of a municipal police department, to issue a license to carry a concealed handgun or to carry a loaded and exposed handgun, as specified, if good cause exists for the issuance and the applicant is of good moral character and satisfies certain other criteria.

Organization **Position** **Department**
 City of Beaumont Watch

AB 1184 **(Gloria D) Public records: writing transmitted by electronic mail: retention.**

Current Text: Enrollment: 9/19/2019 [html](#) [pdf](#)

Status: 9/19/2019-Enrolled and presented to the Governor at 3:30 p.m.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would, unless a longer retention period is required by statute or regulation, or established by the Secretary of State pursuant to the State Records Management Act, require a public agency, for purposes of the California Public Records Act, to retain and preserve for at least 2 years every public record, as defined, that is transmitted by electronic mail.

AB 1266 (Rivas, Robert D) Traffic control devices: bicycles.

Current Text: Chaptered: 9/4/2019 [html](#) [pdf](#)

Status: 9/4/2019-Approved by the Governor. Chaptered by Secretary of State - Chapter 221, Statutes of 2019.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law authorizes the Department of Transportation or local authorities to erect official traffic control devices within or adjacent to intersections of highways under their respective jurisdictions to regulate or prohibit turning movements at those intersections. When a turn is required, existing law requires the erection of a sign giving notice of that requirement, except as specified. Current law prohibits a driver of a vehicle from disobeying the directions of a traffic control device erected pursuant to that provision. This bill would exempt from the prohibition described above operators of bicycles traveling straight through an intersection, if an official traffic control device indicates that the movement is permitted. The bill would require the Department of Transportation to develop standards to implement these provisions.

Organization Position
City of Beaumont Watch

Department

AB 1279 (Bloom D) Planning and zoning: housing development: high-resource areas.

Current Text: Introduced: 2/21/2019 [html](#) [pdf](#)

Status: 7/10/2019-Failed Deadline pursuant to Rule 61(a)(10). (Last location was HOUSING on 6/12/2019)(May be acted upon Jan 2020)

Desk	Policy	Fiscal	Floor	Desk	2 year	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would require the department to designated areas in this state as high-resource areas, as provided, by January 1, 2021, and every 5 years thereafter. The bill would authorize a city or county to appeal the designation of an area within its jurisdiction as a high-resource area during that 5-year period. In any area designated as a high-resource area, the bill would require that a housing development project be a use by right, upon the request of a developer, in any high-resource area designated pursuant be a use by right in certain parts of the high-resource area if those projects meet specified requirements, including specified affordability requirements. For certain development projects where the initial sales price or initial rent exceeds the affordable housing cost or affordable rent to households with incomes equal to or less than 100% of the area median income, the bill would require the applicant agree to pay a fee equal to 10% of the difference between the actual initial sales price or initial rent and the sales price or rent that would be affordable, as provided. The bill would require the city or county to deposit the fee into a separate fund reserved for the construction or preservation of housing with an affordable housing cost or affordable rent to households with a household income less than 50% of the area median income. This bill contains other related provisions and other existing laws.

Organization Position
City of Beaumont Watch

Department

AB 1332 (Bonta D) Sanctuary State Contracting and Investment Act.

Current Text: Amended: 4/29/2019 [html](#) [pdf](#)

Status: 5/17/2019-Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/8/2019)(May be acted upon Jan 2020)

Desk	Policy	2 year	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law requires law enforcement agencies to report to the Department of Justice annually regarding transfers of persons to immigration authorities and requires the Attorney General to publish guidance, audit criteria, and training recommendations regarding state and local law enforcement databases, for purposes of limiting the availability of information for immigration enforcement, as specified. This bill, the Sanctuary State Contracting Act, would, among other things, require the Department of Justice, commencing on January 1, 2020, and quarterly thereafter, to publish a list on its internet website, based on specified criteria, of each person or entity that, in the opinion of the Department of Justice, is providing data broker, extreme vetting, or detention facilities support to any federal immigration agency, as specified.

Organization Position
City of Beaumont Watch

Department

AB 1484 (Grayson D) Mitigation Fee Act: housing developments.

Current Text: Amended: 9/6/2019 [html](#) [pdf](#)

Status: 9/9/2019-Read second time. Ordered to third reading. Re-referred to Committee on Agriculture and Forestry. **Agenda Item No. 16.**
Senate Rule 29.10(b).

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The Mitigation Fee Act requires a local agency that establishes, increases, or imposes a fee as a condition of approval of a development project to, among other things, determine a reasonable relationship between the fee's use and the type of development project on which the fee is imposed. This bill would prohibit a local agency from imposing a housing impact requirement adopted by the local agency on a housing development project, as defined, unless specified requirements are satisfied by the local agency, including that the housing impact requirement be roughly proportional in both nature and extent to the impact created by the housing development project.

Organization Position Department
City of Beaumont Watch

AB 1486 (Ting D) Surplus land.

Current Text: Chaptered: 10/9/2019 [html](#) [pdf](#)

Status: 10/9/2019-Signed by the Governor

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law prescribes requirements for the disposal of surplus land by a local agency. Current law defines "local agency" for these purposes as every city, county, city and county, and district, including school districts of any kind or class, empowered to acquire and hold real property. This bill would expand the definition of "local agency" to include sewer, water, utility, and local and regional park districts, joint powers authorities, successor agencies to former redevelopment agencies, housing authorities, and other political subdivisions of this state and any instrumentality thereof that is empowered to acquire and hold real property, thereby requiring these entities to comply with these requirements for the disposal of surplus land. The bill would specify that the term "district" includes all districts within the state, and that this change is declaratory of existing law.

Organization Position Department
City of Beaumont Watch

AB 1487 (Chiu D) San Francisco Bay area: housing development: financing.

Current Text: Chaptered: 10/8/2019 [html](#) [pdf](#)

Status: 10/8/2019-Approved by the Governor. Chaptered by Secretary of State - Chapter 598, Statutes of 2019.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law provides for the establishment of various special districts that may support and finance housing development, including affordable housing special beneficiary districts that are authorized to promote affordable housing development with certain property tax revenues that a city or county would otherwise be entitled to receive. This bill, the San Francisco Bay Area Regional Housing Finance Act, would establish the Bay Area Housing Finance Authority (hereafter the authority) and would state that the authority's purpose is to raise, administer, and allocate funding for affordable housing in the San Francisco Bay area, as defined, and provide technical assistance at a regional level for tenant protection, affordable housing preservation, and new affordable housing production. The bill would provide that the governing board of the Metropolitan Transportation Commission serve as the governing board of the authority.

Organization Position Department
City of Beaumont Watch

AB 1636 (Bonta D) Criminal procedure: determination of probable cause.

Current Text: Amended: 4/4/2019 [html](#) [pdf](#)

Status: 6/4/2019-Failed Deadline pursuant to Rule 61(a)(8). (Last location was APPR. SUSPENSE FILE on 4/24/2019)

Desk	Policy	2 year	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would authorize a person charged by complaint with a felony to, at the time of arraignment, make a motion for a determination of probable cause on each count charged, which shall be made by the court immediately on the basis of the complaint, warrant, police reports, or other documents of similar reliability, or may be continued for not more than 3 days for good cause. The bill would require the court to dismiss any count charged for which the court does not make a finding of probable cause.

Organization Position Department
City of Beaumont Watch

(Rodriguez D) Emergency response: trauma kits.

Current Text: Amended: 4/10/2019 [html](#) [pdf](#)

Status: 5/17/2019-Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 4/24/2019)(May be acted upon Jan 2020)

Desk	Policy	2 year	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law exempts from civil liability any person who, in good faith and not for compensation, renders emergency medical or nonmedical care or assistance at the scene of an emergency other than an act or omission constituting gross negligence or willful or wanton misconduct. Current law exempts public or private organizations that sponsor, authorize, support, finance, or supervise the training of people, or certifies those people in emergency medical services, from liability for civil damages alleged to result from those training programs. This bill would define "trauma kit" to mean a first aid response kit that contains specified items, including, among other things, at least 2 tourniquets.

Organization **Position**
City of Beaumont Watch

Department
Police
Department

(Burke D) Vehicles: driving under the influence.

Current Text: Introduced: 2/22/2019 [html](#) [pdf](#)

Status: 4/26/2019-Failed Deadline pursuant to Rule 61(a)(2). (Last location was PUB. S. on 3/18/2019) (May be acted upon Jan 2020)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law prohibits a person from driving a motor vehicle when the person has 0.08 percent or more, by weight, of alcohol in their blood. This bill would instead prohibit a person from driving a motor vehicle when the person has 0.05 percent or more, by weight, of alcohol in their blood.

Organization **Position**
City of Beaumont Watch

Department

(Chiu D) Planning and zoning: density bonuses: affordable housing.

Current Text: Chaptered: 10/9/2019 [html](#) [pdf](#)

Status: 10/9/2019-Signed by the Governor

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would require a density bonus to be provided to a developer who agrees to construct a housing development in which 100% of the total units, exclusive of managers' units, are for lower income households, as defined. However, the bill would provide that a housing development that qualifies for a density bonus under its provisions may include up to 20% of the total units for moderate-income households, as defined. The bill would also require that a housing development that meets these criteria receive 4 incentives or concessions under the Density Bonus Law and, if the development is located within 1/2 of a major transit stop, a height increase of up to 3 additional stories or 33 feet.

Organization **Position**
City of Beaumont Watch

Department

(Aguiar-Curry D) Local government financing: affordable housing and public infrastructure: voter approval.

Current Text: Amended: 3/18/2019 [html](#) [pdf](#)

Status: 8/19/2019-Read third time. Refused adoption. Motion to reconsider made by Assembly Member Aguiar-Curry.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The California Constitution prohibits the ad valorem tax rate on real property from exceeding 1% of the full cash value of the property, subject to certain exceptions. This measure would create an additional exception to the 1% limit that would authorize a city, county, city and county, or special district to levy an ad valorem tax to service bonded indebtedness incurred to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or permanent supportive housing, or the acquisition or lease of real property for those purposes, if the proposition proposing that tax is approved by 55% of the voters of the city, county, or city and county, as applicable, and the proposition includes specified accountability requirements.

Organization **Position**
City of Beaumont Watch

Department

(Obernolte R) Local sales taxes: online sales.

Current Text: Introduced: 3/26/2019 [html](#) [pdf](#)

Status: 3/28/2019-Introduced measure version corrected.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would provide that, on and after January 1, 2021, for the purpose of distributing the revenues derived under a sales tax imposed pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law, the retail sale of tangible personal property by a qualified retailer, as defined, that is transacted online is instead consummated at the point of the delivery of that tangible personal property to the purchaser’s address or to any other delivery address designated by the purchaser.

Organization **Position** **Department**
 City of Beaumont Watch

SB 4

(McGuire D) Housing.

Current Text: Amended: 4/10/2019 [html](#) [pdf](#)

Status: 4/26/2019-Failed Deadline pursuant to Rule 61(a)(2). (Last location was GOV. & F. on 4/2/2019) (May be acted upon Jan 2020)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would authorize a development proponent of a neighborhood multifamily project or eligible transit-oriented development (TOD) project located on an eligible parcel to submit an application for a streamlined, ministerial approval process that is not subject to a conditional use permit. The bill would define a “neighborhood multifamily project” to mean a project to construct a multifamily unit of up to 2 residential dwelling units in a nonurban community, as defined, or up to 4 residential dwelling units in an urban community, as defined, that meets local height, setback, and lot coverage zoning requirements as they existed on July 1, 2019.

Organization **Position** **Department**
 City of Beaumont

SB 6

(Beall D) Residential development: available land.

Current Text: Chaptered: 10/9/2019 [html](#) [pdf](#)

Status: 10/9/2019-Signed by the Governor

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would require the Department of Housing and Community Development to furnish the Department of General Services with a list of local lands suitable and available for residential development as identified by a local government as part of the housing element of its general plan. The bill would require the Department of General Services to create a database of that information and information regarding state lands determined or declared excess and to make this database available and searchable by the public by means of a link on its internet website.

Organization **Position** **Department**
 City of Beaumont Watch

SB 13

(Wieckowski D) Accessory dwelling units.

Current Text: Chaptered: 10/9/2019 [html](#) [pdf](#)

Status: 10/9/2019-Signed by the Governor

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would authorize the creation of accessory dwelling units in areas zoned to allow single-family or multifamily dwelling residential use. The bill would also revise the requirements for an accessory dwelling unit by providing that the accessory dwelling unit may be attached to, or located within, an attached garage, storage area, or other structure, and that it does not exceed a specified amount of total floor area. This bill contains other related provisions and other existing laws.

Organization **Position** **Department**
 City of Beaumont Oppose

SB 18

(Skinner D) Keep Californians Housed Act.

Current Text: Chaptered: 7/30/2019 [html](#) [pdf](#)

Status: 7/30/2019-Approved by the Governor. Chaptered by Secretary of State. Chapter 134, Statutes of 2019.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law requires a tenant or subtenant in possession of a rental housing unit under a

month-to-month lease at the time that property is sold in foreclosure to be provided a 16-month notice to quit before the tenant or subtenant may be removed from the property. Current law also provides tenants or subtenants holding possession of a rental housing unit under a fixed-term residential lease entered into before transfer of title at the foreclosure sale the right to possession until the end of the lease term, except in specified circumstances. Current law repeals these provisions as of December 31, 2019. This bill would delete the above-described repeal date, thereby extending the operation of these provisions indefinitely.

Organization **Position** **Department**
 City of Beaumont Watch

SB 45

(Allen D) Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2020.

Current Text: Amended: 9/10/2019 [html](#) [pdf](#)

Status: 9/10/2019-Senate Rule 29.3(b) suspended. (Ayes 29. Noes 8.) From committee with author's amendments. Read second time and amended. Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would enact the Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2020, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$4,189,000,000 pursuant to the State General Obligation Bond Law to finance projects for a wildfire prevention, safe drinking water, drought preparation, and flood protection program.

Organization **Position** **Department**
 City of Beaumont Watch

SB 50

(Wiener D) Planning and zoning: housing development: streamlined approval: incentives.

Current Text: Amended: 6/4/2019 [html](#) [pdf](#)

Status: 6/4/2019-Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/13/2019)(May be acted upon Jan 2020)

Desk	Policy	2 year	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would authorize a development proponent of a neighborhood multifamily project located on an eligible parcel to submit an application for a streamlined, ministerial approval process that is not subject to a conditional use permit. The bill would define a "neighborhood multifamily project" to mean a project to construct a multifamily structure on vacant land, or to convert an existing structure that does not require substantial exterior alteration into a multifamily structure, consisting of up to 4 residential dwelling units and that meets local height, setback, and lot coverage zoning requirements as they existed on July 1, 2019.

Organization **Position** **Department**
 City of Beaumont

SB 54

(Allen D) Solid waste: packaging and products.

Current Text: Amended: 9/10/2019 [html](#) [pdf](#)

Status: 9/15/2019-Failed Deadline pursuant to Rule 61(a)(15). (Last location was THIRD READING on 9/12/2019)(May be acted upon Jan 2020)

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	2 year	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would enact the California Circular Economy and Pollution Reduction Act, which would impose a comprehensive regulatory scheme on producers, retailers, and wholesalers of single-use packaging, as defined, and priority single-use products, as defined, to be administered by the Department of Resources Recycling and Recovery. As part of that regulatory scheme, the bill would require the department, before January 1, 2024, to adopt regulations that require producers, as defined, (1) to source reduce, to the maximum extent feasible, single-use packaging and priority single-use products, and (2) to ensure that all single-use packaging and priority single-use products that are manufactured on or after January 1, 2030, and that are offered for sale, sold, distributed, or imported in or into California are recyclable or compostable.

Organization **Position** **Department**
 City of Beaumont Watch

SB 127

(Wiener D) Transportation funding: active transportation: complete streets.

Current Text: Enrollment: 9/18/2019 [html](#) [pdf](#)

Status: 9/18/2019-Enrolled and presented to the Governor at 4 p.m.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law requires the Department of Transportation, in consultation with the Transportation Commission, to prepare an asset management plan to guide selection of projects for the State Highway Operation and Protection Program consistent with any applicable state and federal requirements. Current law requires the commission, in connection with the asset management plan, to adopt targets and performance measures reflecting state transportation goals and objectives. This bill would require the asset management plan to prescribe a process for community input and complete streets implementation to prioritize the implementation of safe and connected facilities for pedestrians, bicyclists, and transit users on all State Highway Operation and Protection Program projects, as specified.

Organization Position Department
City of Beaumont Watch

SB 128

(Beall D) Public contracts: Best Value Construction Contracting for Counties Pilot Program.

Current Text: Chaptered: 10/3/2019 [html](#) [pdf](#)

Status: 10/3/2019-Approved by the Governor. Chaptered by Secretary of State. Chapter 501, Statutes of 2019.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law establishes a pilot program to allow the Counties of Alameda, Los Angeles, Riverside, San Bernardino, San Diego, San Mateo, Solano, and Yuba to select a bidder on the basis of best value, as defined, for construction projects in excess of \$1,000,000. Current law also authorizes these counties to use a best value construction contracting method to award individual annual contracts, not to exceed \$3,000,000, for repair, remodeling, or other repetitive work to be done according to unit prices, as specified. Existing law establishes procedures and criteria for the selection of a best value contractor and requires that bidders verify specified information under oath. Current law requires the board of supervisors of a participating county to submit a report that contains specified information about the projects awarded using the best value procedures described above to the appropriate policy committees of the Legislature and the Joint Legislative Budget Committee before January 1, 2020. Existing law repeals the pilot program provisions on January 1, 2020. This bill would authorize the County of Santa Clara and the County of Monterey to utilize this pilot program and would extend the operation of those provisions until January 1, 2025.

Organization Position Department
City of Beaumont Watch

SB 144

(Mitchell D) Criminal fees.

Current Text: Amended: 5/21/2019 [html](#) [pdf](#)

Status: 7/10/2019-Failed Deadline pursuant to Rule 61(a)(10). (Last location was PUB. S. on 6/6/2019) (May be acted upon Jan 2020)

Desk	Policy	Fiscal	Floor	Desk	2 year	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law imposes various fees contingent upon a criminal arrest, prosecution, or conviction for the cost of administering the criminal justice system, including administering probation and diversion programs, collecting restitution orders, processing arrests and citations, administering drug testing, and incarcerating inmates. This bill ould repeal the authority to collect most of these fees, among others. The bill would make the unpaid balance of most court-imposed costs unenforceable and uncollectible and would require any portion of a judgment imposing those costs to be vacated.

Organization Position Department
City of Beaumont Watch

SB 182

(Jackson D) Local government: planning and zoning: wildfires.

Current Text: Amended: 9/6/2019 [html](#) [pdf](#)

Status: 9/15/2019-Failed Deadline pursuant to Rule 61(a)(15). (Last location was DESK on 9/13/2019) (May be acted upon Jan 2020)

Desk	Policy	Fiscal	Floor	2 year	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law requires the planning agency to review and, if necessary, revise the safety element upon each revision of the housing element or local hazard mitigation plan, but not less than once every 8 years to identify new information relating to flood and fire hazards and climate adaptation and resiliency strategies applicable to the city or county that was not available during the previous revision of the safety element. Current law requires that the Office of Planning and Research, among other things, coordinate with appropriate entities, including state, regional, or local agencies, to establish a clearinghouse for climate adaptation information for use by state, regional, and local entities, as provided. This bill would require the safety element, upon the next revision of the housing element or the hazard mitigation plan, on or after January 1, 2020, whichever occurs first, to be reviewed and updated as necessary to include a comprehensive retrofit strategy to reduce the risk of property loss and damage during wildfires, as specified, and would require the planning agency to

submit the adopted strategy to the Office of Planning and Research for inclusion in the 2019-2022 General Plan. Agenda Item No. 16. described clearinghouse.

Organization **Position** **Department**
City of Beaumont Watch

SB 200 **(Monning D) Drinking water.**

Current Text: Chaptered: 7/24/2019 [html](#) [pdf](#)

Status: 7/24/2019-Approved by the Governor. Chaptered by Secretary of State. Chapter 120, Statutes of 2019.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would establish the Safe and Affordable Drinking Water Fund in the State Treasury to help water systems provide an adequate and affordable supply of safe drinking water in both the near and the long terms. The bill would authorize the State Water Resources Control Board to provide for the deposit into the fund of certain moneys and would continuously appropriate the moneys in the fund to the state board for grants, loans, contracts, or services to assist eligible recipients.

Organization **Position** **Department**
City of Beaumont Watch

SB 212 **(Allen D) Elections: local voting methods.**

Current Text: Enrollment: 9/18/2019 [html](#) [pdf](#)

Status: 9/18/2019-Enrolled and presented to the Governor at 4 p.m.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law, a candidate for nonpartisan office who receives votes on the majority of all ballots cast at a primary election is elected to that office, and the office does not appear on the ballot in the ensuing general election. Current law prescribes which candidates appear on the ballot in the ensuing general election if no candidate has been elected pursuant to this provision, or if the number of candidates elected at the primary election is less than the total number to be elected to that office. Under current law, these provisions do not apply to elections to fill certain enumerated offices. Would apply these provisions, upon approval by a jurisdiction's voters, to the nomination of officers for general law cities, counties, school districts, community college districts, and county boards of education, except as specified.

Organization **Position** **Department**
City of Beaumont Watch

SB 230 **(Caballero D) Law enforcement: use of deadly force: training: policies.**

Current Text: Chaptered: 9/13/2019 [html](#) [pdf](#)

Status: 9/13/2019-Chaptered by Secretary of State. Chapter 285, Statutes of 2019.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would, by no later than January 1, 2021, require each law enforcement agency to maintain a policy that provides guidelines on the use of force, utilizing deescalation techniques and other alternatives to force when feasible, specific guidelines for the application of deadly force, and factors for evaluating and reviewing all use of force incidents, among other things. The bill would require each agency to make their use of force policy accessible to the public. By imposing additional duties on local agencies, this bill would create a state-mandated local program.

Organization **Position** **Department**
City of Beaumont Watch

SB 280 **(Jackson D) Building standards: fall prevention.**

Current Text: Chaptered: 10/8/2019 [html](#) [pdf](#)

Status: 10/8/2019-Approved by the Governor. Chaptered by Secretary of State. Chapter 640, Statutes of 2019.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would, at the next triennial building standards rulemaking cycle that commences on or after January 1, 2020, require the Department of Housing and Community Development to investigate possible changes to the building standards in the California Residential Code for adoption by the California Building Standards Commission to promote aging-in-place design, as specified.

Organization **Position** **Department**
City of Beaumont Watch

SB 310 **(Skinner D) Jury service.**

Status: 10/8/2019-Approved by the Governor. Chaptered by Secretary of State. Chapter 591, Statutes of 2019.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The Trial Jury Selection and Management Act prohibits persons who have been convicted of malfeasance in office or a felony, and whose civil rights have not been restored, from being eligible and qualified to be a prospective trial juror. This bill would delete the prohibition relative to persons who have been convicted of a felony from being eligible and qualified to be a prospective trial juror, and instead would prohibit persons while they are incarcerated in any prison or jail, persons who have been convicted of a felony and are currently on parole, postrelease community supervision, felony probation, or mandated supervision for the conviction of a felony, and persons who are currently required to register as a sex offender based on a felony conviction.

Organization Position
City of Beaumont Watch

Department

SB 330 (Skinner D) Housing Crisis Act of 2019.

Current Text: Chaptered: 10/9/2019 [html](#) [pdf](#)

Status: 10/9/2019-Signed by the Governor

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The The Housing Accountability Act requires a local agency that proposes to disapprove a housing development project that complies with applicable, objective general plan and zoning standards and criteria that were in effect at the time the application was deemed to be complete, or to approve it on the condition that it be developed at a lower density, to base its decision upon written findings supported by substantial evidence on the record that specified conditions exist, and places the burden of proof on the local agency to that effect. The act requires a court to impose a fine on a local agency under certain circumstances and requires that the fine be at least \$10,000 per housing unit in the housing development project on the date the application was deemed complete. This bill would, until January 1, 2025, specify that an application is deemed complete for these purposes if a preliminary application was submitted, as specified.

Organization Position
City of Beaumont Oppose

Department

SB 332 (Hertzberg D) Wastewater treatment: recycled water.

Current Text: Amended: 4/30/2019 [html](#) [pdf](#)

Status: 5/17/2019-Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/13/2019)(May be acted upon Jan 2020)

Desk	Policy	2 year	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would declare, except in compliance with the bill's provisions, that the discharge of treated wastewater from ocean outfalls is a waste and unreasonable use of water. The bill would require each wastewater treatment facility that discharges through an ocean outfall and affiliated water suppliers to reduce the facility's annual flow as compared to the average annual wastewater discharge baseline volume, as prescribed, by at least 50% on or before January 1, 2030, and by at least 95% on or before January 1, 2040. The bill would subject the owner or operator of a wastewater treatment facility, as well as the affiliated water suppliers, to a civil penalty of \$2,000 per acre-foot of water above the required reduction in overall volume discharge for the failure to meet these deadlines.

Organization Position
City of Beaumont Watch

Department

SB 531 (Glazer D) Local agencies: retailers.

Current Text: Enrollment: 9/12/2019 [html](#) [pdf](#)

Status: 9/12/2019-Enrolled and presented to the Governor at 9 a.m.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would prohibit, on or after January 1, 2020, a local agency from entering into any form of agreement that would result, directly or indirectly, in the payment, transfer, diversion, or rebate of Bradley-Burns local tax revenues to any retailer, as defined, in exchange for the retailer locating or continuing to maintain a place of business that serves as the place of sale, as defined, within the territorial jurisdiction of the local agency if that place of business would generate revenue, from the sale of tangible property delivered to and received by the purchaser in the territorial jurisdiction of another local agency, for the local agency under the Bradley-Burns Uniform Local Sales and Use Tax Law.

Organization Position

Department

[SB 532](#) (Portantino D) Redevelopment: City of Glendale: bond proceeds: affordable housing.

Current Text: Enrollment: 9/19/2019 [html](#) [pdf](#)

Status: 9/19/2019-Enrolled and presented to the Governor at 3 p.m.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law requires the Department of Finance to issue a finding of completion to a successor agency upon confirmation by the county auditor-controller that specified payments have been fully made by the successor agency. Current law requires any successor agency that has been issued a finding of completion to use bond proceeds derived from bonds issued on or after January 1, 2011, in excess of the amounts needed to satisfy approved enforceable obligations, in a manner consistent with the original bond covenants, subject to certain requirements, including a requirement that no more than 5% of the proceeds derived from the bonds be expended, unless the successor agency has an approved Last and Final Recognized Obligation Payment Schedule, in which case the agency is authorized to expend no more than 20% of the proceeds derived from the bonds, subject to specified adjustments. Current law requires remaining bond proceeds that cannot be spent pursuant to those requirements to be used at the earliest possible date to defease the bonds or to purchase those same outstanding bonds on the open market for cancellation. This bill, notwithstanding the requirement that the remaining bond proceeds be used to defease the bonds or to purchase those same outstanding bonds on the open market for cancellation, would authorize the successor agency in the City of Glendale to use the remaining bond proceeds for the purposes of predevelopment, development, acquisition, rehabilitation, and preservation of affordable housing, as defined, so long as those proceeds are used in a manner consistent with any original bond covenant.

Organization	Position	Department
City of Beaumont	Watch	

[SB 542](#) (Stern D) Workers' compensation.

Current Text: Chaptered: 10/1/2019 [html](#) [pdf](#)

Status: 10/1/2019-Approved by the Governor. Chaptered by Secretary of State. Chapter 390, Statutes of 2019.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Under current law, a person injured in the course of employment is generally entitled to receive workers' compensation on account of that injury. Current law provides that, in the case of certain state and local firefighting personnel and peace officers, the term "injury" includes various medical conditions that are developed or manifested during a period while the member is in the service of the department or unit, and establishes a disputable presumption in this regard. This bill would provide, only until January 1, 2025, that in the case of certain state and local firefighting personnel and peace officers, the term "injury" also includes post-traumatic stress that develops or manifests itself during a period in which the injured person is in the service of the department or unit. The bill would apply to injuries occurring on or after January 1, 2020.

Organization	Position	Department
City of Beaumont	Oppose	Police Department

[SB 592](#) (Wiener D) Housing development: Housing Accountability Act: permit streamlining.

Current Text: Amended: 9/9/2019 [html](#) [pdf](#)

Status: 9/11/2019-Re-referred to Com. on RLS. pursuant to Assembly Rule 96.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The Housing Accountability Act (the HAA), among other things, requires a local agency that proposes to disapprove or impose specified conditions on a housing development project that complies with applicable, objective general plan, zoning, and subdivision standards and criteria in effect at the time the application for the project is deemed complete, within the meaning of the Permit Streamlining Act, to make specified written findings based on a preponderance of the evidence in the record. This bill would additionally require a local agency to make those findings if it proposes to disapprove or impose specified conditions on a housing development project that is determined to be complete, as provided, and would make other related conforming changes.

Organization	Position	Department
City of Beaumont	Watch	

[SB 625](#) (Hill D) Party buses: cannabis.

Current Text: Amended: 7/1/2019 [html](#) [pdf](#)

Status: 9/15/2019-Failed Deadline pursuant to Rule 61(a)(15). (Last location was INACTIVE FILE on

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	2 year	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conf. Conc.			

Summary: Would prohibit the smoking or vaping of cannabis products by a passenger in a bus, taxicab, or limousine, but would create a limited exemption for limousines, modified limousines, and charter buses only if there are no passengers under 21 years of age present and the driver is sealed off from the passenger compartment, as specified.

Organization Position Department
 City of Beaumont Watch

SB 667 (Hueso D) Greenhouse gases: recycling infrastructure and facilities.

Current Text: Amended: 7/1/2019 [html](#) [pdf](#)

Status: 8/30/2019-Failed Deadline pursuant to Rule 61(a)(12). (Last location was APPR. SUSPENSE FILE on 8/21/2019)(May be acted upon Jan 2020)

Desk	Policy	Fiscal	Floor	Desk	Policy	2 year	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conf. Conc.			

Summary: Would require the Department of Resources Recycling and Recovery to develop, on or before January 1, 2021, and would authorize the department to amend, a 5-year needs assessment to support innovation and technological and infrastructure development, in order to meet specified organic waste reduction and recycling targets, as provided. The bill would require, on or before June 1, 2021, the department, in coordination with the Treasurer and the California Pollution Control Financing Authority, to develop financial incentive mechanisms, including, among other mechanisms, loans and incentive payments, to fund and accelerate public and private capital towards organic waste diversion and recycling infrastructure.

Organization Position Department
 City of Beaumont Watch

SB 725 (Rubio D) Veterans rental housing.

Current Text: Introduced: 2/22/2019 [html](#) [pdf](#)

Status: 6/18/2019-June 18 set for first hearing canceled at the request of author.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conf. Conc.			

Summary: Current law creates the Veterans Housing and Homeless Prevention Act of 2014, to provide for the acquisition, construction, rehabilitation, and preservation of affordable multifamily supportive housing, affordable transitional housing, affordable rental housing, or related facilities for veterans and their families to allow veterans to access and maintain housing stability. This bill would require the department to establish a rental housing assistance program to provide financial assistance to veterans seeking rental housing, based on the needs of the veterans.

Organization Position Department
 City of Beaumont Watch

SB 732 (Allen D) Transactions and use tax: South Coast Air Quality Management District.

Current Text: Amended: 4/30/2019 [html](#) [pdf](#)

Status: 5/17/2019-Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. on 4/30/2019) (May be acted upon Jan 2020)

Desk	Policy	2 year	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conf. Conc.			

Summary: Current law establishes the South Coast Air Quality Management District vested with the authority to regulate air emissions from stationary sources located in the South Coast Air Basin and establishes a district board to govern the district. This bill would authorize the south coast district board to impose a transactions and use tax within the boundaries of the south coast district, as specified, with the moneys generated from the transactions and use tax to be used to supplement existing revenues being used for south coast district purposes, as specified.

Organization Position Department
 City of Beaumont Watch

SCA 1 (Allen D) Public housing projects.

Current Text: Introduced: 12/3/2018 [html](#) [pdf](#)

Status: 9/10/2019-Read. Adopted. (Ayes 38. Noes 0.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conf. Conc.			

Summary: The California Constitution prohibits the development, construction, or acquisition of a low-rent housing project, as defined, in any manner by any state public body until a majority of the

qualified electors of the city, town, or county in which the development, construction, or operation of the low-rent housing project is proposed approve the project by voting in favor at an election, as specified. This measure would repeal these provisions.

Organization Position

Department

City of Beaumont Watch

Total Measures: 60

Total Tracking Forms: 60