City Hall Council Chamber
1515 Sixth Street, Coachella, California
(760) 398-3502 ◆ www.coachella.org

AGENDA

CITY COUNCIL CLOSED SESSION AND
REGULAR MEETING
OF THE CITY OF COACHELLA
THE COUNCIL SITTING AS THE COACHELLA SANITARY DISTRICT,
COACHELLA FIRE PROTECTION DISTRICT, COACHELLA FINANCING AUTHORITY,
COACHELLA EDUCATIONAL AND GOVERNMENTAL ACCESS CABLE CHANNEL CORPORATION,
COACHELLA WATER AUTHORITY, SUCCESSOR AGENCY TO THE COACHELLA REDEVELOPMENT AGENCY
AND COACHELLA PARKS AND RECREATION FOUNDATION

February 11, 2026
4:00 PM – CLOSED SESSION
6:00 PM – REGULAR MEETING

In-Person Meeting Location: Coachella City Hall Council Chamber 1515 Sixth Street Coachella, CA	**If you would like to attend the meeting via Zoom, here is the link:** **https://us02web.zoom.us/j/88457271898?pwd=REdzU1NoQmpVSFhWTDVaZ0VCekYxdz09** Or One tap mobile : 16699006833,,88457271898#,,,,*606140# Or Telephone: US: +1 669 900 6833 **Webinar ID: 884 5727 1898** **Passcode: 606140** **Spanish:** El idioma español está disponible en Zoom seleccionado la opción en la parte de abajo de la pantalla

- Public comments may be received **either in person, via email, or via Zoom.**
  - **In Person:**

    Anyone wishing to speak in person during the public comment period or on a particular item is required to fill out a Request to Speak Form. In order to be recognized, a Request to Speak Form must be turned in to the City Clerk prior to the start of the public comment period or before the agenda item is taken up by Council on which you wish to provide a comment.
  - **In Real Time via Zoom:**

    If participating in real time via Zoom, during the public comment period, participants must be visible on camera and use the **"raise hand"** function on Zoom.
  - **In Writing via Email:**

    If providing a written comment by email, you may submit your public comment to the City Council by emailing cityclerk@coachella.org. To comment by email, submit your comments no later than 12 p.m. on the day of the meeting by emailing your name, agenda item (if applicable), and your comment. Any correspondence received by the deadline will be forwarded to the City Council for consideration before action is taken on the matter, during the meeting and upon request one (1) hard copy of the written

public comments will be available for the public's view, and written comments will be retained for the official records. Written comments will not be read aloud at City Council meetings.

- The **live stream** of the meeting may be **viewed online** by accessing the city's website at **www.coachella.org**, and clicking on the "**Watch Council Meetings**" tab located on the home page, and then clicking on the "live" button.

CALL TO ORDER: - 4:00 P.M.

ROLL CALL:

APPROVAL OF AGENDA:

"At this time the Council/ Board/Corporation/Authority may announce any items being pulled from the Agenda or continued to another date or request the moving of an item on the agenda"

PUBLIC COMMENTS (CLOSED SESSION ITEMS):

ADJOURN TO CLOSED SESSION:

1. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
   Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2)
   One (1) or More Potential Cases

2. CONFERENCE WITH LEGAL COUNSEL – INITIATION OF LITIGATION
   Initiation of Litigation Pursuant to Government Code Section 54956.9(d)(4)
   Two (2) or More Potential Cases

3. PUBLIC EMPLOYEE APPOINTMENT (Govt. Code Section 54957(b)(1))
   Title: Interim City Manager

4. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
   Initiation of Litigation Pursuant to Government Code Section 54956.9(d)(1)
   Juan Ayala v. City of Coachella, Riverside County Superior Court, Case No. CVPS250281

RECONVENE REGULAR MEETING: - 6:00 P.M.

PLEDGE OF ALLEGIANCE:

CLOSED SESSION ANNOUNCEMENTS:

PROCLAMATIONS/PRESENTATIONS/DIRECTION:

5. Presentation of Proclamation to Coachella Valley Little Arabs

6. Naming Options for the Sixth Street Seniors Apartments by Chelsea Investment Corporation

WRITTEN COMMUNICATIONS:

PUBLIC COMMENTS (NON-AGENDA ITEMS) (LIMITED TO A MAXIMUM OF 30 MINUTES. IF ADDITIONAL TIME IS REQUIRED FOR PUBLIC COMMENTS, THEY WILL BE HEARD AFTER ITEM NO. 15. PUBLIC HEARING CALENDAR):

The public may address the City Council/Board/Corporation/ Authority on any item of interest to the public that is not on the agenda but is in the subject matter jurisdiction thereof. Please limit your comments to three (3) minutes.

CONSENT CALENDAR:

(It is recommended that Consent Items be acted upon simultaneously unless separate discussion and/or action is requested by a Council Member.)

7. Regular City Council Meeting Minutes of January 28, 2026, of the City of Coachella, Coachella Sanitary District, Coachella Fire Protection District, Coachella Financing Authority, Coachella Educational and Governmental Access Cable Corporation, Coachella Water Authority, Successor Agency to the Coachella Redevelopment Agency and Coachella Parks and Recreation

8. Quarterly Reports - Second Quarter (October - December) FY2025-2026

9. Voucher Listing- EFT's/Utility Billing Refunds/FY 2025-26 Expenditures as of February 11, 2026, $5,790,399.04

10. Authorize the City Manager to Execute Service Agreement Addendum with Vestis Services, LLC. to provide uniform and workplace supplies for a three year term

11. Approve Resolution No. 2026-09 Approving a Professional Services Agreement for Consulting Services with Roukema Consulting LLC for Assistance with the Development and Implementation of the Funding Program for Critical Electric Infrastructure in the City with a Not To Exceed Amount of $50,000

12. Approve Resolution No. 2026-10 Approving a Professional Services Agreement for Financial Advisory Services with Urban Futures, Inc. for Assistance with the Issuance of Bonds in Conjunction with the Formation of the Coachella Electric Financing Authority with a Not To Exceed Amount of $75,000

13. Approve Resolution No. 2026-11, Resolution WA-2026-01, Resolution SD-2026-01, and Resolution SA-2026-01 Approving a Professional Services Agreement with Urban Futures, Inc. to Provide Continuing Disclosure and Post-Issuance Compliance Services with a Total Five Year Not To Exceed Amount of $92,500 Distributed between the City of Coachella, the Coachella Water Authority, the Coachella Sanitary District, and the Successor Agency to the Coachella Redevelopment Agency

NEW BUSINESS CALENDAR (LEGISLATIVE AND ADMINISTRATIVE):

14. Approve Municipal Utility Development Agreement with Coachella Valley Power Services, LLC for Implementation of the City's Municipal Electric Utility

15. Authorize the City Manager to Execute Amendment #1 with the Following Consultants for On Call Engineering Services Project No. 082522: AKEL Engineering Group, Inc., BSE Engineering Inc, Dudek, Heptagon Seven, Kimley-Horn, Michael Baker International, SVA Architects Inc., TKE Engineering Inc.

16. Approve Lease Agreement with El Tranvia, Inc. for the City-Owned Building Located at 1258 Sixth Street in the Downtown Pueblo Viejo District and Authorize the City Attorney to Approve Minor Changes to the Lease Agreement Prior to its Execution

PUBLIC HEARING CALENDAR (QUASI-JUDICIAL):

NONE

REPORTS AND REQUESTS:

Council Comments/Report of Miscellaneous Committees.

City Manager's Comments.

ADJOURNMENT:

Complete Agenda Packets are available for public inspection at the City Clerk's Office at 53-462 Enterprise Way, Coachella, California, and on the City's website www.coachella.org.

THIS MEETING IS ACCESSIBLE TO PERSONS WITH DISABILITIES

CITY OF COACHELLA
CALIFORNIA

Proclamation

.

WHEREAS, The Coachella Valley Little Arabs Youth Football Program stands as a shining example of teamwork and dedication in our community; and

WHEREAS, The Coachella Valley Little Arabs had 110 players proudly representing Coachella; and

WHEREAS, this season, we made history with three teams competing in the Super Bowl, and our 13U team went above and beyond—winning the championship and placing fourth at nationals; and

WHEREAS, these athletes balance their rigorous training with outstanding academic performance, maintaining a team GPA above 3.0; and

WHEREAS, their perseverance, pride in their city, and commitment to excellence inspire us all, and we can't wait to see how far they'll go; and

NOW THEREFORE, I, Steven A. Hernandez, Mayor and Council of the City of Coachella, by the power vested in us, do hereby recognize

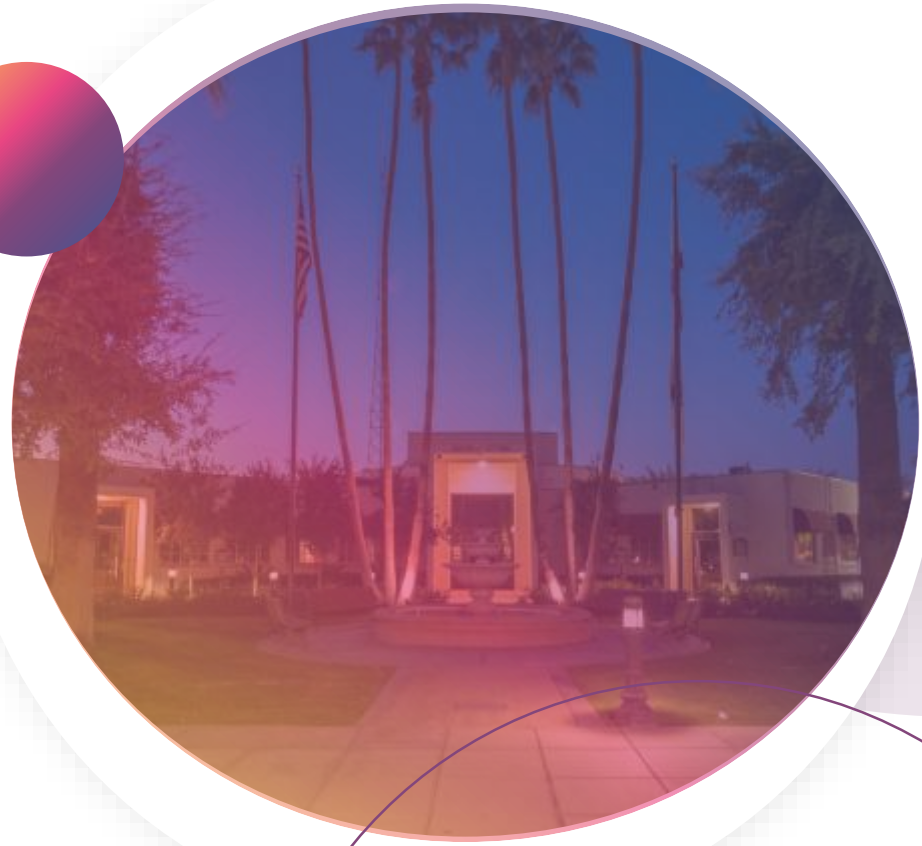
Coachella Valley Little Arabs

and urge all citizens of the City of Coachella in joining me to commemorate their commitment to serving the community.

IN WITNESS HEREOF, I have hereunto set my hand and caused the official seal of the City of Coachella, California to be affixed this 11th day of February 2026.

Steven A. Hernandez, Mayor
City of Coachella, California

NAMING OPTIONS FOR SIXTH STREET SENIORS APARTMENTS



City Council Meeting
February 11, 2026

Presented by:
Chelsea Investment Corporation

Name Suggestions

The project name must include Sienna:

- Sienna Arbor
- Sienna Bella
- Casa Sienna
- Sienna Tierra
- Sienna del Sol
- Sienna Village

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MINUTES

CITY COUNCIL CLOSED SESSION AND
REGULAR MEETING
OF THE CITY OF COACHELLA
THE COUNCIL SITTING AS THE COACHELLA SANITARY DISTRICT,
COACHELLA FIRE PROTECTION DISTRICT, COACHELLA FINANCING AUTHORITY,
COACHELLA EDUCATIONAL AND GOVERNMENTAL ACCESS CABLE CHANNEL CORPORATION,
COACHELLA WATER AUTHORITY, SUCCESSOR AGENCY TO THE COACHELLA REDEVELOPMENT AGENCY
AND COACHELLA PARKS AND RECREATION FOUNDATION

January 28, 2026
5:00 PM – CLOSED SESSION
6:00 PM – REGULAR MEETING

In-Person Meeting Location: Coachella City Hall Council Chamber 1515 Sixth Street Coachella, CA	**If you would like to attend the meeting via Zoom, here is the link:** **https://us02web.zoom.us/j/88457271898?pwd=REdzU1NoQmpVSFhWTDVaZ0VCekYxdz09** Or One tap mobile : 16699006833,,88457271898#,,,,*606140# Or Telephone: US: +1 669 900 6833 **Webinar ID: 884 5727 1898** **Passcode: 606140** **Spanish:** El idioma español está disponible en Zoom seleccionado la opción en la parte de abajo de la pantalla

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CALL TO ORDER: - 5:00 P.M.

Mayor Hernandez called the City Council Closed Session and Regular Meeting of the City of Coachella to order at 5:01 p.m.

ROLL CALL:

Present: Councilmember Perez, Councilmember Dr. Figueroa, Councilmember Virgen, Mayor Pro Tem Delgado, and Mayor Hernandez

City Clerk and City Treasurer

APPROVAL OF AGENDA:

"At this time the Council/ Board/Corporation/Authority may announce any items being pulled from the Agenda or continued to another date or request the moving of an item on the agenda"

"At this time the Council/ Board/Corporation/Authority may announce any items being pulled from the Agenda or continued to another date or request the moving of an item on the agenda"

Motion: To approve the agenda

Made by: Councilmember Dr. Figueroa
Seconded by: Councilmember Virgen
Approved: 5-0

AYES: Councilmember Perez, Councilmember Dr. Figueroa, Councilmember Virgen, Mayor Pro Tem Delgado, and Mayor Hernandez
NOES: None
ABSTAIN: None
ABSENT: None

PUBLIC COMMENTS (CLOSED SESSION ITEMS):

None

ADJOURN TO CLOSED SESSION:

1. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
   Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2)
   Two (2) Potential Cases

RECONVENE REGULAR MEETING: - 6:00 P.M.

The City Council reconvened into open session at 6:02 p.m.

Councilmember Virgen returned at 6:04 p.m.

PLEDGE OF ALLEGIANCE:

Deputy City Clerk led the Pledge of Allegiance.

CLOSED SESSION ANNOUNCEMENTS:

No reportable action taken.

COUNCIL REORGANIZATION:

2. Nomination for the Position of Mayor Pro Tem

Councilmember Dr. Figueroa was nominated and appointed the Position of Mayor Pro Tem

Motion: To approve Councilmember Dr. Figueroa as the Mayor Pro Tem

Made by: Councilmember Dr. Figueroa
Seconded by: Mayor Hernandez
Approved: 5-0

AYES: Councilmember Perez, Councilmember Dr. Figueroa, Councilmember Virgen, Mayor Pro Tem Delgado, and Mayor Hernandez
NOES: None
ABSTAIN: None
ABSENT: None

PROCLAMATIONS/PRESENTATIONS/DIRECTION:

3. Presentation of Sunline's Comprehensive Analysis

4. City of Coachella Home Enhancement Program

5. Presentation by Culturas Music & Arts

Mayor Hernandez stepped away and abstained from Item #5 at 6:35 p.m. and returned at 6:53 p.m.

WRITTEN COMMUNICATIONS:

None

PUBLIC COMMENTS (NON-AGENDA ITEMS) (LIMITED TO A MAXIMUM OF 30 MINUTES. IF ADDITIONAL TIME IS REQUIRED FOR PUBLIC COMMENTS, THEY WILL BE HEARD AFTER ITEM NO. 15. PUBLIC HEARING CALENDAR):

The public may address the City Council/Board/Corporation/ Authority on any item of interest to the public that is not on the agenda but is in the subject matter jurisdiction thereof. Please limit your comments to three (3) minutes.

1. Alan Carvalho
2. Chris Christensen – Desert Healthcare District
3. Adan Rodriguez – CV Little Arabs

CONSENT CALENDAR:

(It is recommended that Consent Items be acted upon simultaneously unless separate discussion and/or action is requested by a Council Member.)

6. Regular City Council Meeting Minutes of December 10, 2025, of the City of Coachella, Coachella Sanitary District, Coachella Fire Protection District, Coachella Financing Authority, Coachella Educational and Governmental Access Cable Corporation, Coachella Water Authority, Successor Agency to the Coachella Redevelopment Agency and Coachella Parks and Recreation

7. Special City Council Meeting Minutes of January 15, 2026, of the City of Coachella, Coachella Sanitary District, Coachella Fire Protection District, Coachella Financing Authority, Coachella Educational and Governmental Access Cable Corporation, Coachella Water Authority, Successor Agency to the Coachella Redevelopment Agency and Coachella Parks and Recreation

8. Voucher Listing- EFT's/Utility Billing Refunds/FY 2025-26 Expenditures as of January 28, 2026, $4,596,021.74

9. Investment Report – October 31, 2025

10. Quarterly Reports - Second Quarter (October - December) FY2025-2026

11. Construction Contract with Rudy's Electric in the Amount of $72,500.00 Plus 10% Contingency for the Avenue 50 Median Light Rehab from Van Buren Street to Mariposa Pointe, City Project No.ST-93

12. Amendment Number Four to the Reimbursement Agreement with the Coachella Valley Association of Governments and appropriate $19,837 from General Fund for Avenue 48 Arts and Music Line Project, City Project ST-140.

13. Resolution No. 2026-07 Authorizing the Finance Director to Establish an Account with Time Value Investments, Inc/Cetera Wealth Management

14. Resolution No. 2026-08 Approving a Contract with The Baldwin Group to Conduct a Fiduciary Review of the City's 457 Deferred Compensation Plan

15. Award Amendment #1 to the Maintenance Agreement with BRC Construction for As Needed Block Wall and Wrought Iron Fence Repairs for the Landscape and Lighting Maintenance Districts Project No. 081122B

16. Award Amendment #1 to the Maintenance Agreement with BRC Construction for As Needed Miscellaneous Repair Work for the Landscape and Lighting Maintenance Districts Project No. 081122

17. Authorize the City Manager to Approve a Professional Services Agreement with Aspen Rentals Inc., in the Amount not to Exceed $125,000.00 for the Rental of a Belt-Press Dewatering Unit

18. Award Amendment No. 3 to Vintage Associates, Inc for Landscape Maintenance Services for Grapefruit Blvd Medians and Parkway Project No. 121421; increasing term of agreement by one-year and compensation by $73,934.12.

19. Authorize a Community-Based Grant to Coachella Valley Little Arabs in the Amount of $1,000 to Support their Youth Football Program

20. Authorize a Community-Based Grant to Green Room Theatre Company Coachella Valley in the Amount of $1,000 to Support the "*Newish*" Shakespeare Festival

21. Authorize a Community-Based Grant to Valle Del Sol Elementary School in the Amount of $1,000 to Support an Educational Field Trip for Students in TK–Kindergarten

22. Authorize a Community-Based Grant to Habitat for Humanity of the Coachella Valley in the Amount of $1,000 to Support the Housing Insecurity Prevention Program

Councilmember Virgen stepped away at 7:15 p.m. during the Consent Calendar and returned at 7:29 p.m. while discussing item #25.

Councilmember Perez and Mayor Hernandez commented that they were abstaining from item #12 because their primary residence is near that area.

Motion: To approve the Consent Calendar noting Councilmember Perez and Mayor Hernandez abstaining from item #12

Made by: Mayor Pro Tem Dr. Figueroa
Seconded by: Councilmember Perez
Approved: 4-0:

AYES: Councilmember Perez, Councilmember Delgado, Mayor Pro Tem Dr. Figueroa and Mayor Hernandez
NOES: None
ABSTAIN: Councilmember Perez and Mayor Hernandez on item #12

ABSENT: Councilmember Virgen

NEW BUSINESS CALENDAR (LEGISLATIVE AND ADMINISTRATIVE):

23. Mayor's Appointments to Various Council Subcommittees, Coachella Valley Association of Government (CVAG) Committees, Other Agencies, etc.

Motion: To approve appointing Mayor Pro Tem Dr. Figueroa as member of CVAG and Councilmember Denise Delgado as Alternate and keep the other commission appointments the same.

Made by: Councilmember Delgado
Seconded by: Councilmember Perez
Approved: 4-0:

AYES: Councilmember Perez, Councilmember Delgado, Mayor Pro Tem Dr. Figueroa, and Mayor Hernandez
NOES: None
ABSTAIN: None
ABSENT: Councilmember Virgen

24. Appoint one (1) Commissioner to the Coachella Youth Advisory Commission

Motion: To approve appointing Valeria Aguirre as Commissioner to the Youth Advisory Commissioner and appoint Brandon Antunez Lopez and Emily Samano Felix as Honorary members.

Made by: Councilmember Perez
Seconded by: Mayor Pro Tem Dr. Figueroa
Approved: 4-0:

AYES: Councilmember Perez, Councilmember Delgado, Mayor Pro Tem Dr. Figueroa, and Mayor Hernandez
NOES: None
ABSTAIN: None
ABSENT: Councilmember Virgen

25. Resolution No. 2026-04 Approving a Contract for Consulting Services with Bell Burnett & Associates (BB&A) for the Development and Implementation of the Funding Program for Critical Electric Infrastructure in the City

Motion: To approve Items #25, #26 & #27

Made by: Councilmember Perez
Seconded by: Mayor Pro Tem Dr. Figueroa
Approved: 5-0: Unanimous roll call vote:

AYES: Councilmember Perez, Councilmember Delgado, Councilmember Virgen, Mayor Pro Tem Dr. Figueroa, and Mayor Hernandez
NOES: None
ABSTAIN: None
ABSENT: None

26. Resolution No. 2026-05 Approving an Underwriter Engagement Letter with Piper Sandler for Underwriting Debt Associated with the Establishment of the Coachella Electric Financing Authority

Motion: To approve Items #25, #26 & #27

Made by: Councilmember Perez
Seconded by: Mayor Pro Tem Dr. Figueroa
Approved: 5-0: Unanimous roll call vote:

AYES: Councilmember Perez, Councilmember Delgado, Councilmember Virgen, Mayor Pro Tem Dr. Figueroa, and Mayor Hernandez
NOES: None
ABSTAIN: None
ABSENT: None

27. Resolution No. 2026-06 Approving a Master Service Engagement Letter and a Supplemental Engagement Letter with Stradling for the Establishment of the Coachella Electric Financing Authority including acting as Bond and Disclosure Council

Motion: To approve Items #25, #26 & #27

Made by: Councilmember Perez
Seconded by: Mayor Pro Tem Dr. Figueroa
Approved: 5-0: Unanimous roll call vote:

AYES: Councilmember Perez, Councilmember Delgado, Councilmember Virgen, Mayor Pro Tem Dr. Figueroa, and Mayor Hernandez
NOES: None
ABSTAIN: None
ABSENT: None

28. Authorize the City Manager to Execute Subrecipient Agreements for the Development of the Caltrans Sustainable Transportation Planning Grant for the Cesar Chavez Street Corridor Transformation Plan with CivicWell ($83,600), Raices Cultura ($50,000), and Terra Nova ($260,140)

Mayor Pro Tem Figueroa and Mayor Hernandez announced that they are abstaining from this item due to a conflict of interest because their primary residence is near this project.

The Council took a recess. Upon conclusion of the recess, Councilmember Virgen stated she also has a conflict due to her primary property being near the project. As a result, there are three conflicted Councilmembers on this item, being Councilmember Virgen, Mayor Hernandez and Mayor Pro Tem Figueroa. At least three members of the Council are required to constitute a quorum in order for action to be taken on the item. Under the rule of necessity, the three conflicted members of Council were asked to draw sticks at random in order to determine who would participate for this item. The Councilmember who selects the single long stick would be the Councilmember to participate in this item. Those who grab the short sticks would recuse themselves. Mayor Hernandez randomly selected the longest stick and participated under the rule of necessity. For the record, Mayor Hernandez' property is over 1,000 feet from the project site at issue.

Motion: To authorize the City Manager to Execute Subrecipient Agreements for the Development of the Caltrans Sustainable Transportation Planning Grant for the Cesar Chavez Street Corridor Transformation Plan with CivicWell ($83,600), Raices Cultura ($50,000), and Terra Nova ($260,140)

Made by: Councilmember Delgado
Seconded by: Councilmember Perez
Approved: 3-0:

AYES: Councilmember Perez, Councilmember Delgado, and Mayor Hernandez
NOES: None
ABSTAIN: Councilmember Virgen and Mayor Pro Tem Dr. Figueroa
ABSENT: None

29. Approve a Professional Services Agreement for Communications, Social Media and Website Management Services for Coachella Prospera with DeAztlan Consulting in the Amount of $114,000 and Authorize the City Manager to Execute the Agreement

Motion: To approve a Professional Services Agreement for Communications, Social Media and Website Management Services for Coachella Prospera with DeAztlan Consulting in the Amount of $114,000 and Authorize the City Manager to Execute the Agreement

Made by: Councilmember Virgen
Seconded by: Mayor Hernandez
Approved: 5-0: Unanimous roll call vote:

AYES: Councilmember Perez, Councilmember Delgado, Councilmember Virgen, Mayor Pro Tem Dr. Figueroa, and Mayor Hernandez
NOES: None
ABSTAIN: None
ABSENT: None

30. Authorize The City of Coachella's Tacos, Tequila and Chavelas Festival Beer and Tequila Garden Operation on February 7, 2026 at Veterans Memorial Park from 4pm to 8pm and Appropriate $55,000 From Unallocated General Fund Reserves

Motion: To authorize The City of Coachella's Tacos, Tequila and Chavelas Festival Beer and Tequila Garden Operation on February 7, 2026 at Veterans Memorial Park from 4pm to 8pm and Appropriate $55,000 From Unallocated General Fund Reserves and Appointing Councilmember Perez as the Judge for the best Taco.

Made by: Mayor Pro Tem Dr. Figueroa
Seconded by: Councilmember Virgen
Approved: 5-0: Unanimous roll call vote:

AYES: Councilmember Perez, Councilmember Delgado, Councilmember Virgen, Mayor Pro Tem Dr. Figueroa, and Mayor Hernandez
NOES: None
ABSTAIN: None
ABSENT: None

31. Authorize a One-Time Funding Allocation for the Coachella Branch Library in the Amount of $25,000 to Support Programming

Motion: To authorize a One-Time Funding Allocation for the Coachella Branch Library in the Amount of $25,000 to Support Programming

Made by: Councilmember Delgado
Seconded by: Councilmember Perez
Approved: 5-0:

AYES: Councilmember Perez, Councilmember Delgado, Councilmember Virgen, Mayor Pro Tem Dr. Figueroa, and Mayor Hernandez
NOES: None
ABSTAIN: None
ABSENT: None

32. Extend the Façade Improvement Program Limits along Cesar Chavez Street to Encompass the Area Between Avenue 54 and Park Lane

Councilmembers Figueroa, Virgen and Mayor Hernandez announced a conflict of interest due to their primary residence being near the project site. As a result, there are three conflicted councilmembers on this item. At least three members of the Council are required to constitute a quorum in order for action to be taken by the Council. Under the rule of necessity, the three conflicted members of Council were asked to draw sticks at random in order to determine who would need to participate for this item. The Councilmember who selects the single long stick would be the Councilmember to participate in this item. Those Councilmembers who grab the

short sticks would recuse themselves. Mayor Hernandez randomly selected the longest stick and participated under the rule of necessity. For the record, Mayor Hernandez stated that his property is over 1,000 feet from the project site.

Motion: To Extend the Façade Improvement Program Limits along Cesar Chavez Street to Encompass the Area Between Avenue 54 and Park Lane

Made by: Councilmember Delgado
Seconded by: Councilmember Perez
Approved: 3-0:

AYES: Councilmember Perez, Councilmember Delgado, and Mayor Hernandez
NOES: None
ABSTAIN: Councilmember Virgen, Mayor Pro Tem Dr. Figueroa,
ABSENT: None

PUBLIC HEARING CALENDAR (QUASI-JUDICIAL):

33. A Public Hearing to Consider Resolution No.2026-01, Resolution No.2026-02, and Resolution No.2026-03 of the City Council of the City of Coachella: Request for conditional approval for Tentative Tract Map No. 39051 for the subdivision of 39.98 acres of land (Assessor's Parcel Number 612-260-010) into 257 lots and request for conditional approval of Conditional Use Permit No. 390 for a 257-lot single-family home planned unit development subdivision with associated improvements located at the southwest corner of Calhoun Street and Avenue 49 and certifying that the projects Initial Study with Mitigated Negative Declaration is in compliance with Section 15074 of the California Environmental Quality Act Guidelines. Applicant: Rod Vandenburg, Pacific Modern Builders, LLC.

Councilmember Perez and Mayor Hernandez recused themselves from this item because the primary residence is near that project.

Motion: To approve a Public Hearing to Consider Resolution No.2026-01, Resolution No.2026-02, and Resolution No.2026-03 of the City Council of the City of Coachella: Request for conditional approval for Tentative Tract Map No. 39051 for the subdivision of 39.98 acres of land (Assessor's Parcel Number 612-260-010) into 257 lots and request for conditional approval of Conditional Use Permit No. 390 for a 257-lot single-family home planned unit development subdivision with associated improvements located at the southwest corner of Calhoun Street and Avenue 49 and certifying that the projects Initial Study with Mitigated Negative Declaration is in compliance with Section 15074 of the California Environmental Quality Act Guidelines. Applicant: Rod Vandenburg, Pacific Modern Builders, LLC.

Public Hearing opened at 8:34 p.m. and closed at 8:34 p.m.

Made by: Councilmember Virgen
Seconded by: Councilmember Delgado
Approved: 3-0:

AYES: Councilmember Delgado, Councilmember Virgen, Mayor Pro Tem Dr. Figueroa, and
NOES: None
ABSTAIN: Councilmember Perez and Mayor Hernandez
ABSENT: None

34. Public Hearing to Consider the Adoption of Ordinance No. 1228, amending Title 15 of the Coachella Municipal Code and adopting the 2025 California State Building Standards Code by Reference

Motion: To approve a Public Hearing to Consider the Adoption of Ordinance No. 1228, amending Title 15 of the Coachella Municipal Code and adopting the 2025 California State Building Standards Code by Reference

Public Hearing opened at 8:47 p.m. and closed at 8:47 p.m.

Made by: Councilmember Virgen
Seconded by: Mayor Pro Tem Dr. Figueroa
Approved: 5-0:

AYES: Councilmember Perez, Councilmember Delgado, Councilmember Virgen, Mayor Pro Tem Dr. Figueroa, and Mayor Hernandez
NOES: None
ABSTAIN: None
ABSENT: None

REPORTS AND REQUESTS:

Council Comments/Report of Miscellaneous Committees.

City Manager's Comments.

ADJOURNMENT:

Mayor Hernandez adjourned the meeting at 9:17 p.m.

_____

Angela Zepeda
City Clerk

COMMUNITY OUTREACH

The months of October, November and December ...

COMMUNITY CLEAN-UP DAY & PAPER SHREDDING EVENT

November 22nd, 8:00am - 1:00pm

The public information department developed a new design for the Community Clean-up Day promotional flyers. We brightened up the design with a new color palette and more engaging graphics, all tying in much better with the Coachella brand.

OLD DESIGN



NEW DESIGN



TREE FOR ALL EVENT (OCTOBER 18TH, 7AM)

The public information department developed a social media graphic promoting this event, and distributed an advisory to local media for coverage.





Media coverage secured with:

NEWSBREAK

NEWS CHANNEL 3

STATE OF THE CITY - “COACHELLA IN BLOOM”
(OCTOBER 23RD , 7AM)

The public information department spearheaded planning , from concept to delivery for last year’s State of the City themed “Coachella in Bloom”. Our department spearheaded every last detail, from decor and color palette, to custom logo development, giveaways, oversight of video production and script development for the Mayor and select councilmembers

This year drew record attending of nearly 350 guests due to the rising popularity of this event throughout the business community.







AGVISION (NOVEMBER 13TH, 5PM)

The public information department worked in conjunction with the Economic Development Director and Growing Coachella Valley in bringing back an event to Coachella focused on agriculture.

Our department oversaw development of the new logo, and designed all promotional material that were utilized as outreach tools for the event, as well as to obtain sponsorship.. Attendance of over 100 guests met the committee's expectations and collectively raised over $26,000 in sponsorship dollars.





CHRISTMAS TREE LIGHTING & HOLIDAY PARADE (DECEMBER 3RD & 5TH)

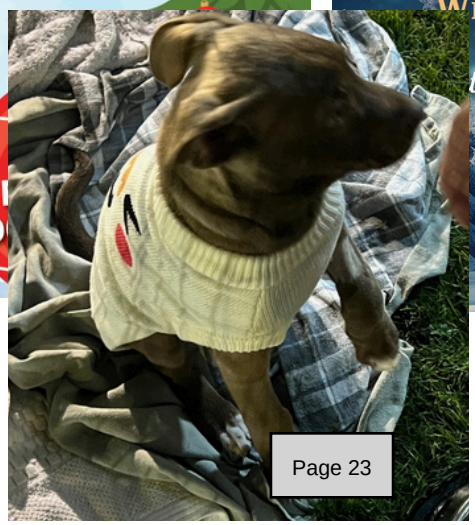
The public information department spearheaded development of all graphics and communications pieces tied to the Christmas Tree Lighting and holiday parade based on the Enchanted Holiday Parade with Elf and Friends.

To create a charitable tie in with the “Friends” aspect of the theme, our department connected with the Palm Springs Animal Shelter (PSAS) and incorporated an animal adoption component. We had the Executive Director speak at the Tree Lighting event, then had the PSAS bring six dogs to the parade, where four were adopted,

A custom Coachella book was also developed following the Elf on the Shelf theme for our young Coachella readers.







COACHELLA NIGHT (DECEMBER 19TH, 5:30PM)

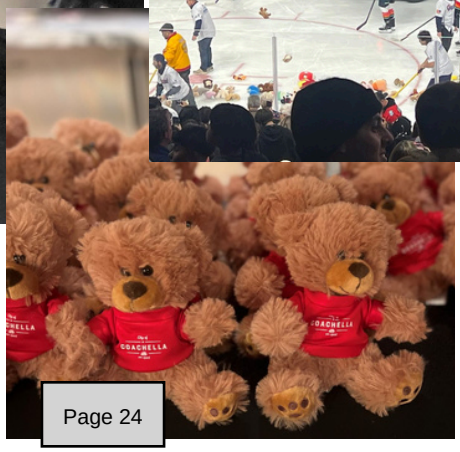
The public information department collaborated with Acrisure Arena on Coachella Night, and produced a video that ran on the big screen that evening titled “Somos Coachella”, translating to “We are Coachella”. This video defines what the City represents at its core – music, art, progress, heart, and community. These attributes are what make Coachella such a charming and authentic place to work, play and live in.

We also designed and produced “Somos Coachella” t-shirts for staff to wear at the game that evening which bared a subtle nod to the Firebirds brand, and proudly displayed the core message of our new video. 100 custom Coachella teddy bears were produced and given to the first 100 families who purchased tickets to the game that evening, and were used during the teddy bear toss.

Note: the video can be found on Coachella’s YouTube page.







GLOSSARY OF TERMS

- **IMPRESSIONS -** An impression is counted as the number of times an instance of an ad is on screen for the first time. (Example: If an ad is on screen and someone scrolls down, and then scrolls back up to the same ad, that counts as 1 impression).

- **CLICKS -** The number times that something is selected within the ad, by pressing a button or touching a screen.

- **REACH -** The number of unique accounts that saw your ads at least once. Reach is different from impressions, which may include multiple views of your ads by the same accounts.

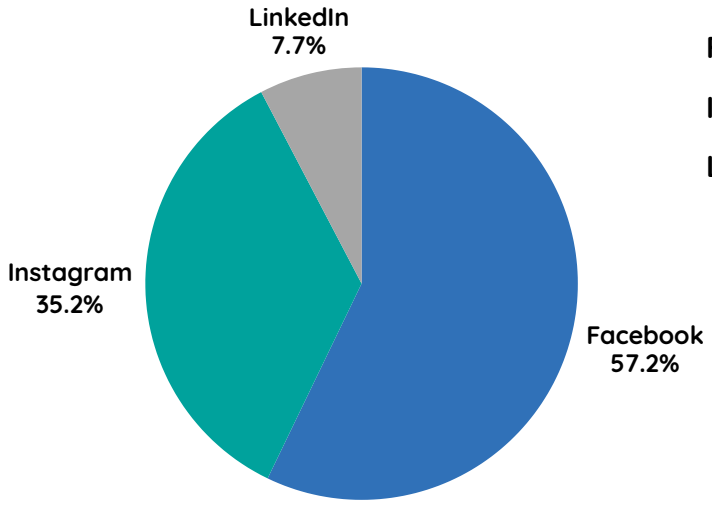
- **CLICKTHROUGH RATE (CTR) -** is calculated as the number of clicks divided by the number of impressions.

- **VIEWS (OPENS) -** measure how many people opened up your email and looked at it.

SOCIAL MEDIA UPDATE

Breakdown of Followers: Q4 (October- December 2025)

The City continues to experience a steady increase in organic social media growth across the board, all prompted through the consistent posting of relevant content for residents and other followers of our pages.



% of Growth :

Facebook: 15,139 followers - 2.76% growth

Instagram: 9,315 followers - 4.03% growth

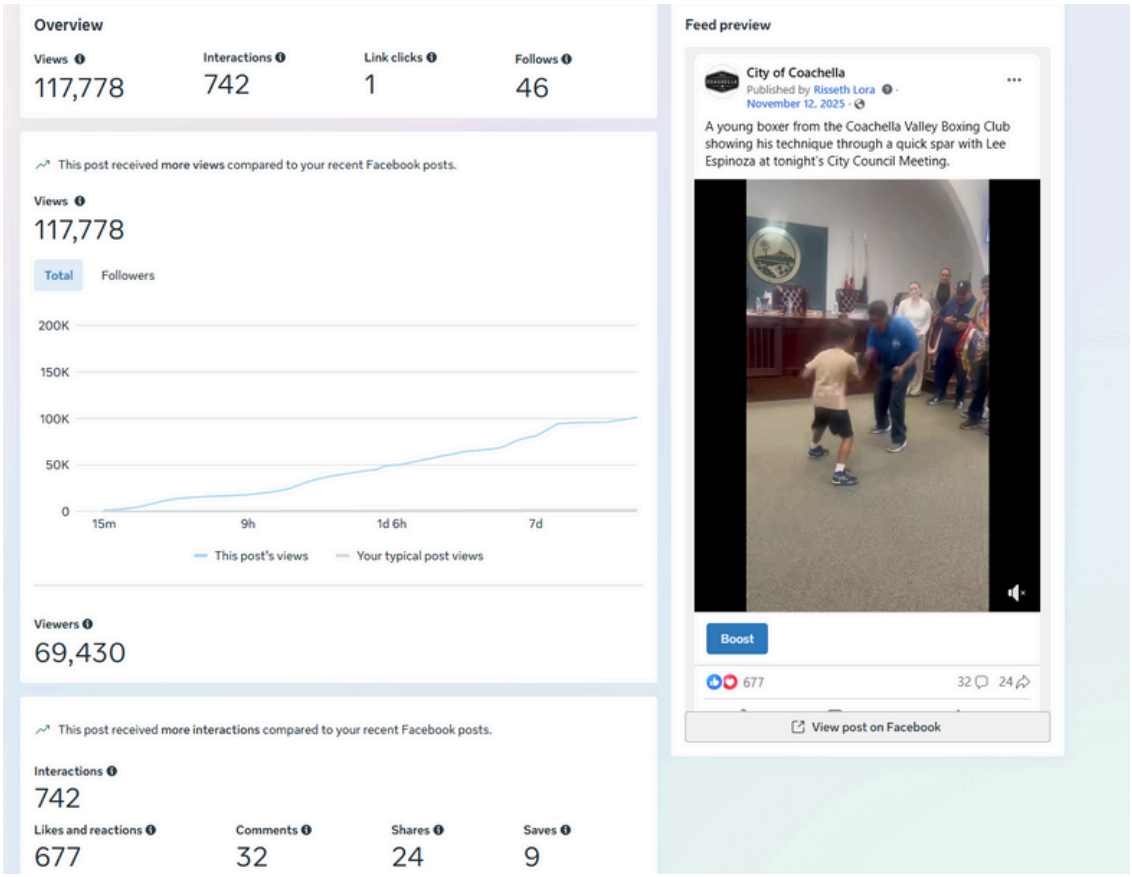
LinkedIn: 2,035 followers - 4.68% growth

FOLLOWER COMPARISON CHART - CITY BY CITY

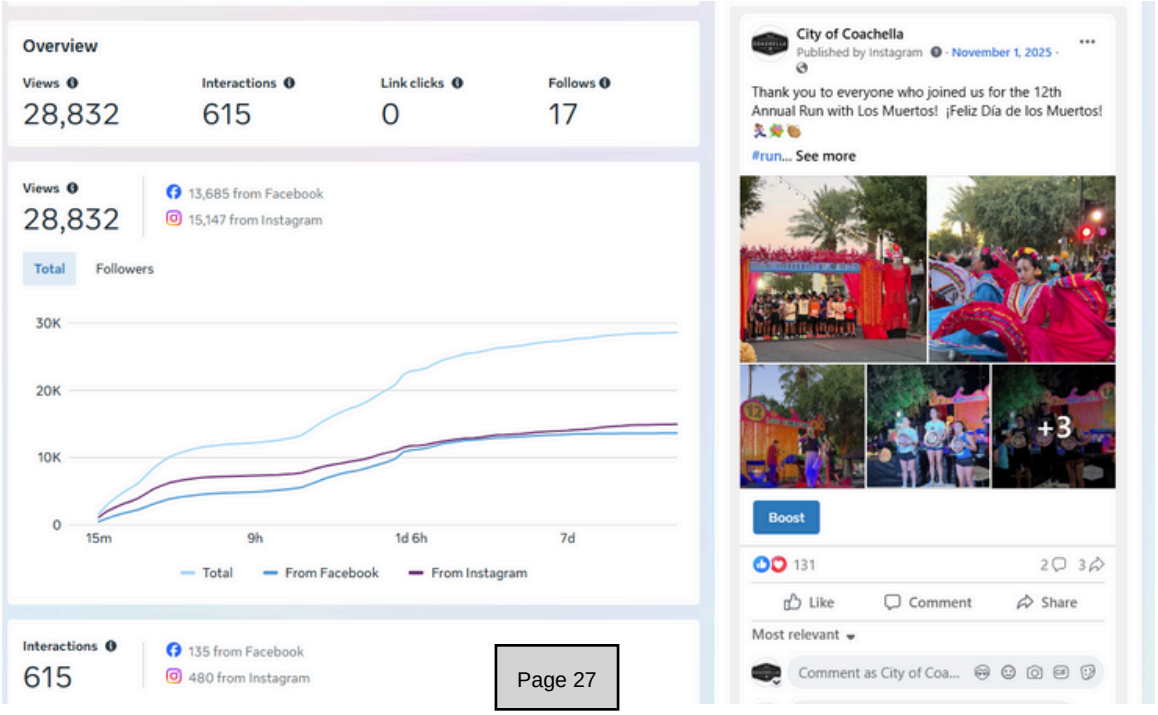
	COACHELLA	INDIO	LA QUINTA	PALM DESERT	PALM SPRINGS	INDIAN WELLS	RANCHO MIRAGE	CATHEDRAL CITY
Instagram	9,315	32.8k	15.9k	2,897	10.1k	15.3k	N/A	3,776
Linkedin	2,035	2,736	1,361	2,175	2,712	534	187	1,546
Facebook	15,139+	33,616+	60,427+	7,983+	26,918+	2,515+	4,534+	18,357+

TOP 5 SOCIAL MEDIA POSTS

1. Young Coachella Boxer - Receives Proclamation

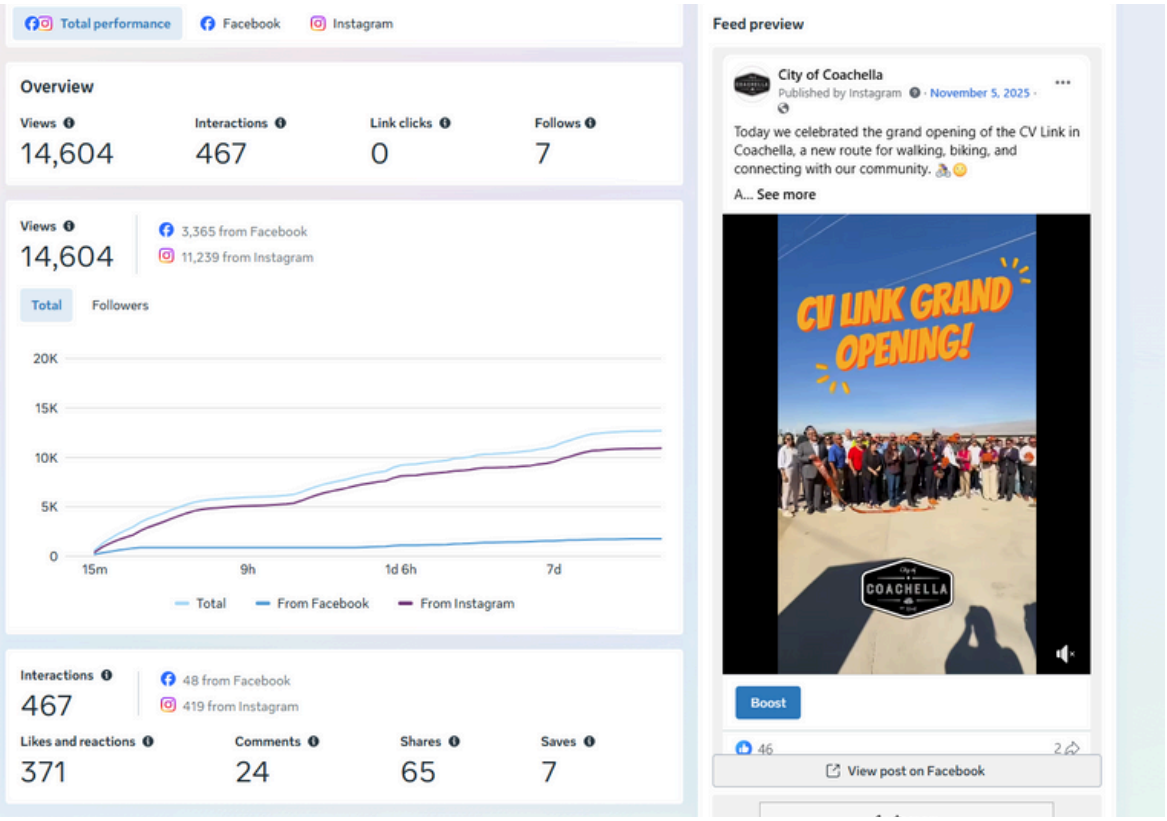


2. Thank you to Run with Los Muertos Participants

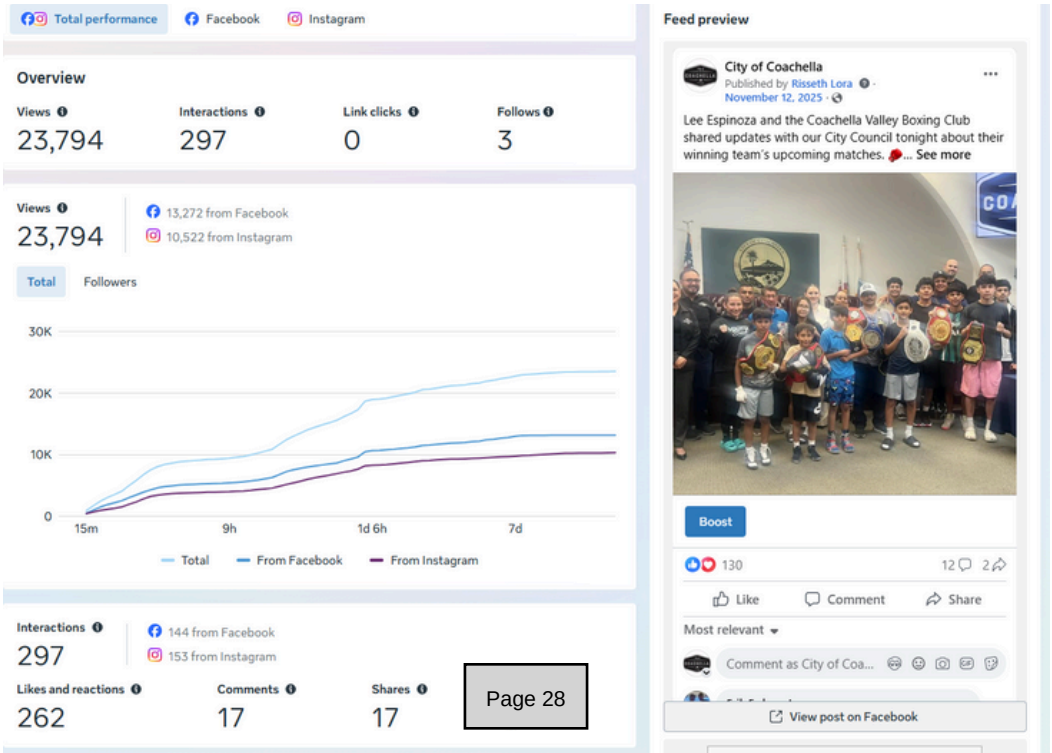


digital reporting
top 5 social media posts, cont'd

3. CV Link Grand Opening Reel

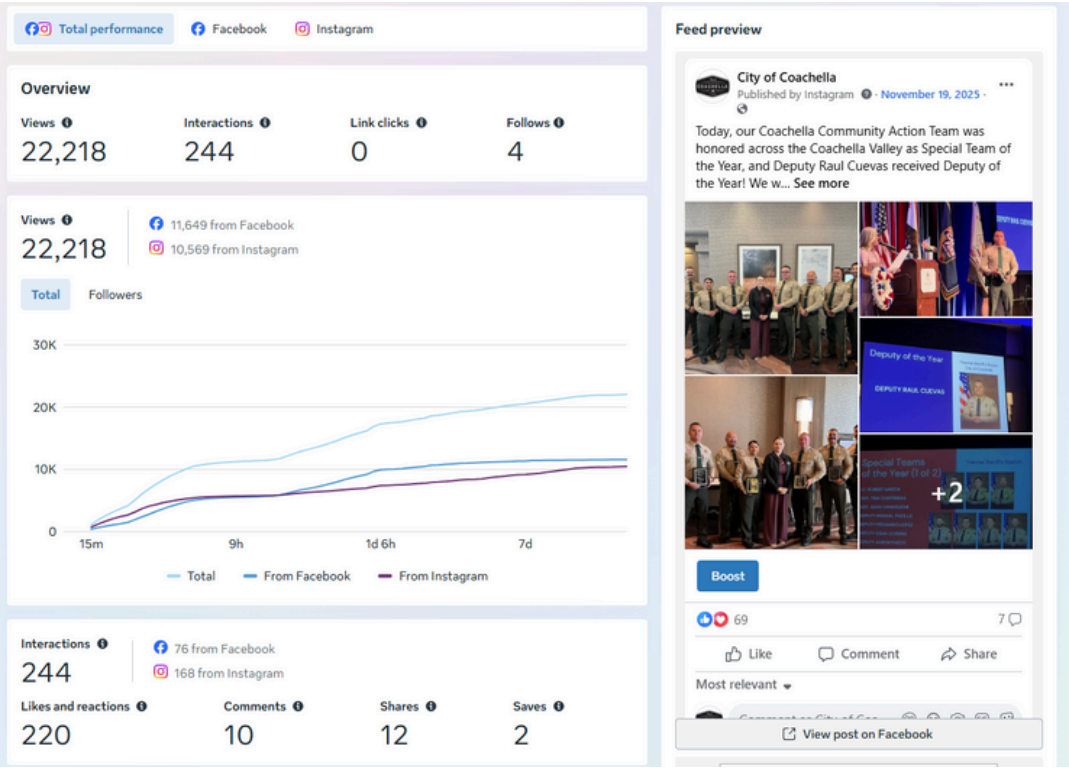


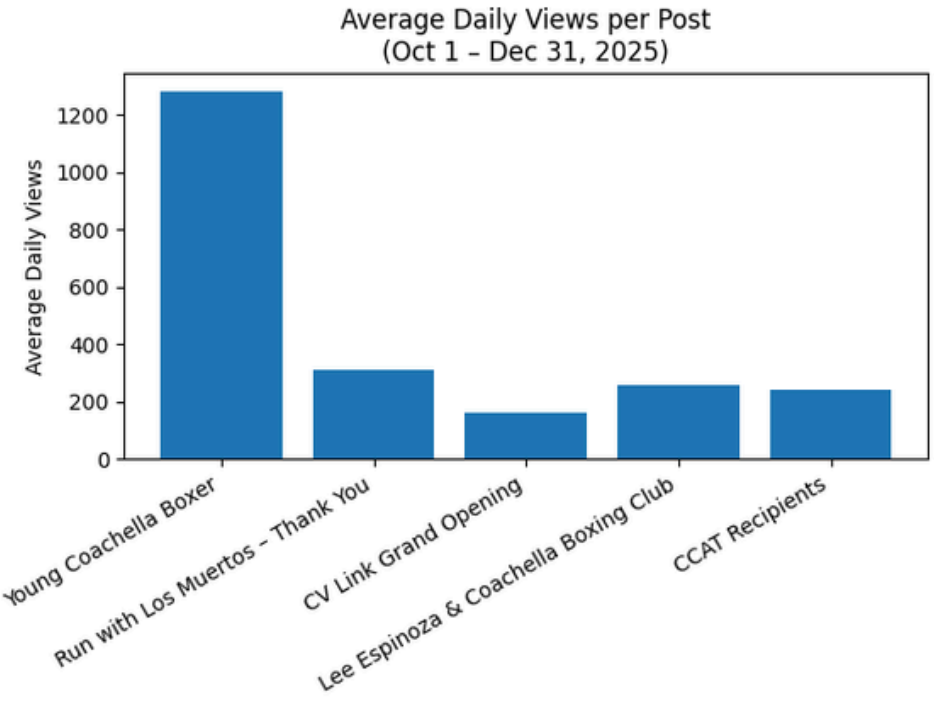
4. Lee Espinoza and Coachella Boxing Club Proclamation



digital reporting
top 5 social media posts, cont'd

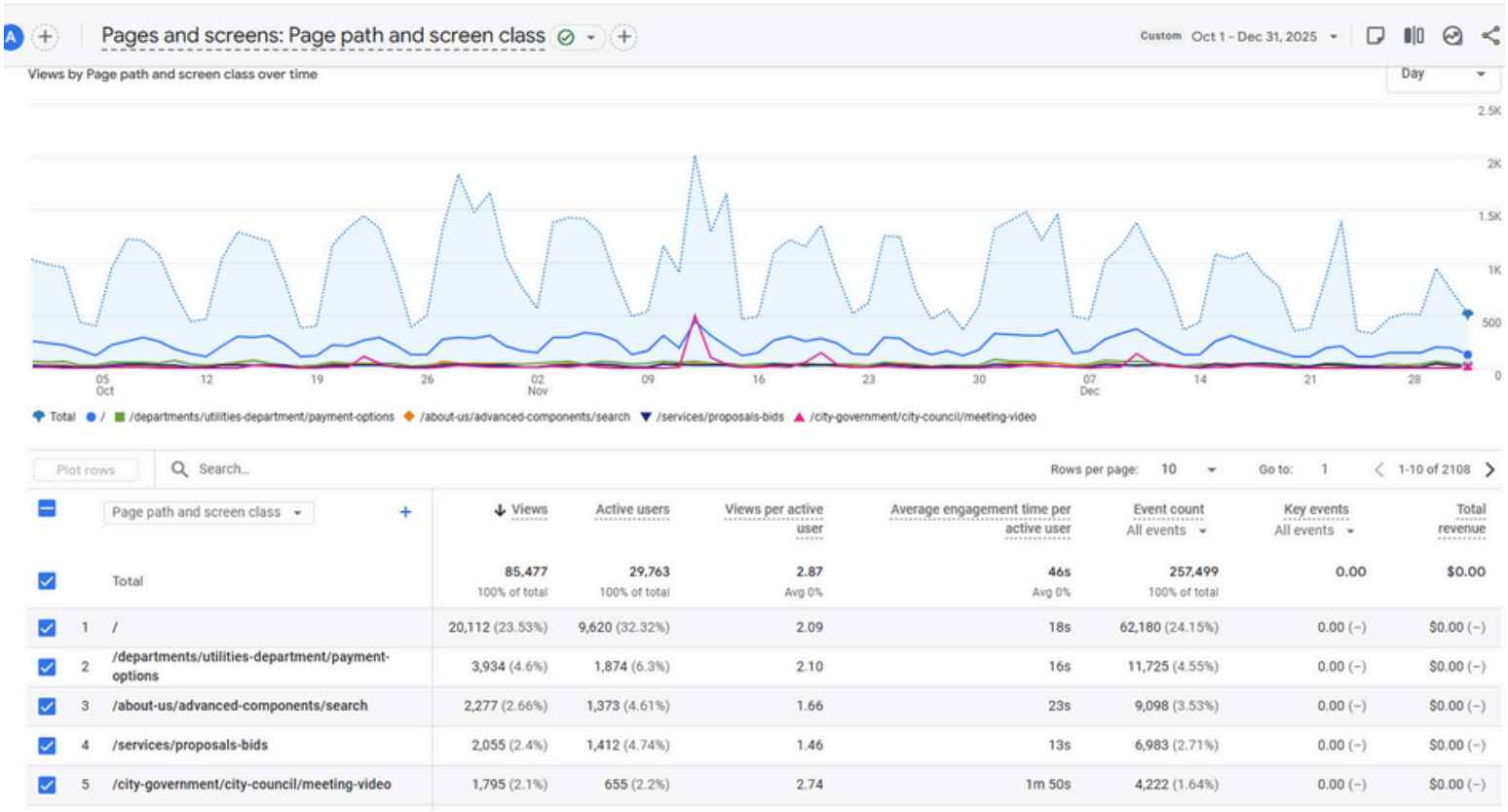
5. Coachella Community Action Team Award Recipients





WEBSITE ANALYTICS

Top Pages Visited:



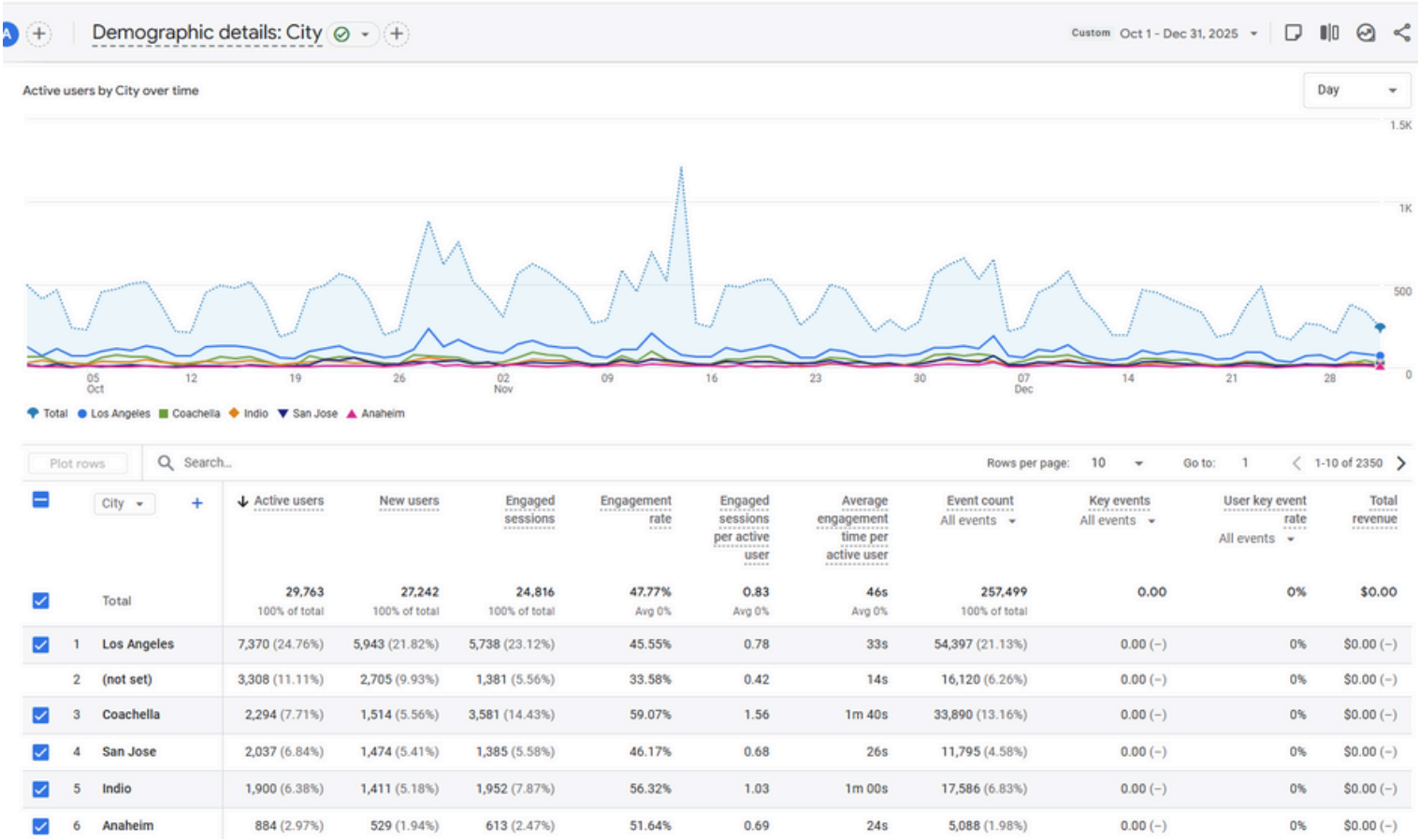
Plot rows | Search... | Rows per page: 10 | Go to: 1 | 1-10 of 2108

		Page path and screen class	Views	Active users	Views per active user	Average engagement time per active user	Event count All events	Key events All events	Total revenue
		Total	85,477 100% of total	29,763 100% of total	2.87 Avg 0%	46s Avg 0%	257,499 100% of total	0.00	$0.00
	1	/	20,112 (23.53%)	9,620 (32.32%)	2.09	18s	62,180 (24.15%)	0.00 (–)	$0.00 (–)
	2	/departments/utilities-department/payment-options	3,934 (4.6%)	1,874 (6.3%)	2.10	16s	11,725 (4.55%)	0.00 (–)	$0.00 (–)
	3	/about-us/advanced-components/search	2,277 (2.66%)	1,373 (4.61%)	1.66	23s	9,098 (3.53%)	0.00 (–)	$0.00 (–)
	4	/services/proposals-bids	2,055 (2.4%)	1,412 (4.74%)	1.46	13s	6,983 (2.71%)	0.00 (–)	$0.00 (–)
	5	/city-government/city-council/meeting-video	1,795 (2.1%)	655 (2.2%)	2.74	1m 50s	4,222 (1.64%)	0.00 (–)	$0.00 (–)

1. **Coachella, CA (Home Page)**
2. **/departments/utilities-department/payment-options**
3. **/about-us/advanced-components/search**
4. **/services/proposals-bids**
5. **/city-government/city-council/meeting-video**

WEBSITE ANALYTICS

Demographic Details (website visitors):



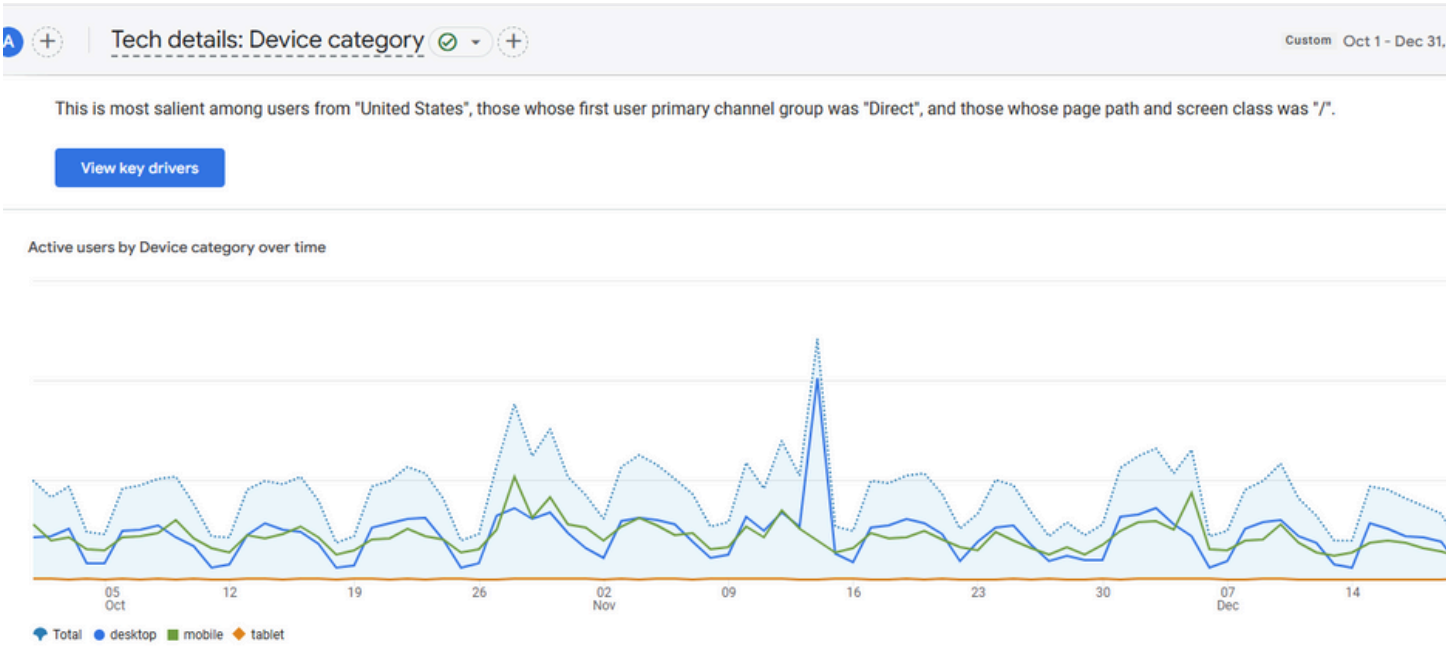
Plot rows | Search... | Rows per page: 10 | Go to: 1 | 1-10 of 2350

		City	Active users	New users	Engaged sessions	Engagement rate	Engaged sessions per active user	Average engagement time per active user	Event count All events	Key events All events	User key event rate All events	Total revenue
☑		Total	29,763 100% of total	27,242 100% of total	24,816 100% of total	47.77% Avg 0%	0.83 Avg 0%	46s Avg 0%	257,499 100% of total	0.00	0%	$0.00
☑	1	Los Angeles	7,370 (24.76%)	5,943 (21.82%)	5,738 (23.12%)	45.55%	0.78	33s	54,397 (21.13%)	0.00 (–)	0%	$0.00 (–)
	2	(not set)	3,308 (11.11%)	2,705 (9.93%)	1,381 (5.56%)	33.58%	0.42	14s	16,120 (6.26%)	0.00 (–)	0%	$0.00 (–)
☑	3	Coachella	2,294 (7.71%)	1,514 (5.56%)	3,581 (14.43%)	59.07%	1.56	1m 40s	33,890 (13.16%)	0.00 (–)	0%	$0.00 (–)
☑	4	San Jose	2,037 (6.84%)	1,474 (5.41%)	1,385 (5.58%)	46.17%	0.68	26s	11,795 (4.58%)	0.00 (–)	0%	$0.00 (–)
☑	5	Indio	1,900 (6.38%)	1,411 (5.18%)	1,952 (7.87%)	56.32%	1.03	1m 00s	17,586 (6.83%)	0.00 (–)	0%	$0.00 (–)
☑	6	Anaheim	884 (2.97%)	529 (1.94%)	613 (2.47%)	51.64%	0.69	24s	5,088 (1.98%)	0.00 (–)	0%	$0.00 (–)

1. **Los Angeles** - 7,370 visitors
2. **Coachella** - 2,294 visitors
3. **San Jose** - 2,037 visitors
4. **Indio** - 1,900 visitors
5. **Anaheim** - 884 visitors

WEBSITE ANALYTICS

Devices used to view the website:



Device category	Active users	New users	Engaged sessions	Engagement rate	Engaged sessions per active user	Average engagement time per active user	Event count All events
Total	29,763 100% of total	27,242 100% of total	24,816 100% of total	47.77% Avg 0%	0.83 Avg 0%	46s Avg 0%	257,499 100% of total
1 mobile	14,928 (50.16%)	13,772 (50.55%)	11,858 (47.78%)	42.56%	0.79	31s	116,728 (45.33%)
2 desktop	14,799 (49.72%)	13,303 (48.83%)	13,339 (53.75%)	54.29%	0.90	1m 00s	139,292 (54.09%)
3 tablet	202 (0.68%)	167 (0.61%)	167 (0.67%)	54.4%	0.83	42s	1,479 (0.57%)

1. **Mobile/Phone - 14,928 sessions**
2. **Desktop - 14,799 sessions**
3. **Tablet - 202 sessions**

RESIDENT NEWSLETTER

A Winter Resident Newsletter was published in December, recapping the City's signature holiday events and informing residents of the City's holiday break and office closures. The newsletter served as a seasonal update to keep the community informed and engaged during the winter months.

The newsletter continues to serve as a platform for sharing important updates, celebrating community achievements, and providing helpful resources in both English and Spanish to ensure inclusivity and engagement.

On average a successful open rate is typically in the range of:

- 20-30% for most industries.
- Higher (30-40%) for niche industries or highly engaged audiences.

Our resident newsletter averaged **an open rate of 18%** as it was emailed twice in both English and Spanish.

A successful click rate (the percentage of recipients who click on a link in your email) for a newsletter depends on the industry and audience engagement but generally falls within these ranges:

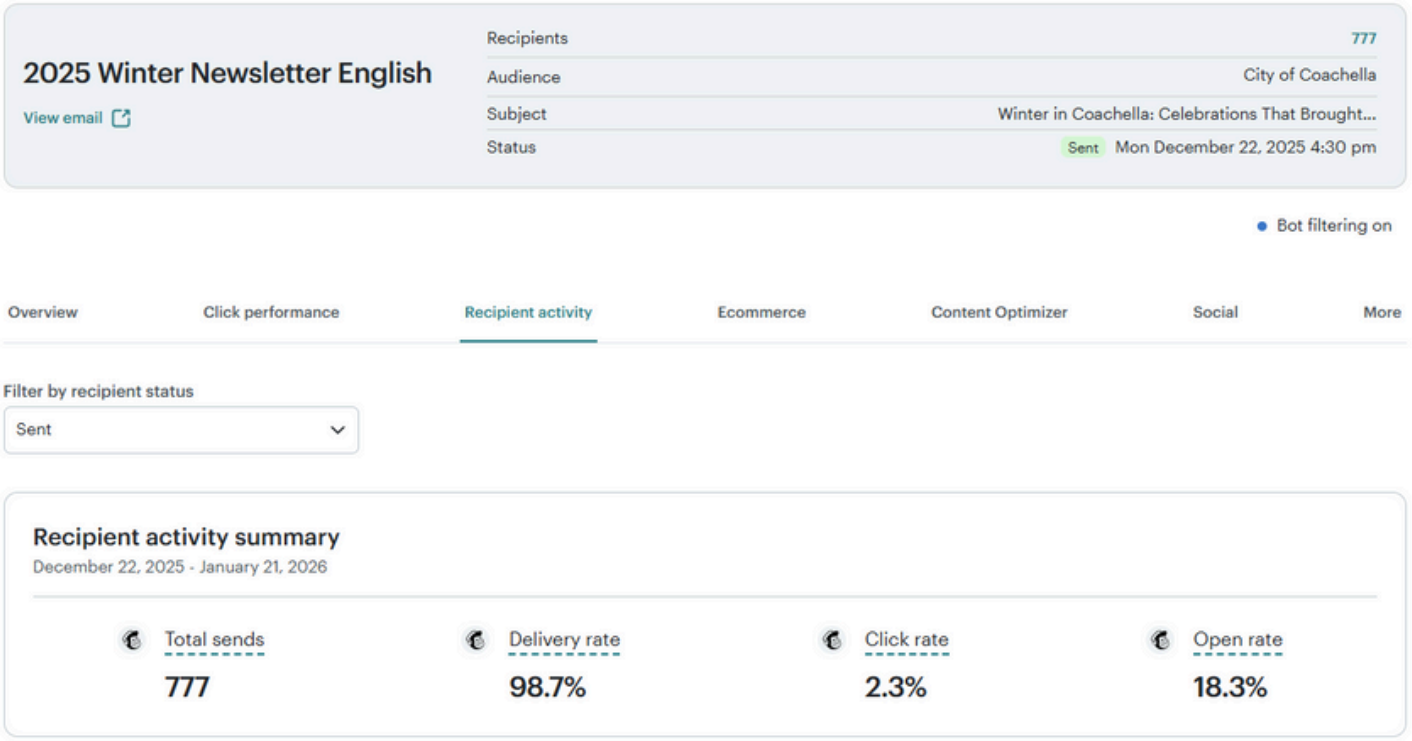
- 2-5%: Average across most industries.
- Higher (5-10%): Indicates strong engagement, particularly for niche or highly targeted audiences.

Our resident newsletter **averaged a click rate of 2%** as it was emailed twice in both English and Spanish.

Below are more details pertaining to our newsletter analytics via MailChimp.

NEWSLETTER ANALYTICS

English Newsletter (Most Engagement):

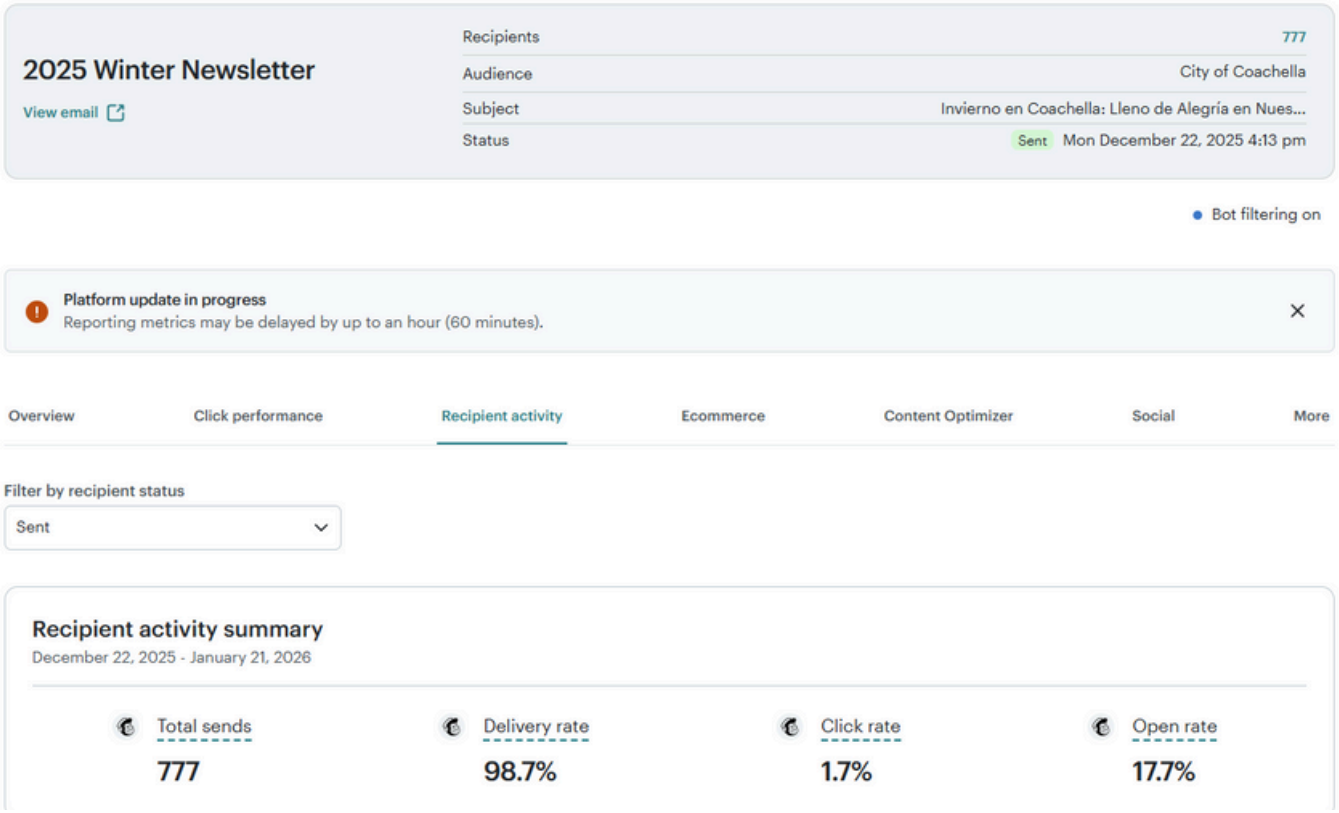


Below are the links that received the most clicks in the English newsletter:

1. **https://www.coachella.org/**
2. **https://www.instagram.com/officialcityofcoachella/**
3. **https://linkedin.com/**
4. **https://www.facebook.com/yourcoachella**

NEWSLETTER ANALYTICS

Spanish Newsletter:



Below are the links that received the most clicks in the Spanish newsletter:

1. **https://www.facebook.com/yourcoachella**
2. **https://www.instagram.com/officialcityofcoachella/**
3. **https://linkedin.com/**

Bank : wfb WELLS FARGO BANK

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
124324	1/28/2026	56595	ELENES, NUBIA	Ref000256646	1/15/2026	UB Refund Cst #00060775	46.40	46.40
124325	1/28/2026	56582	FERNANDEZ-BELTRAN, K	Ref000256628	1/15/2026	UB Refund Cst #00059256	37.55	37.55
124326	1/28/2026	56583	MALDONADO, JOSE LUIS	Ref000256629	1/15/2026	UB Refund Cst #00059263	60.94	60.94
124327	1/28/2026	56594	MARTINEZ, CHRISTIAN	Ref000256645	1/15/2026	UB Refund Cst #00060598	74.86	74.86
124328	1/28/2026	56592	MARTINEZ, MANUEL	Ref000256643	1/15/2026	UB Refund Cst #00060548	81.01	81.01
124329	1/28/2026	56584	MV A24 LLC	Ref000256630	1/15/2026	UB Refund Cst #00059570	83.43	83.43
124330	1/28/2026	56581	OCAMPO, SANTIAGO	Ref000256625	1/15/2026	UB Refund Cst #00041562	3.23	3.23
124331	1/28/2026	56491	PULTE GROUP CO LLC	Ref000256633	1/15/2026	UB Refund Cst #00059739	18.14	18.14
124332	1/28/2026	56508	PULTE GROUP CO LLC	Ref000256634	1/15/2026	UB Refund Cst #00059744	25.93	25.93
124333	1/28/2026	56509	PULTE GROUP CO LLC	Ref000256635	1/15/2026	UB Refund Cst #00059757	48.68	48.68
124334	1/28/2026	56510	PULTE GROUP CO LLC	Ref000256636	1/15/2026	UB Refund Cst #00059759	22.03	22.03
124335	1/28/2026	56514	PULTE GROUP CO LLC	Ref000256638	1/15/2026	UB Refund Cst #00060156	86.78	86.78
124336	1/28/2026	56544	PULTE GROUP CO LLC	Ref000256627	1/15/2026	UB Refund Cst #00059101	30.26	30.26
124337	1/28/2026	56585	PULTE GROUP CO LLC	Ref000256631	1/15/2026	UB Refund Cst #00059736	25.40	25.40
124338	1/28/2026	56586	PULTE GROUP CO LLC	Ref000256632	1/15/2026	UB Refund Cst #00059737	33.68	33.68
124339	1/28/2026	56587	PULTE GROUP CO LLC	Ref000256637	1/15/2026	UB Refund Cst #00060155	39.64	39.64
124340	1/28/2026	56588	PULTE GROUP CO LLC	Ref000256639	1/15/2026	UB Refund Cst #00060157	100.00	100.00
124341	1/28/2026	56589	PULTE GROUP CO LLC	Ref000256640	1/15/2026	UB Refund Cst #00060158	20.18	20.18
124342	1/28/2026	56591	PULTE GROUP CO LLC	Ref000256642	1/15/2026	UB Refund Cst #00060245	41.39	41.39
124343	1/28/2026	56596	PULTE GROUP CO LLC	Ref000256647	1/15/2026	UB Refund Cst #00059018	74.26	74.26
124344	1/28/2026	56590	PULTE GROUP CO, LLC	Ref000256641	1/15/2026	UB Refund Cst #00060244	93.99	93.99
124345	1/28/2026	56488	SHETH, SAHIL	Ref000256626	1/15/2026	UB Refund Cst #00057741	30.16	30.16
124346	1/28/2026	56593	ZHOU, XIAO XIAN	Ref000256644	1/15/2026	UB Refund Cst #00060596	88.49	88.49
						Sub total for WELLS FARGO BANK:		1,166.43

23 checks in this report.

Grand Total All Checks: 1,166.43

Date: **January 28, 2026**

Finance Director: Lincoln Bogard

City Manager: William B. Pattison

Bank : ewfb EFT FOR WELLS FARGO BANK -

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
3294	1/28/2026	56562	ADVEXURE LLC	SP-322297	12/12/2025	DJI MATRICE 4 THERMAL CO	10,848.39	10,848.39
3295	1/28/2026	53429	ALIANZA COACHELLA VAI	0063	12/10/2025	10/1-11/30 TCC COACHELLA F	12,050.71	12,050.71
3296	1/28/2026	54859	AMAZON CAPITAL SERVI(	1C14-RGTR-FM	1/8/2026	SANDISK 4TB EXTREME POR	357.23	357.23
3297	1/28/2026	49989	ANDREAS LLC	88276	1/13/2026	BUSINESS CARDS: T. GNUSC	146.04	146.04
3298	1/28/2026	45929	BECK OIL, INC.	195563	12/31/2025	PE12/31 WATER DEPT FUEL	988.06	
				195598	12/31/2025	PE12/31 SANITARY DEPT FUE	713.64	1,701.70
3299	1/28/2026	02320	CALPERS	1000000181830(	1/14/2026	#6373819375, FEB2026 HEALT	151,837.44	
				1000000181830	1/14/2026	#6373819375, FEB2026 HEALT	14,500.60	166,338.04
3300	1/28/2026	43672	DESERT VALLEY SERVICI	685339	11/17/2025	TOWEL ROLL	582.25	
				687723	12/11/2025	TISSUE TOILET 2PL, TOWEL	280.37	
				685328	11/17/2025	TISSUE TOILET 2PL, COG DIS	247.23	
				688113	12/16/2025	TISSUE TOILET 2PL & TOWEI	197.90	
				686909	12/3/2025	NITRILE GLOVES	96.79	
				685327	11/17/2025	BOTTLE SPRAY & TRIGGER S	2.73	1,407.27
3301	1/28/2026	50593	EAN SERVICES, LLC	40805974	12/31/2025	12/4-6 RNTLS: HOLIDAY PARA	2,921.82	2,921.82
3302	1/28/2026	53799	ENTERPRISE FM TRUST	FBN5527885	1/6/2026	JAN2026 LEASE CHRGS (FOF	49,575.02	49,575.02
3303	1/28/2026	44713	FARMER BROTHERS CO.	95678802	1/12/2026	CREAMER, CUPS & STIR STI(	260.40	260.40
3304	1/28/2026	52552	HR GREEN PACIFIC, INC.	196812	12/19/2025	PE12/12 BROADBAND MASTE	32,799.50	32,799.50
3305	1/28/2026	52988	KOUNKUEY DESIGN INITI	2514-006	12/8/2025	10/1-11/30 TCC COACHELLA F	32,237.30	32,237.30
3306	1/28/2026	42709	LANDMARK CONSULTAN	LP1325-21	12/10/2025	11/25 AC CORING @ BELLA C	2,020.00	
				LP1325-51	1/7/2026	12/17 AC CORING @ BELLA C	1,780.00	3,800.00
3307	1/28/2026	56335	ROVE ENGINEERING, INC	25-037R	1/5/2026	RETENTION- AVE 52 ST PAVE	149,060.34	149,060.34
3308	1/28/2026	55682	SALCIDO, SANDRA E.	8	1/5/2026	DEC2025 ZUMBA CLASSES	325.00	325.00
3309	1/28/2026	54601	THE LEAP INSTITUTE	6	12/5/2025	10/1-11/30 TCC COACHELLA F	13,316.35	13,316.35
3310	1/28/2026	52784	THE PUN GROUP LLP	115810	12/31/2025	FY24/25 AUDIT SVCS	10,000.00	10,000.00
3311	1/28/2026	55354	THE VAN DYKE CORPOR/	6	12/31/2025	PE12/31 SHADY LN MOBILE H	219,667.74	219,667.74
3312	1/28/2026	54432	US BANK N.A.	3116631	1/8/2026	COACHELLA RDA SER 2016A	181,703.72	
				3116632	1/8/2026	COACHELLA RDA SER 2016B	101,725.00	
				3116639	1/8/2026	RDA SUBORDINATE TAX ALL(	101,484.85	
				3116637	1/8/2026	RDA SUBORDINATE TAX ALL(	22,088.73	407,002.30
3313	1/28/2026	55817	VESTIS SERVICES, LLC	NOV2025 SAN	11/30/2025	PE11/30, CUST #792282347, L	1,135.80	
				NOV2025 CC	11/30/2025	PE11/30, CUST #792567364, M	913.04	
				NOV2025	11/30/2025	PE11/30, CUST #792282344/4	3,793.36	5,842.20
3314	1/28/2026	00384	WILLDAN FINANCIAL SER	010-63863	10/31/2025	FY25/26 LANDSCAPE & LIGHT	10,214.31	10,214.31

Γ FOR WELLS FARGO BANK -SEPARATE CHECK: 1,129,871.66

Bank : wfb WELLS FARGO BANK

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
124347	1/28/2026	02200	AMERICAN WATER WORI	7655	1/15/2026	2/17-18 WEBINAR (D2-D4 MAT	180.00	180.00
124348	1/28/2026	00836	BIO-TOX LABORATORIES	48395	12/19/2025	10/20, 11/3+17, 12/1 LAB SERV	2,095.00	
				48394	12/19/2025	8/25, 10/20, 11/17, 12/1 LAB SE	1,132.00	
				48440	12/19/2025	11/3 LAB SERVICES	409.00	3,636.00
124349	1/28/2026	56568	BORJAS, ELIZABETH	Refund	1/7/2026	DEPOSIT REFUND- 12/13 LIBI	300.00	300.00
124350	1/28/2026	50756	BURKE RIX COMMUNICA	Refund	1/7/2026	DEPOSIT REFUND- 12/18 LIBI	300.00	300.00
124351	1/28/2026	46356	C.V. CONSERVATION COI	Dec 2025	1/20/2026	DEC2025 LDMF MULTI-SPECI	13,622.40	13,622.40
124352	1/28/2026	56569	CAMACHO, GABRIELA	Refund	1/7/2026	DEPOSIT REFUND- 12/13 RLF	100.00	100.00
124353	1/28/2026	53086	CENTER FOR EMPLOYME	6	12/5/2025	10/1-11/30 TCC COACHELLA F	2,431.50	2,431.50
124354	1/28/2026	07950	CITY OF COACHELLA	Nov 2025	11/30/2025	NOV2025 WATER- ST, PARKS	53,649.97	
				Nov 2025-LLD's	11/30/2025	NOV2025 WATER- LLD'S	11,661.44	65,311.41
124355	1/28/2026	53220	COACHELLA ACE HARDW	10005/1	12/16/2025	DSNFCTNT ODOBAN LAV 1G	32.60	
				10072/1	1/6/2026	MISC FASTENERS	3.48	36.08
124356	1/28/2026	48603	CV STRATEGIES	8723	12/31/2025	OT-DC2025 STRATEGIC COM	8,287.50	8,287.50
124357	1/28/2026	09650	CVAG	Dec2025	1/20/2026	DEC2025 TUMF FEES	22,720.00	22,720.00
124358	1/28/2026	54602	DE FRANCISCO SHEK, AI	26001	1/15/2026	UPDATE TO SENIOR OF THE	150.00	150.00
124359	1/28/2026	49859	DEAZTLAN CONSULTING	2026-50	1/19/2026	SOI WELCOME TO COACHEL	825.00	825.00
124360	1/28/2026	12870	DEPARTMENT OF JUSTIC	014519	12/30/2025	AUG2025 BLOOD ALCOHOL A	70.00	
				020715	1/12/2026	DEC2025 BLOOD ALCOHOL A	70.00	140.00
124361	1/28/2026	53007	DESERT PROMOTIONAL	108865	1/14/2026	GRAY LASERABLE LEATHERE	505.28	505.28
124362	1/28/2026	48672	DESERT RECREATION DI	06	12/3/2025	10/1-11/30 TCC COACHELLA F	12,494.22	12,494.22
124363	1/28/2026	56578	DIAMOND ENVIRONMENT	0006640676	12/6/2025	12/4-6 BARRICADE RNTLS	1,175.00	1,175.00
124364	1/28/2026	49635	EISENHOWER MEDICAL (	Nov 2025	12/17/2025	AC #700000133, NOV2025 SV(	1,200.00	1,200.00
124365	1/28/2026	56570	FIGUEROA, LUZ	Refund	1/7/2026	DEPOSIT REFUND- 12/9 LIBR	300.00	300.00
124366	1/28/2026	56580	FLEX TECHNOLOGY GRC	INV37868-CBE	1/5/2026	ACC CB CC3502, COLOR CO	174.74	174.74
124367	1/28/2026	55660	GANNETT CALIFORNIA L(	0007511811	12/31/2025	DEC2025 PUBLISHED ADS	1,378.20	1,378.20
124368	1/28/2026	56571	GARCIA, RAMIRO	Refund	1/7/2026	DEPOSIT REFUND- 12/6 RLF	100.00	100.00
124369	1/28/2026	51494	GARDA CL WEST, INC.	20657922	12/31/2025	DEC2025 EXCESS LIABILITY/I	237.16	237.16

Bank : wfb WELLS FARGO BANK (Continued)

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
124370	1/28/2026	20450	IMPERIAL IRRIGATION DI	50387122-DC25	1/12/2026	AC50387122, 12/5-1/6, SEWEI	47,683.73	
				50035560-DC25	1/6/2026	AC50035560, 12/2-30, ST LIGI	25,267.44	
				MdNV-MdDC	12/17/2025	MID NOVEMBER-MID DECEM	55,389.02	
				50408460-DC25	1/6/2026	AC50408460, 12/2-30, WELL #	14,218.84	
				50509172-DC25	1/15/2026	AC50509172, 12/5-1/6, CORP '	2,419.39	
				50705542-DC25	1/9/2026	AC50705542, 12/5-1/6, PERMI	971.90	
				50371785-DC25	1/6/2026	AC50371785, 12/2-30, LIFT ST	639.29	
				50705544-DC25	1/9/2026	AC50705544, 12/5-1/6, PERMI	256.23	
				50434217-DC25	1/5/2026	AC50434217, 12/2-30	86.56	
				50459795-DC25	1/5/2026	AC50459795, 12/2-30	82.82	
				50459796-DC25	1/5/2026	AC50459796, 12/2-30	75.33	
				50217597-DC25	1/9/2026	AC50217597, 12/5-1/6	67.60	
				50522793-DC25	1/5/2026	AC50522793, 12/2-30, SCADA	65.49	
				50459819-DC25	1/5/2026	AC50459819, 12/2-30	49.23	
				50035836-DC25	1/9/2026	AC50035836, 12/5-1/6, WELL #	44.04	
				50487676-DC25	1/9/2026	AC50487676, 12/5-1/6, LIFT ST	25.46	
				50929977-NV/DC	12/17/2025	AC50929977, 11/14-12/12, WE	22.50	147,364.87
124371	1/28/2026	45108	IMPERIAL SPRINKLER SU	0023607151-001	10/13/2025	HPPG 50LB	3,050.22	
				0023981246-001	11/4/2025	TURF ROYALE PRILLED YN 5(	2,571.51	
				0024495920-001	12/18/2025	PN YARA LIVA TROPICOTE 5(	2,264.18	
				0023375345-001	10/28/2025	SCH80 PVC TEE SLIP, ETC	367.55	
				0023871899-001	10/28/2025	RB PE-PLASTIC VALVE, SLIP I	271.34	
				0023650019-002	10/13/2025	RB PE-PLASTIC VALVE, ETC	149.88	
				0023873613-001	10/28/2025	NIPPLE PVC SCH80	2.79	8,677.47
124372	1/28/2026	53801	INFOSEND, INC.	299497	11/30/2025	NOV2025 UTILITY BILLING SV	5,840.18	5,840.18
124373	1/28/2026	53151	KLOB-FM	817946-2	12/28/2025	12/1-5 AD SPOT: TREE LIGHT	615.00	615.00
124374	1/28/2026	54971	LUA, ANGEL GRANILLO	00013	12/31/2025	OCT-DEC2025 ENGLISH INST	2,422.50	2,422.50
124375	1/28/2026	56572	MEZA, CAROLINA	Refund	1/7/2026	DEPOSIT REFUND- 12/11 LIBI	300.00	300.00
124376	1/28/2026	53050	OCHOA, JOSE	Refund	1/7/2026	DEPOSIT REFUND- 1/3 DATEI	300.00	300.00

Bank : wfb WELLS FARGO BANK (Continued)

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
124377	1/28/2026	47192	O'REILLY AUTO PARTS	2855-410043	7/10/2025	BATTERY, FUEL/WTR SEP, E	290.26	
				2855-464609	1/5/2026	REGULATOR & FORD IPR SK	251.29	
				2855-106109	12/8/2022	BALL MOUNT, HITCH BALL, T	234.25	
				2855-490621	10/20/2022	DISC PAD SET & BRACKTED	212.54	
				2855-432727	9/22/2025	BATTERY	153.36	
				2855-454658	12/2/2025	BATTERY	146.92	
				2855-441542	10/21/2025	5GAL HYDRL OIL	81.55	
				2855-426471	9/2/2025	WIPER BLADES	74.79	
				2855-494039	10/31/2022	BATTERY	60.81	
				2855-439640	10/15/2025	5QT MOTOR OIL, AIR FILTER,	55.48	
				2855-466528	8/3/2022	ADAPTER & FLOOR MATS	48.92	
				2855-116100	1/11/2023	SHIFT INTERL	44.97	
				2855-433519	9/25/2025	AIR FILTER	17.22	
				2855-437959	10/9/2025	BREATHR TUBE	12.89	
				2855-480875	9/19/2022	BATTERY	135.29	1,820.54
124378	1/28/2026	52650	PALMS TO PINES PRINTI	0106COCAPR-F	1/19/2026	YELLOW APRONS W/ POCKE	3,412.75	
				0112COCBCHB/	1/19/2026	16" TWO-TONED INFLATABLE	952.28	4,365.03
124379	1/28/2026	56579	PAREDES-CALVA, JERON	Turf Rbt	1/5/2026	TURF REMOVAL REBATE PR(	2,850.00	2,850.00
124380	1/28/2026	55568	PENALBER, PERLA	Refund	1/7/2026	DEPOSIT REFUND- 12/20 LIBI	300.00	300.00
124381	1/28/2026	55202	PEREZ JIMENEZ, JOSE LI	Refund	1/7/2026	DEPOSIT REFUND- 12/9 DE C	100.00	100.00
124382	1/28/2026	01395	PJ'S DESERT TROPHIES	28640	12/4/2025	12"X24" MAGNETIC SIGNS	142.43	
				28706	12/26/2025	GREEN COLUMN TROPHIES	140.94	
				28651	12/8/2025	2"X10" NAME PLATE	17.94	301.31
124383	1/28/2026	52596	PLANIT PRINT WORKS	944561	1/12/2026	BID SETS- BELLA CANTO PVI	682.69	682.69
124384	1/28/2026	42759	PROPER SOLUTIONS, IN(	17815	1/9/2026	WE 1/9: L. MARTINEZ	1,930.60	
				17813	1/9/2026	WE 1/9: A. GONZALEZ	838.60	
				17814	1/9/2026	WE 1/9: A. GONZALEZ	419.30	3,188.50
124385	1/28/2026	56538	PURE GOLD FORENSICS	1213	12/31/2025	NUCLEAR DNA TESTING SVC	1,395.00	1,395.00
124386	1/28/2026	56220	REIF, KENDRA	Edu Reimb	1/21/2026	FY25/26 EDUCATION REIMBU	4,303.85	4,303.85
124387	1/28/2026	54500	RELIABLE TRANSLATION:	32828	1/20/2026	1/20 RESIDENT ENGMNT ACA	277.06	
				32752	1/9/2026	1/9 DOCUMENT TRANSLATIO	157.44	434.50
124388	1/28/2026	56573	REYES, HONORIO	Refund	1/7/2026	DEPOSIT REFUND- 12/13 RLF	100.00	100.00
124389	1/28/2026	45753	RIVERSIDE COUNTY TRE	FY 25/26	9/17/2025	ASSMNT #2025-009620019, 1	50.38	50.38
124390	1/28/2026	44161	ROBERT HALF	65798579	1/12/2026	WE 1/9: K. BROWN	5,600.00	
				65833375	1/21/2026	WE 1/16: K. BROWN	5,600.00	11,200.00

Bank : wfb WELLS FARGO BANK (Continued)

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
124391	1/28/2026	56574	RODRIGUEZ, MARTIN	Refund	1/7/2026	DEPOSIT REFUND- 12/14 BGI	100.00	100.00
124392	1/28/2026	55272	SALAS, LAWRENCE Y.	Dec-25	1/5/2026	DEC2025 CITIZENSHIP CLAS	435.00	435.00
124393	1/28/2026	55790	SILVERADO TOWING	4288	1/12/2026	1/6 TOWING- AVE 51/ZUMA DI	150.00	
				4289	1/12/2026	1/6 TOWING- 84594 CALLE GI	150.00	300.00
124394	1/28/2026	56384	SOURDOUGH JOE'S ARTI	2020	1/21/2026	6 DOZEN COOKIES (UCR PD	180.00	180.00
124395	1/28/2026	56192	SOUTHERN CALIFORNIA	6	12/5/2025	10/1-11/30 TCC COACHELLA F	15,946.70	15,946.70
124396	1/28/2026	55590	STANDARD INSURANCE (	Jan2026	12/19/2025	JAN2026 LIFE/AD&D/STD/LTD	7,265.21	
				Jan2026	12/19/2025	JAN2026 LIFE/AD&D PREMIUI	866.90	8,132.11
124397	1/28/2026	55590	STANDARD INSURANCE (	Jan2026	12/15/2025	JAN2026 COBRA PREMIUM #7	16.26	16.26
124398	1/28/2026	55659	STAPLES	6051206723	12/25/2025	HP 64XL BLACK COMBO, AVY	272.53	
				6051206712	12/25/2025	EPSON SJIC18K INK CART BL	228.44	
				6051206721	12/25/2025	BATTERY AA 36PK, 8.5X11 WI	137.97	
				6051206719	12/25/2025	KLEENEX LOTION 4PK, PENT	134.77	
				6051206724	12/25/2025	THANK YOU BAGS, SCOTCH	65.30	
				6051206713	12/25/2025	STPLS INVSBLTP RFL 24PK	-24.56	814.45
124399	1/28/2026	56157	THE COACHELLA RELEAI	2026 Grant	1/15/2026	CANNABIS EQUITY GRANT PI	50,000.00	50,000.00
124400	1/28/2026	56387	THE REGENTS OF THE U	GM00422758	9/3/2025	BAL DUE- 2/1-8/31 TCC COAC	35,189.07	
				GM00433609	12/15/2025	11/1-30 TCC COACHELLA PR(	14,684.46	
				GM00433162	12/1/2025	10/1-31 TCC COACHELLA PR(	12,030.83	61,904.36
124401	1/28/2026	56575	TOPETE, VANESSA	Refund	1/7/2026	DEPOSIT REFUND- 12/27 COI	300.00	300.00
124402	1/28/2026	56577	TORRES CABRERA, JOSI	Turf Rbt	1/5/2026	TURF REMOVAL REBATE PR(	2,400.00	2,400.00
124403	1/28/2026	52593	TROLL FAMILY LIMITED	Dec2025	12/18/2025	LEASE PYMNT OF APN 603-2	6,000.00	6,000.00
124404	1/28/2026	45053	TYLER TECHNOLOGIES, I	045-549415	12/31/2025	12/17 ERP MIGRATION	1,600.00	1,600.00
124405	1/28/2026	56576	VARGAS, ADELINA	Refund	1/7/2026	DEPOSIT REFUND- 12/20 RLF	100.00	100.00
124406	1/28/2026	55816	VERIZON CONNECT FLEI	354000076061	1/2/2026	DEC2025 VEHICLE TRACKINC	1,462.05	
				602000078658	12/1/2025	NOV2025 VEHICLE TRACKINC	1,462.05	2,924.10
124407	1/28/2026	44966	VERIZON WIRELESS	6132387224	1/1/2026	AC371867190-00002, 12/2-1/1	230.22	
				6132387223	1/1/2026	AC371867190-00001, 12/2-1/1	6,332.66	6,562.88
124408	1/28/2026	48971	XPRESS GRAPHICS & PR	26-76726	1/14/2026	UCR CERTIFICATE CEREMOI	67.45	67.45
						Sub total for WELLS FARGO BANK:		489,999.62

83 checks in this report.

Grand Total All Checks: 1,619,871.28

Date: **January 28, 2026**

Finance Director: Lincoln Bogard

City Manager: William B. Pattison

Bank : wfb WELLS FARGO BANK

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
124409	1/29/2026	56451	YEE, ELIZA	PD 2/2-6	1/29/2026	PD 2/2-6, MODULE ONE ACAI	387.00	387.00
						Sub total for WELLS FARGO BANK:		387.00

1 checks in this report.

Grand Total All Checks: 387.00

Date: **January 29, 2026**

Finance Director: Lincoln Bogard

City Manager: William B. Pattison

Bank : wfb WELLS FARGO BANK

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
124410	2/11/2026	56600	ANGULO, BEATRIZ	Ref000257129	2/2/2026	UB Refund Cst #00039042	52.64	52.64
124411	2/11/2026	56602	GARCIA, REFUGIO	Ref000257131	2/2/2026	UB Refund Cst #00043390	49.46	49.46
124412	2/11/2026	56601	HERNANDEZ, GUADALUF	Ref000257130	2/2/2026	UB Refund Cst #00042742	161.26	161.26
124413	2/11/2026	56599	SAIZ, IGNACIA	Ref000257128	2/2/2026	UB Refund Cst #00002112 On /	183.44	183.44
						Sub total for WELLS FARGO BANK:		446.80

4 checks in this report.

Grand Total All Checks: 446.80

Date: **February 11, 2026**

Finance Director: Lincoln Bogard

City Manager: William B. Pattison

Bank : ewfb EFT FOR WELLS FARGO BANK -

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
3315	2/11/2026	56483	ADVANCED AVANT-GARD	12612	1/13/2026	DEC2025 SHADY LN PJCT LA	4,312.50	
				12523	12/11/2025	NOV2025 SHADY LN PJCT LA	3,450.00	7,762.50
3316	2/11/2026	54859	AMAZON CAPITAL SERVI(	14K6-1JYR-WW	1/14/2026	3-IN-1 PORTABLE AIR CONDI	1,076.58	
				17V1-RLQT-4TV	1/13/2026	APPLE PENCIL, USB C CAR C	392.57	
				17V7-LD9C-P3F	1/12/2026	RILEYS 2026 PLANNER	13.42	
				19HX-XNTM-4H.	1/26/2026	VP RACING UTILITY CONTAI	551.13	
				1CX7-KC9G-FG'	1/21/2026	COMMAND GENERAL PURPC	13.41	
				1MM3-GQ1Y-CC	1/12/2026	COMIX D-RING BASIC VIEW E	439.50	
				1776-CMMV-GW	1/13/2026	POWER DISTRIBUTION BOX	2,675.16	
				1CND-GH6X-GJ	1/26/2026	LYSOL DISINFECTING WIPES	21.18	
				1CND-GH6X-GT	1/26/2026	PERSONALIZED OFFICE NAM	21.53	
				1VRT-1THK-7XN	1/15/2026	10000 PEAK WATT PRTBL OP	3,380.22	
				1XHD-XCXD-YV	1/22/2026	POWER GEAR TELEPHONE S	11.51	
				1K4Y-Q46F-G1N	1/28/2026	DON FRANCISCO BRKFST BL	13.88	8,610.09
3317	2/11/2026	49989	ANDREAS LLC	88294	1/26/2026	BUSINESS CARDS: L. DIAZ	146.04	
				88300	1/28/2026	DEVELOPMENT SERVICES E	444.85	590.89
3318	2/11/2026	53291	ANGENIOUS ENGINEERI	19-07B-049	12/31/2025	PE12/31 SR-86/AVE 50 INTER	5,072.10	5,072.10
3319	2/11/2026	45929	BECK OIL, INC.	195377	12/31/2025	PE12/31 INFO TECH DEPT FU	60.21	
				195558	12/31/2025	PE12/31 LLMD DEPT FUEL	117.94	
				195562	12/31/2025	PE12/31 STREETS DEPT FUE	549.57	
				195566	12/31/2025	PE12/31 PARKS DEPT FUEL	286.59	
				195580	12/31/2025	PE12/31 VEHICLE MAINT DEF	264.21	
				197480	1/15/2026	PE1/15 PARKS DEPT FUEL	339.08	
				197494	1/15/2026	PE1/15 VEHICLE MAINT DEPT	304.08	
				197501	1/15/2026	PE1/15 CODE ENF DEPT FUE	378.91	
				197511	1/15/2026	PE1/15 SANITARY DEPT FUEL	929.06	
				197517	1/15/2026	PE1/15 BLDG MAINT DEPT FU	186.91	
				197518	1/15/2026	PE1/15 ADMIN DEPT FUEL	42.76	
				197469	1/15/2026	PE1/15 ENG DEPT FUEL	89.52	
				197470	1/15/2026	PE1/15 BLDG/PLANNING DEP	169.70	
				197472	1/15/2026	PE1/15 LLMD DEPT FUEL	203.07	
				197476	1/15/2026	PE1/15 STREETS DEPT FUEL	354.10	
				197477	1/15/2026	PE1/15 WATER DEPT FUEL	758.50	5,034.21
3320	2/11/2026	56338	BLAIR AIR, INC.	366360	1/15/2026	1/15 SVC'D VRF SYSTEM & IN	2,975.00	2,975.00

Bank : ewfb EFT FOR WELLS FARGO BANK - (Continued)

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
3321	2/11/2026	43862	BRENNTAG PACIFIC, INC	BPI567177	12/5/2025	APPLIED CREDIT MEMO #BPI	4,523.86	
				BPI574362	1/12/2026	APPLIED CREDIT MEMO #BPI	5,699.99	10,223.85
3322	2/11/2026	00749	COUNTY OF RIVERSIDE	SH0000049597	12/23/2025	10/16-11/12 LAW ENFORCEMI	940,605.94	940,605.94
3323	2/11/2026	49858	CV PIPELINE CORP.	S3821	12/24/2025	12/22 HYDRO-WASH DRAINS	2,425.00	
				S3828	1/5/2026	STORM DRAIN MAINT @ DIST	10,145.00	12,570.00
3324	2/11/2026	44036	DE LAGE LANDEN PUBLIC	594658911	1/13/2026	ACC #1338330, COLOR COPIE	216.41	
				595502981	1/21/2026	ACC #4209609, COLOR COPIE	392.10	608.51
3325	2/11/2026	43672	DESERT VALLEY SERVICI	690706	1/14/2026	NITRILE GLOVES, URINAL SC	700.68	
				691759	1/26/2026	FACIAL TISSUE	76.52	777.20
3326	2/11/2026	44713	FARMER BROTHERS CO.	95678800	1/12/2026	COFFEE, CREAMER, SUGAR	795.20	
				95678591	1/27/2026	COFFEE, CREAMER, JAVA JA	1,278.11	2,073.31
3327	2/11/2026	00207	GRAINGER INC	9752610122	12/23/2025	ICE MAKER	5,364.11	
				9761148577	1/6/2026	PET WASTE STATIONS	4,338.72	
				9763012672	1/7/2026	PIPE FITTINGS, KNIT GLOVES	94.11	
				9763012680	1/7/2026	AIR FILTER ROLL	89.03	
				9767749063	1/12/2026	OVERLOAD RELAY	798.24	
				9723085388	11/25/2025	STRAINER ASSEMBLY	523.48	
				9723127354	11/25/2025	INJCTN CHCK VLV	967.49	
				9741053509	12/12/2025	SERVICE PARTS KIT	1,920.44	14,095.62
3328	2/11/2026	51892	HERC RENTALS, INC.	35831919-004	12/31/2025	12/1-31 BACKHOE RNTL	2,420.31	
				35831919-003	12/1/2025	11/1-12/1 BACKHOE RNTL	2,420.31	
				36118142-001	12/21/2025	11/21-12/21 TRUCK BUCKET F	5,434.53	
				36118142-002	1/21/2026	12/21-1/20 TRUCK BUCKET 45	6,097.41	16,372.56
3329	2/11/2026	00996	HOME DEPOT	1014485	1/15/2026	MKE SHOCKWAVE 55PC IMPA	153.26	
				0014588	1/16/2026	BEHR PPI 2050 EGG UPW 5G	472.02	
				1011304	12/16/2025	BERNZOMATIC DURACAST 4	168.53	
				1173597	11/26/2025	FEIT (40W) 4' T12 A LED TUBE	140.29	
				3013862	11/24/2025	MKE M18 GEN2 16" QUIKLOK	297.94	
				3174442	1/3/2026	APPLIED CREDIT MEMO #110	196.91	
				4174639	1/12/2026	M12 FUEL 12V HAMMER DRIL	897.12	
				5011923	12/22/2025	MKE TINTED ANTI SCRATCH	21.72	
				1014106	11/26/2025	PLC 48" T8 B LED TUBE 5CCT	217.41	2,565.20
3330	2/11/2026	54791	HYDROPRO SOLUTIONS,	IN0004405	11/18/2025	ALLEGRO UTG REG ONLY MC	6,715.41	6,715.41
3331	2/11/2026	53961	MCCALL'S METER SALES	38172	1/7/2026	CERTIFIED FLOW TEST	105.43	105.43
3332	2/11/2026	51539	MICHAEL BAKER INTERN	1270826	12/18/2025	PE11/23 CEQA COMPLIANCE	4,720.11	4,720.11

Bank : ewfb EFT FOR WELLS FARGO BANK -S (Continued)

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
3333	2/11/2026	54985	MUNISERVICES LLC	INV06-022129	12/5/2025	NOV2025- ACFR REPORT	2,940.00	2,940.00
3334	2/11/2026	56340	NEWGEN STRATEGIES AI	21821	7/31/2025	PE7/31 WATER & WASTEWAT	5,550.00	
				22495	10/31/2025	PE10/31 WATER & WASTEWA	640.00	6,190.00
3335	2/11/2026	53475	RUDYS ELECTRIC	21016	12/28/2025	RPLC'D UTILITY RETRACTAB	1,971.00	
				21017	12/28/2025	RWR'D POLE LIGHTS @ RLF	4,396.00	
				21018	12/28/2025	RWR'D POLE LIGHTS @ RLF	2,890.00	
				21019	12/28/2025	RPLC'D SHADE STRUCTURE	615.00	
				21020	12/28/2025	RPR'D SOFTBALL FIELD LIGH	1,330.00	11,202.00
3336	2/11/2026	01372	SOUTH WEST PUMP & DI	2	1/12/2026	PE1/12 DRILLING & CONSTRU	290,719.00	290,719.00
3337	2/11/2026	48436	UNIVAR SOLUTIONS USA	53545187	12/15/2025	SODIUM HYPOCHLORITE	11,894.22	
				53605080	1/14/2026	SODIUM HYPOCHLORITE	665.64	12,559.86
3338	2/11/2026	55817	VESTIS SERVICES, LLC	DEC2025	12/31/2025	PE12/31, CUST #792282344/4	3,458.80	
				DEC2025 CC	12/31/2025	PE12/31, CUST #792567364, M	913.04	
				DEC2025 SAN	12/31/2025	PE12/31, CUST #792282347, U	1,135.80	5,507.64
3339	2/11/2026	50629	VINTAGE ASSOCIATES, IN	239389	12/17/2025	RPR'D 2" MAIN LINE @ SHAD	225.00	
				239390	12/17/2025	INSTLL'D POINSETTIAS @ 15	630.00	855.00
3340	2/11/2026	51697	WESTERN WATER WORK	1413761-00	1/14/2026	BREAKOFF CHK 6X8H SS AW	3,278.49	
				1413583-00	12/17/2025	6X4 DI FLG CON RED, 4 DI FL	583.45	
				1413658-00	12/29/2025	4 CL 350 DI TJ PIPE ZINC CO/	2,904.97	
				1413716-00	1/8/2026	4TT TRI CI VLV BOX RIM W/ F	611.85	7,378.76
3341	2/11/2026	54433	WEX BANK	110094172	1/23/2026	ACC 0496-00-726338-7, 12/24-	1,597.68	1,597.68
3342	2/11/2026	53800	WILMINGTON TRUST N. A	030126	1/20/2026	CFD 2018-1 SPEC TAX FD	130,608.11	130,608.11
3343	2/11/2026	54719	YUNEX LLC	90006084	1/23/2026	DEC2025 TRAFFIC SIGNAL M	3,028.50	
				5610007292	1/23/2026	DEC2025 TRAFFIC SIGNAL C/	2,396.00	
				90005733	11/24/2025	RPLC'D X-WALK BATTERIES (	925.89	
				5610006765	11/20/2025	INSTLL'D SWC 1A POLE KD @	7,187.55	
				90005904	12/18/2025	RPLC'D X-WALK @ CESAR CI	7,578.72	
				5610006764	11/20/2025	INSTLL'D NWC 1A POLE KD @	6,166.41	
				5610006766	11/20/2025	INSTLL'D SWC 1A POLE KD @	10,153.65	
				5610007121	12/27/2025	RPLC'D PPB POST & FOUND/	5,559.14	42,995.86

T FOR WELLS FARGO BANK -SEPARATE CHECK: 1,554,031.84

Bank : wfb WELLS FARGO BANK

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124414	2/11/2026	46835	AIR AND HOSE SOURCE,	642929	12/16/2025	O-RINGS	40.78	40.78
124415	2/11/2026	55142	AKEL ENGINEERING GRC	251457-01	12/16/2025	PE11/30 ENCANTO SVCS	5,265.50	5,265.50
124416	2/11/2026	55541	ALL DOOR TECH	3536	1/21/2026	1/21 SVC CALL- 1517 SIXTH S	1,769.38	1,769.38
124417	2/11/2026	46833	ALTEC INDUSTRIES, INC.	51932027	1/21/2026	TRBLSHT/REPAIRS ON BOOM	6,133.50	6,133.50
124418	2/11/2026	43570	ASCAP	2026	1/20/2026	2026 ANNUAL LIC FEE (ACC #	459.08	459.08
124419	2/11/2026	53039	AT&T	599810	12/29/2025	LEA TRACKING (CASE #Y253	220.00	
				599815	12/29/2025	LEA TRACKING (CASE #Y253	220.00	440.00
124420	2/11/2026	52613	BALLET FOLKLORICO SO	2025	1/12/2026	2/7 PERFORMANCE @ TTC F	500.00	500.00
124421	2/11/2026	50632	BIG TEX TRAILER WORLI	40516960	11/6/2025	2025 BIG TEX 16TD-16BK6SIF	18,922.35	18,922.35
124422	2/11/2026	54517	BLACK KNIGHT TECHNOI	997559775004B	1/23/2026	DEC2025 SITXPRO SBSCRPT	250.00	250.00
124423	2/11/2026	42506	BURRTEC WASTE INDUS	SSI-2026	1/28/2026	SS1 FY25/26 REFUSE COLLE	1,746,679.10	1,746,679.10
124424	2/11/2026	56087	CASILLAS, MARIA E.	Expns	1/22/2026	SEP2025-JAN2026 MISC EXPI	166.81	166.81
124425	2/11/2026	53426	CELL BUSINESS EQUIPMI	595541003	1/21/2026	ACC 1338330, 1/15-2/14, SHAI	639.66	639.66
124426	2/11/2026	56178	CITIGUARD, INC.	76500	12/1/2025	NOV2025 SECURITY SVCS @	5,856.00	
				76932R	12/17/2025	12/2-5 ON-SITE SECURITY OF	3,468.00	
				77498	1/7/2026	DEC2025 SECURITY SVCS @	10,367.00	
				77499	1/7/2026	DEC2025 SECURITY SVCS @	3,960.00	
				77500	1/7/2026	DEC2025 SECURITY SVCS @	6,615.00	
				77501	1/7/2026	DEC2025 SECURITY SVCS @	6,321.00	
				77502	1/7/2026	DEC2025 SECURITY SVCS @	6,112.00	42,699.00

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Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
124427	2/11/2026	53220	COACHELLA ACE HARDW	10140/1	1/22/2026	DISINFECTANT ODOBAN GAL	40.31	
				10094/1	1/12/2026	TAPE MEASURE COMPACT 2:	20.65	
				10114/1	1/15/2026	MISC FASTENERS	6.51	
				8875/1	4/17/2025	MESQUITE BBQ PELLET, ETC	29.33	
				8990/1	5/11/2025	SPARK PLUG NGK	7.60	
				9071/1	5/27/2025	TOOL-MULTI CRMP-CUT-STR	34.77	
				9952/1	12/3/2025	MARK PAINT IC SB FLR GRN,	140.72	
				9977/1	12/9/2025	HI-VELOCITY FLR FAN 18", ET	117.96	
				10009/1	12/16/2025	MISC FASTENERS	22.45	
				10014/1	12/17/2025	HP MIX 2.6OZ 48/CS, ETC	83.77	
				10028/1	12/20/2025	ZEROG 50FT FABRIC HOSE	55.45	
				10065/1	1/3/2026	FASTBACK UTILITY KNIFE, E	33.91	
				10076/1	1/6/2026	DROPCLOTH 9'X12'	17.59	
				10120/1	1/16/2026	DSNFCTNT ODOBAN LAV	30.43	
				10096/1	1/12/2026	BALL VALVE BRS FIP 3/4", ETC	72.81	
				10097/1	1/12/2026	BATTERY ALKALINE AA 16PK,	159.19	
				10153/1	1/27/2026	TOILET PLUNGER 4"	18.47	
				10103/1	1/13/2026	PNT & EPOXY RMVR, ETC	75.33	
				10108/1	1/14/2026	SPRYPNT 2X FLT WHITE, ETC	34.21	
				10130/1	1/20/2026	WNDW SQG/SCRBR RBR 14"	43.47	1,044.93
124428	2/11/2026	44959	COMPUTER CONSULTAN	40907	1/31/2026	1/6 DATA CABLING @ CORP Y	896.81	896.81
124429	2/11/2026	54137	CONSERVE LANDCARE L	558931	12/31/2025	RPR'D MAINLINE @ DIST 16	500.54	
				558933	12/31/2025	RPR'D VALVE @ DIST 24	279.43	
				558934	12/31/2025	RPLCMNT OF SOLAR CONTR	287.90	
				559863	12/31/2025	RPR'D MAINLINE @ DIST 24	237.72	
				559864	12/31/2025	RPLC'D SOLENOID @ DIST 4(	93.66	1,399.25
124430	2/11/2026	01924	CONSOLIDATED ELECTR	3298-1037062	11/13/2025	GALV NIP 3/4X12, 3/4 AL BOD	590.68	
				3298-1037230	11/21/2025	GALV STEEL & MEDIUM WP 7	889.11	1,479.79
124431	2/11/2026	01984	CORA CONSTRUCTORS I	4	12/31/2025	PE12/31 HEADWORKS SCREI	68,825.60	68,825.60
124432	2/11/2026	52375	CORE & MAIN LP	Y273808	12/23/2025	860 CL HYD W/(2) 2-1/2 HOSE	9,012.76	
				Y113843	11/19/2025	36" CURB STOP WRENCH	108.63	9,121.39
124433	2/11/2026	00214	CORONET CONCRETE PI	1215375	12/11/2025	6.0 SACK EQ 60/40 FA, EFC FI	686.15	
				1215694	12/16/2025	6.0 SACK EQ 60/40 FA, EFC FI	526.25	1,212.40
124434	2/11/2026	52279	COUNTY OF RIVERSIDE	25-26Q2	12/29/2025	OCT-DEC2025 EMERGENCY S	36,562.50	36,562.50
124435	2/11/2026	56158	CULLIGAN QUENCH	INV10060648	1/1/2026	AC D347651, JAN2026 RNTL,	44.56	44.56

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Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
124436	2/11/2026	48603	CV STRATEGIES	8724	12/31/2025	OCT-DEC2025 STRATEGIC C	6,060.71	
				8725	12/31/2025	OCT2025 STRATEGIC COMM	1,916.08	
				8726	12/31/2025	SEP2025 STRATEGIC COMM	6,616.41	14,593.20
124437	2/11/2026	09650	CVAG	CV-25562-25	11/17/2025	JL-SP2024 AV48 WIDENING (\	129,138.96	
				IN-CVAG-26-016	7/31/2025	JULY2025 ATP- ARTS & MUSI(	2,629.67	
				CV25564-25	11/17/2025	OCT2024 AV48 WIDENING (V/	78,873.14	210,641.77
124438	2/11/2026	09950	CVWD	Dec 2025	1/6/2026	CN 332543, DEC2025 WELL R	34,928.09	34,928.09
124439	2/11/2026	02276	CWEA/CORBS	Reg 2/7	1/26/2026	2/7 AWARDS DINNER: R. HUE	50.00	50.00
124440	2/11/2026	01848	DAVE BANG ASSOCIATES	CA59986	12/23/2025	REPLACEMENT ROPE INSTAI	6,000.00	
				CA59936	12/11/2025	BERLINER REPLACEMENT NI	7,588.62	13,588.62
124441	2/11/2026	00118	DEPARTMENT OF TRANS	SL260471	1/20/2026	OCT-DEC2025 TRAFFIC SIGN	4,298.40	4,298.40
124442	2/11/2026	01089	DESERT ELECTRIC SUPF	S128964187.002	12/18/2025	PL-477-INC-MOG-120-V-CL-1/	2,200.12	
				S129001723.002	10/24/2025	ELJ 09-CMS STEEL LID	1,429.28	3,629.40

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Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
124443	2/11/2026	13700	DEWEY PEST CONTROL I	17804759	1/1/2026	AC1452292, JAN-MAR2026, 15	159.00	
				17804760	1/1/2026	AC1450610, JAN2026, DE ORC	160.00	
				17810683	1/1/2026	AC2028126, JAN-MAR2026, 15	240.00	
				17810684	1/1/2026	AC2012540, JAN2026, 51301 D	1,200.00	
				17810685	1/1/2026	AC2012536, JAN2026, 48400 \	1,200.00	
				17812977	1/1/2026	AC241000, JAN-MAR2026, 151	111.00	
				17822768	1/1/2026	AC1318239, JAN-MAR2026, FF	99.00	
				17822769	1/1/2026	AC1318244, JAN-MAR2026, BC	99.00	
				17822772	1/1/2026	AC1318235, JAN-MAR2026, 84	99.00	
				17822775	1/1/2026	AC1318236, JAN-MAR2026, RI	132.00	
				17822833	1/1/2026	AC1281215, JAN2026, SIERRA	301.00	
				17822839	1/1/2026	AC1281218, JAN2026, 51251 D	900.00	
				17832108	1/1/2026	AC1178382, JAN-MAR2026, BC	135.00	
				17832111	1/1/2026	AC1161434, JAN-MAR2026, BC	195.00	
				17835351	1/1/2026	AC1126447, JAN-MAR2026, SI	99.00	
				17837832	1/1/2026	AC1404426, JAN-MAR2026, LI	264.00	
				17839852	1/1/2026	AC102942, JAN-MAR2026, 151	175.50	
				17840482	1/1/2026	AC1008112, JAN-MAR2026, CC	135.00	
				17845132	1/1/2026	AC103361, JAN2026, 1540 7TH	80.00	
				17849635	1/1/2026	AC1067451, JAN-MAR2026, 15	135.00	
				AC1062335-JA/M	1/1/2026	AC1062335, JAN-MAR2026, CC	453.00	
				AC1315475-JA/M	1/1/2026	AC1315475, JAN-MAR2026, PI	828.00	
				AC1434611-JA/M	1/1/2026	AC1434611, JAN-MAR2026, PA	705.00	
				AC934340-JA/M	1/1/2026	AC934340, JAN-MAR2026, SAI	450.00	8,354.50
124444	2/11/2026	54233	DJ2A ENTERTAINMENT	754	1/14/2026	2/7 DJ/MC @ TTC FESTIVAL	695.00	695.00
124445	2/11/2026	55683	DUDEK	202508352	10/14/2025	PE9/26 CSD HEADWORKS SC	3,727.50	
				202510266	12/8/2025	PE11/21 CSD HEADWORKS S	1,828.75	
				202510386	12/10/2025	PE11/21 CSD 2025 SSMP UPD	592.50	
				202509824	11/21/2025	PE10/24 CSD HEADWORKS S	4,960.00	
				202510248	12/8/2025	PE10/24 DEVELOPMENT OF \	9,586.33	
				202510769	12/22/2025	PE11/21 DEVELOPMENT OF V	8,586.02	29,281.10
124446	2/11/2026	42223	DXP ENTERPRISES, INC.	55579567	1/8/2026	LMI 108GPD 50PSI PUMP, ET	3,465.78	3,465.78
124447	2/11/2026	14860	E. K. WOOD LUMBER COI	523367	12/9/2025	6OZ FIRE ANT BAIT	27.56	27.56
124448	2/11/2026	51601	ESTRADA, CASTULO	PD 12/1-4	1/13/2026	PD 12/1-4, ACWA CONF & EXI	301.00	301.00

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124449	2/11/2026	48977	EVERON, LLC	160295196	1/5/2026	FB-AP2026 ALARM/EXT SVC I	559.52	
				160295197	1/5/2026	FEB2026 ALARM/EXT SVC PL	1,541.30	
				160295198	1/5/2026	FB-AP2026 ALARM/EXT SVC I	808.41	
				160295199	1/5/2026	FB-AP2026 ALARM/EXT SVC I	300.45	
				160295200	1/5/2026	FEB2026 ALARM/EXT SVC PL	41.54	
				160295201	1/5/2026	FB-AP2026 ALARM/EXT SVC I	232.91	
				160112344	12/2/2025	JA-MA2026 ALARM/EXT SVC I	408.05	
				160112345	12/2/2025	JAN2026 ALARM/EXT SVC PL	1,541.30	
				160112346	12/2/2025	JAN2026 ALARM/EXT SVC PL	41.54	
				160212867	12/19/2025	TRIP CHRG @ 1500 6TH ST	75.00	5,550.02
124450	2/11/2026	55813	EWING IRRIGATION PROI	28668346	12/15/2025	RAINBIRD ROTOR FC/PC	1,006.02	1,006.02
124451	2/11/2026	44088	FERGUSON ENTERPRISE	6058094	1/15/2026	LF 14X4-7/8 REP SWG NOZ	63.93	63.93
124452	2/11/2026	56580	FLEX TECHNOLOGY GRC	INV42855-CBE	1/20/2026	ACC CB CC3502, COLOR CO	1,082.92	1,082.92
124453	2/11/2026	02272	FRANKLIN TRUCK PARTS	IN373824	1/14/2026	4 LEAF UTILITY TR	99.72	99.72
124454	2/11/2026	51604	FRONTIER	BD 1/1/26	1/1/2026	ACC 442-400-5750-051923-5,	3,546.21	3,546.21
124455	2/11/2026	53671	GREAT WESTERN RECRE	2511046	12/22/2025	TODDLER FULL BUCKET SEA	1,129.20	1,129.20
124456	2/11/2026	54848	GRISWOLD INDUSTRIES	932470	11/24/2025	10/9 INSTLL'D REPAIR KIT, ET	3,089.88	3,089.88
124457	2/11/2026	54740	HEPTAGON SEVEN CONS	20260101	1/7/2025	PE1/7 BELLA CANTO PVMNT	9,300.00	9,300.00
124458	2/11/2026	44709	HOUSTON & HARRIS PCS	25-26977	12/2/2025	12/2 VIDEO PIPE INSPECTION	3,383.75	3,383.75
124459	2/11/2026	45108	IMPERIAL SPRINKLER SU	0024713235-001	1/12/2026	50LB PN PRE PRODIAMINE P	2,907.55	2,907.55
124460	2/11/2026	56475	INDUSTRIAL TECHNICAL	1116243F	12/17/2025	INSTLL'D HEATSINK FANS @	1,340.75	1,340.75
124461	2/11/2026	53625	INTERSTATE ALL BATTER	1920701020242	1/8/2026	DCM0035 IB 12 35 SLA M6I, E	931.34	
				1920701020310	1/21/2026	DCM0035 IB 12 35 SLA M6I, E	169.12	
				1920701020314	1/21/2026	DCM0100 IB 12 110 SLA M6I, E	193.63	1,294.09
124462	2/11/2026	53425	IVAN'S BLINDS AND MORI	20730808	11/5/2025	INSTLL'D SCREEN ROLLERS	2,395.00	2,395.00
124463	2/11/2026	45051	LAMAR OF PALM SPRING	117848549	1/12/2026	1/12 PRINTING/POSTER INST	150.00	150.00
124464	2/11/2026	24250	LEAGUE OF CALIFORNIA	INV-45388-L0Z4	1/1/2026	2026 MEMBERSHIP DUES	18,545.00	
				2889	1/20/2026	2026 RIV COUNTY DIVISION M	300.00	18,845.00
124465	2/11/2026	54362	LINDE GAS & EQUIPMENT	53912623	12/23/2025	11/20-12/20 IND HIGH PRESSU	48.70	
				54445459	1/22/2026	12/20-1/20 IND HIGH PRESSU	49.56	98.26

Bank : wfb WELLS FARGO BANK (Continued)

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
124466	2/11/2026	24600	LOPES HARDWARE	1974	1/14/2026	ROLLERS, BUCKET, HAMMEF	243.89	
				0001775	12/11/2025	TOILET TORK SET, NEEDLES	287.92	
				0001856	10/16/2025	PLUNGER, GLOVES, SAFETY	236.22	
				1963	11/12/2025	GORILLA GLUE, SUPER GLUE	23.89	
				0001995	12/3/2025	MULTI OUTLETS, EXT CORD,	346.08	
				0002009	12/2/2025	HAT, DUCT TAPE, ROLLER TF	207.31	
				0002015	1/13/2026	COOL FLOW MASKS, ROLLEF	332.58	
				0002117	1/23/2026	HOOK, DRY DEX QT, ETC	29.32	
				0002097	1/15/2026	2001 LOCKS & 3/16" CHAIN	521.61	
				1981	1/15/2026	SPRAY PAINT	19.55	2,248.37
124467	2/11/2026	02162	LOWE'S COMPANIES, INC	978210	12/8/2025	2FT AL STEP LDR, 5CT AIRWI	185.11	185.11
124468	2/11/2026	49857	MANPOWER US INC.	39822990	12/7/2025	WE 12/7: R. GUTIERREZ	463.46	
				39881522	1/11/2026	WE 1/11: M. GALLEGOS	1,461.68	
				39906082	1/25/2026	WE 1/25: M. GALLEGOS	1,096.26	
				39772242	11/9/2025	WE 11/9: GUTIERREZ+RAYA	2,410.88	
				39834276	12/14/2025	WE 12/7+14: GUTIERREZ+RA	3,565.08	
				39847133	12/21/2025	WE 12/21: GUTIERREZ+RAYA	1,711.23	
				39883398	1/11/2026	WE 12/28: A. RAYA	303.03	
				39893619	1/18/2026	WE 1/18: GALINDO+GALLEGC	2,638.16	13,649.78
124469	2/11/2026	55020	MARTIN MARIETTA MATE	48199229	12/23/2025	1/2" MM TY A PG70-10	409.28	409.28
124470	2/11/2026	55038	MEDINA ZENDEJAS COMI	2312	12/10/2025	INSTLL'D MANHOLE LIDS @ A	4,000.00	4,000.00
124471	2/11/2026	25900	MEREDITH & SIMPSON C	260113	1/20/2026	TRBLSHT CONTROL WIRES @	551.50	
				260112	1/20/2026	RPLC'D WIRES/RPR'D ELECT	5,255.72	5,807.22
124472	2/11/2026	45197	MSA CONSULTING, INC.	2406.001-29	11/30/2025	PE11/30 SHADY LN WTR SYS	5,585.00	
				2406.002-29	10/31/2025	PE10/31 SHADY LN SEPTIC T	2,827.50	
				2406.002-30	11/30/2025	PE11/30 SHADY LN SEPTIC T	822.50	9,235.00
124473	2/11/2026	56366	MURILLO, HORACIO	Refund	1/21/2026	DEPOSIT REFUND- 1/8 LIBRA	300.00	300.00
124474	2/11/2026	56597	OPTIMIZED INVESTMENT	1549	12/5/2025	PE11/30 INVESTMENT ADVIS	3,275.91	
				1577	1/12/2026	PE12/31 INVESTMENT ADVIS	3,266.39	6,542.30
124475	2/11/2026	50595	PACIFIC LIGHTWAVE INC	101290	1/25/2026	FEB2026 INTERNET SVCS	799.00	799.00
124476	2/11/2026	01736	PALM SPRINGS PUMP, IN	25-6031	11/24/2025	11/14 CRANE RNTL @ WELL #	670.00	670.00
124477	2/11/2026	51847	PARTY TIME RENTALS	108	1/22/2026	2/7 MECHANICAL BULL RNTL	1,200.00	1,200.00
124478	2/11/2026	53427	PASTION INDUSTRIES, IN	049256	12/26/2025	JA-MA2026 FIRE ALARM/RAD	210.00	
				049466	12/30/2025	ANNUAL FIRE INSPECTION @	245.00	455.00
124479	2/11/2026	45055	PATTON ENTERPRISES, I	102476	12/22/2025	RPLC'D GATE WHEELS @ SA	639.38	639.38

Bank : wfb WELLS FARGO BANK (Continued)

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
124480	2/11/2026	02028	PETE'S ROAD SERVICE, I	25-0888013-00	12/17/2025	FLAT REPAIR	40.61	
				26-0891477-00	1/9/2026	FLAT REPAIR	40.61	
				26-0892429-00	1/15/2026	MOUNT/BALANCE NEW TIRE	407.01	488.23
124481	2/11/2026	01395	PJ'S DESERT TROPHIES	28710	1/5/2026	2"X10" NAME PLATES & HOLI	77.21	77.21
124482	2/11/2026	46837	PRECISION BACKFLOW	PBF162371	1/13/2026	INSTLL'D 2" BACKFLOW, ETC	3,389.00	3,389.00
124483	2/11/2026	56322	PRIMO BRANDS	05L8700083738	12/26/2025	11/25-12/24 DELIVERY SVCS (	223.63	223.63
124484	2/11/2026	42759	PROPER SOLUTIONS, IN(	17829	1/16/2026	WE 1/16: A. GONZALEZ	1,677.20	
				17830	1/16/2026	WE 1/16: L. MARTINEZ	2,206.40	
				17848	1/23/2026	WE 1/23: A. GONZALEZ	1,257.90	
				17849	1/23/2026	WE 1/23: L. MARTINEZ	1,654.80	6,796.30
124485	2/11/2026	56598	RAMIREZ, PATRICIA	Refund	1/21/2026	DEPOSIT REFUND- 1/17 LIBR	300.00	300.00
124486	2/11/2026	54500	RELIABLE TRANSLATION:	31829	9/16/2025	9/16 PARK & REC MTG SVCS	147.00	
				32621	12/10/2025	12/10 CC MTG SVCS	588.00	
				32870	1/26/2026	1/26 DOCUMENT TRANSLATI(	245.44	980.44
124487	2/11/2026	51785	RMC WATER AND ENVIR(	258072	12/24/2025	PE11/28 ONGOING FUNDING	8,825.00	
				258522	1/12/2026	PE12/31 ONGOING FUNDING	2,853.75	
				28109	12/5/2025	PE11/28 MESQUITE & AMEZC	3,425.25	
				28111	1/9/2026	PE12/31 AMEZCUA/SHADY LI	3,198.25	18,302.25
124488	2/11/2026	44161	ROBERT HALF	65843289	1/26/2026	WE 1/23: K. BROWN	3,904.60	3,904.60
124489	2/11/2026	52991	S & D CAR WASH MANAG	ARB244630	11/30/2025	NOV2025 CAR WASH SERVIC	286.59	
				ARB247828	12/31/2025	DEC2025 CAR WASH SERVIC	328.53	615.12
124490	2/11/2026	56534	S.R. BRAY LLC	717542DS	11/26/2025	INSTLL'D ADDTNL EQUIPMEI	5,677.80	5,677.80
124491	2/11/2026	55272	SALAS, LAWRENCE Y.	Jan-26	1/28/2026	JAN2026 CITIZENSHIP CLASS	1,015.00	1,015.00
124492	2/11/2026	50827	SDC SOUND COMPANY L	1184	1/4/2026	2/7 SOUND+LIGHTING @ TTC	6,450.00	6,450.00
124493	2/11/2026	55833	SESAC RIGHTS MANAGE	10874996	1/1/2026	JAN-DEC2026 MUSIC PERFOI	1,278.00	1,278.00
124494	2/11/2026	55790	SILVERADO TOWING	4311	1/27/2026	1/27 TOWING- 52318 TRIPOLI	150.00	
				4312	1/28/2026	1/28 TOWING- HARRISON ST	150.00	
				4313	1/29/2026	1/29 TOWING- 85697 MICHEL	150.00	450.00
124495	2/11/2026	46733	SIMPLOT TURF & HORTIC	208172494	12/30/2025	20-1-5 BEST NITREX 50LB	2,413.60	
				208172865	1/14/2026	CALCIUM NITRATED STD (TR	581.85	2,995.45
124496	2/11/2026	55590	STANDARD INSURANCE (	Feb2026	1/20/2026	FEB2026 LIFE/AD&D PREMIUI	902.08	
				Feb2026	1/20/2026	FEB2026 LIFE/AD&D/STD/LTD	7,343.07	8,245.15

Bank : wfb WELLS FARGO BANK (Continued)

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
124497	2/11/2026	55590	STANDARD INSURANCE (	Feb2026	1/19/2026	FEB2026 COBRA PREMIUM #'	37.85	
				Feb2026	1/19/2026	FEB2026 COBRA PREMIUM #'	16.26	
				Feb2026	1/19/2026	FEB2026 COBRA PREMIUM #'	19.68	
				Feb2026	1/19/2026	FEB2026 DENTAL PPO PREM	6,156.20	
				Feb2026	1/19/2026	FEB2026 DENTAL HMO PREM	1,082.92	
				Feb2026	1/19/2026	FEB2026 VISION PREMIUM #7	1,692.64	9,005.55
124498	2/11/2026	55659	STAPLES	6051206717	12/25/2025	HP 952 XL BLK/STD CLR 4PK,	384.65	
				6053823086	1/25/2026	ECOTEX POLYMER 48X79 CH	451.79	
				6053823090	1/25/2026	MINI CORRECTION TAPE, ET(	31.30	
				6053823112	1/25/2026	TR MAGAZINE FILE MESH BL	135.00	
				6053823114	1/25/2026	KLEENEX 4PK, MAJOR ACCEI	39.74	
				6053823088	1/25/2026	HP 206X HY BLACK TONER C	289.17	
				6053823094	1/25/2026	HP 936 CMYK INK CART 4PK,	167.46	
				6053823096	1/25/2026	SPLS 8.5X11 30 REC COPY C:	182.56	
				6053823106	1/25/2026	STP HOT LAM 9IN, KLEENEX	64.42	
				6053823109	1/25/2026	STPLS 10-SHT MICROCUT SH	160.24	1,906.33
124499	2/11/2026	56339	SUNDOG, INC	118791	10/29/2025	INSTLL'D SECURITY SCREEN	27,904.00	
				118811	12/11/2025	INSTLL'D HATCH SFTY RAILIN	7,110.00	
				118810	12/11/2025	INSTLL'D SECURITY SCREEN	8,956.00	43,970.00
124500	2/11/2026	00102	SUNLINE TRANSIT AGEN(	INV09408	12/31/2025	DEC2025 CNG FUEL	434.73	434.73
124501	2/11/2026	55425	SUNTECH ENERGY INC.	414171	1/16/2026	1/16 CLEANED SOLAR PANEL	2,884.20	2,884.20
124502	2/11/2026	53745	SUPERIOR ELECTRIC MC	145563	1/2/2026	RE-BUILD/REPAIR HIDROSTA	9,993.03	9,993.03
124503	2/11/2026	54550	TBU INC.	51858	10/6/2025	FRAMED CURB, GUTTER & S	7,802.92	7,802.92
124504	2/11/2026	48152	TKE ENGINEERING, INC.	2025-1769	1/28/2026	PE11/30 SVCS, 53185 CALLE (	130.00	
				2025-1770	1/28/2026	PE11/30 SVCS, 51989 GRAPE	43.25	
				2025-1771	1/28/2026	PE11/30 SVCS, 46155 DILLON	330.00	
				2025-1772	1/28/2026	PE11/30 SVCS, TTM 39347- FI	70.00	
				2025-1768	1/28/2026	PE11/30 SVCS, CVHC VILLA V	720.00	1,293.25
124505	2/11/2026	51093	T-MOBILE USA, INC.	L2601010151	1/1/2026	11/30 & 12/3 CELL TOWER DU	350.00	350.00
124506	2/11/2026	38250	TOPS N BARRICADES	1117502	12/9/2025	12/3-7 BARRICADE RNTLS	975.00	
				1117631	12/17/2025	36X18 CROSS TRAFFIC	47.85	
				1117963	1/15/2026	STENCIL OIL BRD 4" COMBO	160.95	
				1117914	1/9/2026	11/29-1/5 CHNGBLE MSG SIGI	4,092.00	
				1117942	1/13/2026	HH FULLBRIM W/R WHITE PY	214.73	5,490.53
124507	2/11/2026	54885	TYLER BUSINESS FORMS	110135	1/19/2026	BLANK 1099-NEC SHEETS, BI	269.79	269.79

Bank : wfb WELLS FARGO BANK (Continued)

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
124508	2/11/2026	38800	UNDERGROUND SERVICI	1220250134	1/1/2026	DEC2025- 36 NEW TICKETS+I	154.00	154.00
124509	2/11/2026	43751	USA BLUEBOOK	INV00932964	1/13/2026	SJE MECH FLOAT SWITCH 5(	1,606.61	
				INV00904140	12/8/2025	HACH PH BUFFER 4L 3PK W/	363.16	
				INV00904559	12/9/2025	PIPELINE ROOT CONTROL 2	265.63	2,235.40
124510	2/11/2026	55885	V.M. POOL SERVICES AN	1019	12/1/2025	DEC2025 FOUNTAIN/POOL M/	760.00	760.00
124511	2/11/2026	39640	VALLEY LOCK & SAFE	196906	12/16/2025	MISC KEYS, COLORED KEY F	85.58	
				B6209769	11/3/2025	CYBER USB KEYS	1,088.13	1,173.71
124512	2/11/2026	55530	VENLO RV	167609	1/6/2026	15.9GAL PROPANE	61.39	
				167614	1/14/2026	9GAL PROPANE	34.75	96.14
124513	2/11/2026	55882	VISIT GREATER PALM SP	FY25/26 Q1	1/22/2026	FY25/26 Q1 GPSTBID ASSESS	49,222.85	49,222.85
124514	2/11/2026	44775	VISTA PAINT CORPORATI	2026-230392-00	1/13/2026	ACRIPOXY II WHITE-P	527.68	527.68
124515	2/11/2026	53200	WEST CALI PLUMBING	1958	12/18/2025	INSTLL'D TOILET FLUSH VAL\	726.00	726.00
124516	2/11/2026	49778	WEST COAST ARBORIST	234704-A	9/30/2025	9/16-30 TREE MAINT @ STRE	420.00	
				237673	12/15/2025	12/1-15 TREE MAINT @ PARK	315.00	
				237674	12/15/2025	12/1-15 TREE MAINT @ DIST	4,562.00	
				237676	12/15/2025	12/1-15 TREE MAINT @ DIST	1,488.00	
				237677	12/15/2025	12/1-15 TREE MAINT @ DIST	4,844.00	
				237751	12/22/2025	12/13 PALM TREE RPLCMNT (	6,437.90	
				238348	12/31/2025	12/16-31 TREE MAINT @ DIST	1,910.00	
				238353	12/31/2025	12/16-31 TREE MAINT @ DIST	1,874.00	
				238354	12/31/2025	12/16-31 TREE MAINT @ DIST	16,284.00	
				235402	10/15/2025	10/1-15 TREE MAINT @ DIST	1,605.00	
				237675	12/15/2025	12/1-15 TREE MAINT @ DIST	425.00	
				237725	12/15/2025	12/1-15 TREE MAINT @ DIST	2,739.00	
				238349	12/31/2025	12/16-31 TREE MAINT @ DIST	1,230.00	44,133.90
124517	2/11/2026	44203	WEST COAST SAND & GF	914429	12/23/2025	FILL SAND	1,047.95	1,047.95
						Sub total for WELLS FARGO BANK:		2,614,495.69

133 checks in this report.

Grand Total All Checks: 4,168,527.53

Date: **February 11, 2026**

Finance Director: Lincoln Bogard

City Manager: William B. Pattison

STAFF REPORT
2/11/2026

TO: Honorable Mayor and City Council Members

FROM: Andrew Simmons, P.E., Public Works Director/City Engineer

SUBJECT: Service Agreement Addendum with Vestis Services, LLC. to provide uniform and workplace supplies for a three year term

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STAFF RECOMMENDATION:

Authorize City Manager to execute Service Agreement Addendum with Vestis Services, LLC. to provide uniform and workplace supplies for a three year term

EXECUTIVE SUMMARY:

Vestis Services currently provides the City uniform and workplace supplies services. They provide clean uniforms on a weekly basis to the public works, graffiti and utility departments. They also provide supplies to the building maintenance department, such as, towels, mats and mops. City staff recommends entering into a three-year service agreement with Vestis Services, LLC. to continue to provide these services to the City and secure a lower rate that will remain the same for three years. This service agreement will have approximately a value of $75,000 per year for the three year agreement, as it is based on the current number of employees, this may fluctuate.

As per the City's Purchasing Procedures and Regulations all purchases in excess of $25,000 require City Council approval and completion of a formal bid process. A cooperative purchasing agency (Sourcewell) has completed a formal bid process and awarded the bid to Vestis Services, LLC. for the uniform and supplies that are utilized by the City. As a member of Sourcewell, the City may piggyback and take advantage of this service agreement and requests authorization to execute the service agreement provided by Vestis Services, LLC.

FISCAL IMPACT:

No fiscal impact. The uniform and supplies costs have been budgeted in their respective departments FY 25/26 budget.

ATTACHMENTS:

1. Service Agreement Addendum – Vestis Services, LLC.

vestis
Uniforms and Workplace Supplies

1-866-VEST
vestis.com

SERVICE AGREEMENT ADDENDUM

61364 34 / 7922 82344
7922 82345 / 7922 82345
7922 82347 / 7925 67364

CUSTOMER NAME: City of Coachella **CUSTOMER NUMBER:**

Customer and Vestis™ or one of its related companies (Vestis) have entered into a Service Agreement (Service Agreement). Customer and Vestis agree that the Service Agreement is modified as set forth in this Addendum.

Reason for Addendum: Check Applicable Box(es) Below

☐ **Term Extension:**

Vestis and Customer agree to extend the current term of Customer's Service Agreement with Vestis for an additional 36 months.

☐ **Add Additional Non-Garment Merchandise:**

The additional Merchandise identified below is added to Customer's Service Agreement with Vestis. In consideration of adding the below Merchandise, Vestis and Customer agree that the term of Customer's Service Agreement with Vestis will end at the later of (a) three years from the date this Addendum is signed by Vestis's General Manager or (b) the end of the current term of the Service Agreement. If a term extension is listed above under "Term Extension," such term extension will supersede the preceding sentence.

ADDITIONAL NON-GARMENT MERCHANDISE AND SERVICES ORDERED:

MERCHANDISE	QUANTITY*	RATE (per item)	FREQUENCY	MINIMUM BILLED PERCENTAGE	EASYCARE® RATE (per item)	REPLACEMENT CHARGE (per item)
Mat Steady Step DM1704BLAK 4x6	6	$ 9.00	Weekly	50 %		$ 220.00
Mat Steady Step DM1704BRWN 3x10	8	$ 10.00	Weekly	50 %		$ 290.00
Wet Mop DP0025BLUE	5	$ 1.00	Weekly	100 %		$ 9.00
Dental Towel TO0011BLUE	200	$ 0.13	Weekly	100 %	$ 0.04	$ 1.74

*Represents total allocated units, including items at Customer's location(s) and items in the process of being laundered.

If an "EasyCare®" charge is included, Vestis will replace the corresponding Merchandise that is lost or ruined by Customer without any additional replacement charge. Merchandise that is lost or ruined as a result of willful misconduct or intentional abuse is not covered by EasyCare. EasyCare does not cover lost or ruined Merchandise identified in connection with any reduction or elimination of Merchandise or any termination or expiration of the Service Agreement.

☐ **Add Additional Charges/Terms:**

The additional Charges/Terms included in this Addendum are added to Customer's Service Agreement with Vestis.

ADDITIONAL CHARGES:

DESCRIPTION	RATE	DESCRIPTION	RATE
Service Charge	9% per Week		
Multi-day Stop Charge	$ 10.00 per Additional Stop		

Additional Terms/Charges:

See attached Schedule 1 for garments / Redress for all employees

General: This Addendum is not binding on Vestis until executed by the General Manager of the Vestis facility that will provide service to Customer. Except as amended by this Addendum, the Customer's Service Agreement remains in full force and effect.

By signing below, Customer agrees to order any merchandise and services referenced herein and further agrees to the terms and conditions contained in this Addendum.

Name of Customer _____ Customer Phone Number _____

Name & Title of Customer Contact _____

By _____ Date _____
Signature of Authorized Customer Representative

Vestis Services, LLC.

Wesley Cooke - Territory Manager
Vestis Representative Name & Title

Signature – Vestis Representative _____ Date _____

Signature – Vestis General Manager _____ Date _____

Use for Additional Line Items

CUSTOMER NAME: City of Coachella CID #: Multiple *Use only for current customers*

ADDRESS: 53462 Enterprise way CITY / STATE / ZIP: Coachella / CA / 92236

ADDITIONAL NON-GARMENT MERCHANDISE AND SERVICES ORDERED:

MERCHANDISE	QUANTITY*	RATE (per item)	FREQUENCY	MINIMUM BILLED PERCENTAGE	EASYCARE® RATE (per item)	REPLACEMENT CHARGE (per item)
Microfiber Wiper TD0103BLUE	400	$0.11	Weekly	100 %	$0.02	$1.392
Shop Towel TS0002REDD	400	$0.06	Weekly	100 %	$0.02	$1.668
Laundry Bag XX0297GREY	1	$0.00	Weekly	100 %	N/A	$15.00
Mat Nylon/Rubber DM0001 3x4 DKGY	8	$3.50	Weekly	50 %	N/A	$95.00
Scraper Mat DM0025 BLAK 3x5	2	$5.00	Weekly	50 %	N/A	$95.00
Mop Dust DP0018GREN	26	$1.50	Weekly	100 %	N/A	$9.00
Mop Wet Synthetic DP0025 BLUE	20	$1.00	Weekly	100 %	N/A	$9.00
Mat Nylon/Rubber DM0001 DKGY 3x4	4	$3.50	Weekly	50 %	N/A	$95.00
Mat Nylon/Rubber DM0001 DKGY 3x10	4	$8.00	Weekly	50 %	N/A	$150.00
Mat Nylon/Rubber DM0001 DKGY 4x6	6	$7.00	Weekly	50 %	N/A	$125.00
Mat Careguard DM2163 DKGY 3x4	10	$5.00	Weekly	50 %	N/A	$95.00
Mop Dust Synthetic 36 DP0018GREN	13	$1.50	Weekly	100 %	N/A	$9.00
Mop Wet synthetic DP0025 GREN	18	$1.00	Weekly	100 %	N/A	$9.00
Sanitizer service	1	$0.90	Weekly	100 %	N/A	N/A
Mat Steady Step DM1704 BLAK 4x6	4	$9.00	Weekly	50 %	N/A	$220.00
Mop Dust Synthetic DP0018GREN 36	19	$1.50	Weekly	100 %	N/A	$9.00
Mop wet Synthetic DP0025 BLUE	20	$1.00	weekly	100 %	N/A	$9.00
				%		
				%		
				%		
				%		
				%		
				%		
				%		
				%		
				%		
				%		
				%		
				%		
				%		

*Represents total allocated units, including items at Customer's location(s) and items in the process of being laundered.
**There will be an extra charge reflected on your invoice for any non-standard sized garments.

SAA (FRM-086 v.5 1/24) AN EQUAL OPPORTUNITY AFFIRMATIVE ACTION EMPLOYER

Schedule 1 - City of Coachella				
Product Description	**Product Code**	**Rental Rate**	**Easy Care Rate**	**Replacement Rate**
Pant Work Twill	GP0002SNST	$0.30	$0.12	$38.00
Pant Work Twill	GP0002BRWN	$0.30	$0.12	$38.00
Pant Work Twill	GP0002NAVY	$0.30	$0.12	$38.00
Shirt Work Long Sleeve	GS0007TANN	$0.30	$0.12	$27.00
Shirt Work Short Sleeve	GS0019TANN	$0.30	$0.12	$27.00
Coverall Long Sleeve	GO0011NAVY	$0.60	$0.12	$34.71
Shirt Work Short Sleeve	GS0019ONMC	$0.30	$0.12	$27.00
Shirt Work Short Sleeve	GS0019NAVY	$0.30	$0.12	$27.00
Coverall Long Sleeve	GO0011ORNG	$0.60	$0.12	$34.71
Shirt Work Long Sleeve	GS0007ORNG	$0.30	$0.12	$27.00
Shirt Work Shot Sleeve	GS0019ORNG	$0.30	$0.12	$27.00
Pant Female Flat FRNT	GP1148BLAK	$0.20	$0.12	$23.61
Pant Female Flat FRNT	GP1148CHAR	$0.20	$0.12	$23.61
Pant Female Flat FRNT	GP1148NAVY	$0.20	$0.12	$23.61
Pant Team Casual	GP0151BLAK	$0.42	$0.12	$23.61
Pant Work Durapres	GP0171NAVY	$0.35	$0.12	$23.61
Shirt Work Long Sleeve	GS0007NAVY	$0.30	$0.12	$27.00
Shirt Work Long Sleeve	GS0007LTBL	$0.30	$0.12	$27.00
Shirt Work Short Sleeve	GS0019LTBL	$0.30	$0.12	$27.00

Company Emblem - $4.50
Name Emblem - $2.50
Prep - $2.00

Vestis Representative Signature :
Vestis Rep Title :
Date :

Customer Representative Signature :
Customer Title :
Date :

STAFF REPORT
February 11, 2026

TO: Honorable Mayor and City Council Members

FROM: Lincoln Bogard, Finance Director
Bill Pattison, City Manager

SUBJECT: Resolution No. 2026-09 Approving a Professional Services Agreement for Consulting Services with Roukema Consulting LLC for Assistance with the Development and Implementation of the Funding Program for Critical Electric Infrastructure in the City with a Not To Exceed Amount of $50,000

STAFF RECOMMENDATION:

Staff recommends that the City Council approve Resolution 2026-09, approving a contract for consulting services with Roukema Consulting LLC for assistance with the development and implementation of the funding program for critical electric infrastructure in the City with a not-to-exceed amount of $50,000.

BACKGROUND:

Staff has communicated its discussions with Imperial Irrigation District (IID) to Council. IID electrical capacity in our city is limited. Construction of additional substations in the city is needed for energy reliability, resiliency and continued economic growth. Indio and IID recently created the Indio Electric Financing Authority which successfully financed the construction of new substations within in Indio through the levy of surcharge on each kilowatt hour of energy sold by IID in Indio. IID talks have progressed to the point that our city needs to begin the formation and rate setting process for the Coachella Electric Financing Authority. A consultant is need to examine the benefits and costs of the proposed substation projects for the City and its residents

The goal of the Coachella Electric Financing Authority would be to issue bonds secured by a surcharge collected by IID on behalf of the City. The bonds would finance the expansion of 3 existing substations and the construction of a new substation within the City.

DISCUSSION/ANALYSIS:

Staff would like to have Council consider Roukema to provide strategic consulting services in conjunction with the formation and funding of the Coachella Electric Financing Authority. Roukema is proposing to provide the following services to the City:

Scope of Work

Subsequent to the receipt of necessary information, Roukema Consulting will prepare a Report highlighting and summarizing:

- Background, necessity, and purpose of the Project
- Requirements for improved electric infrastructure
- Relevant regulatory developments and considerations
- Potential benefits of the Project
- Concerns and possible challenges
- Project cost

The report will be an independent project summary to analyze the proposed projects and the levying of a surcharge by the Coachella Electric Financing Authority to pay for the costs of the proposed projects.

The timeline for completion and delivery of the Report is estimated to be five weeks from execution of an engagement agreement. However, this timeline may vary as it will be subject to timely response to requests for information required to complete the Report.

ALTERNATIVES:

1. Approve the action.
2. Do not approve the action.

FISCAL IMPACT:

Roukema Consulting proposes a fixed fee of $50,000 subject to the delivery of the Report to the City based on the Scope of Work herein, plus any direct expenses incurred at the City's request, such as for travel.

If the Project is terminated prior to the delivery of the Report, a reduced fixed fee of $25,000 shall be due. Invoices will be payable within 30 days of an invoice being submitted to the City.

Attachments:
Resolution 2026-09
Proposal to Provide Strategic Consulting Services

RESOLUTION NO. 2026-09

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COACHELLA, CALIFORNIA, APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH ROUKEMA CONSULTANTS LLC WITH A NOT TO EXCEED AMOUNT OF $50,000

WHEREAS, the Approval of Agreement Between the City of Coachella and Roukema Consulting LLC is for assistance with the Development and Implementation of the Funding Program for Critical Electric Infrastructure in the City; and

WHEREAS, the City of Coachella has limited IID capacity in our city; and

WHEREAS, the Agreement provides for assistance in the formation and funding program for the Coachella Electric Financing Authority to add redundancy, resiliency and capacity to the city electric grid; and

WHEREAS, the goal of the Coachella Electric Financing Authority is to issue bonds secured by a surcharge to be levied by the Coachella Electric Financing Authority and collected by IID to finance the expansion of three substations and addition of one new substation (in a phased approach to minimize costs to residents); and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Coachella as follows:

Section 2. Adopt Resolution No. 2026-09 Approving a Professional Services Agreement for Consulting Services with Roukema Consulting LLC for assistance with the Development and Implementation of the Funding Program for Critical Electric Infrastructure in the City.

Section 3. Authorize the City Manager to make any non-substantive changes to the contract as may be recommended by City Attorney and agreed to by Roukema.

PASSED, APPROVED and **ADOPTED** this 11th day of February 2026.

_____

Steven A. Hernandez
Mayor

ATTEST:

_____
Angela M. Zepeda
City Clerk

APPROVED AS TO FORM:

BEST, BEST & KRIEGER

_____
City Attorney

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF COACHELLA)

I HEREBY CERTIFY that the foregoing Resolution No. 2026-09 was duly adopted by the City Council of the City of Coachella at a regular meeting thereof, held on the 11th day of February 2026, by the following vote of Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Delia Granados
Deputy City Clerk

ROUKEMA CONSULTING LLC
management consultants

February 2, 2026

Mr. Bill Pattison
City Manager
City of Coachella
53990 Enterprise Way
Coachella, CA 92236

Dear Mr. Pattison,

Roukema Consulting LLC ("Roukema Consulting") is pleased to submit this proposal to provide certain consulting services to the City of Coachella (the "City") in connection with the City's development of new electric infrastructure.

Background

Recently, the City has begun discussion with Imperial Irrigation District ("IID") in regards to funding the construction of additional electric infrastructure (the "Project"). It is our understanding that the City has requested a project summary report (the "Report") identifying and summarizing potential issues, considerations, and benefits of the Project. The city of Indio commissioned a Report of this type when developing its recent similar venture with IID.

Scope of Work

Subsequent to the receipt of necessary information, Roukema Consulting will prepare a Report highlighting and summarizing:

- Background, necessity, and purpose of the Project
- Requirements for improved electric infrastructure
- Relevant regulatory developments and considerations
- Potential benefits of the Project
- Concerns and possible challenges
- Project cost

Please note that Roukema Consulting does not provide engineering or legal advice.

Our Team

Roukema Consulting provides consulting services to a variety of clients, with focus on California electric utilities and other public sector entities. Such services include researching, preparing, and presenting strategic reports to leaders and stakeholders.

John Roukema has over 40 years of municipal utility management experience during a 48-year career in the electric utility industry, including serving as the Utility Director for the City of Santa Clara's electric

utility, Silicon Valley Power (SVP), and General Manager for the Transmission Agency of Northern California (TANC), a fifteen member JPA. John's experience includes strategic planning, budget and financial management, utility planning, engineering and operations management, economic and business development, employee relations and management, infrastructure and large project development, negotiation and management of complex contracts, emergency management, and management of customer service programs. John has held leadership roles in regulatory, legislative and policy advocacy, and communications with employees, customers, news media, governing boards, and other stakeholders. John has provided management consulting services for SVP, Palo Alto, Alameda, Truckee Donner PUD, City and County of San Francisco, California Public Utilities Commission Public Advocates Office, Bay Area Transmission Group (BAMX), TANC, and Caltrain.

Allegra Roukema is a former practicing attorney with over 15 years of experience advising clients on legal, business, and compliance matters. Her career included practicing corporate law at Troutman Sanders LLP, where she managed and supported multimillion-dollar transactions, including for renewable energy clients. Recently, she worked in regulatory compliance at the University of Washington, where she performed analysis, developed new compliance policies and procedures, and provided strategic recommendations to stakeholders. As a member of Roukema Consulting, Allegra has conducted research and analysis, drafted reports, and recommended strategies for clients including TANC and Caltrain.

Timeline and Compensation

Roukema Consulting proposes a fixed fee of $50,000 subject to the delivery of the Report to the City and Stradling Yocca Carlson & Rauth LLP based on the Scope of Work herein, plus any direct expenses incurred at the City's request, such as for travel.

The timeline for completion and delivery of the Report is estimated to be five weeks from execution of an engagement agreement. However, this timeline may vary as it will be subject to timely response to requests for information required to complete the Report.

If the Project is terminated prior to the delivery of the Report, a reduced fixed fee of $25,000 shall be due. Invoices will be payable within 30 days of an invoice being submitted to the City.

Roukema Consulting appreciates your time and consideration and looks forward to further discussing this opportunity. If you have any questions or if we can provide you with any additional information, please do not hesitate to reach out to us.

Sincerely,

John Roukema

John Roukema
Member, Roukema Consulting LLC
john@roukemaconsulting.com
(408) 621-5875

JOHN C. ROUKEMA
408-621-5875
john@roukemaconsulting.com

OVERVIEW

A proven track record of leading innovative and growing organizations during my 48-year career in the electric utility industry, which includes over 40 years of municipal utility management. Extensive experience with strategic planning, budget and financial management, utility planning, engineering and operations management, economic and business development, infrastructure and large project development, negotiation and management of complex contracts, emergency management, and management of customer service programs. Held leadership roles in regulatory, legislative and policy advocacy, and communicated with employees, customers, news media, governing boards and other stakeholders.

EMPLOYMENT HISTORY

Roukema Consulting LLC
2023-Present Management Consultant

Flynn Resource Consultants Incorporated
2022-Present Senior Consultant/Power Engineer

Transmission Agency of Northern California
2020-Present Provide executive management services including reviewing and updating agreements and advising the General Manager on strategic issues.

2020-2022, 2024-2025 **Interim General Manager –** Directed and managed professionals engaged by the Agency to carry out the Agency's daily activities in accordance with Commission direction, policy, the adopted budget, established priorities and key activities. Provided leadership to the Agency to complete its objectives and best serve the purpose of the Agency and its Member needs.

Bell Burnett and Associates
2022-2023 **Associate –** Provided strategic planning, management consulting, transmission planning, and legislative and regulatory services to public agency clients. Services included developing strategies for power procurement and Low Carbon Fuel Standard programs, supporting transmission financing, conducting employee investigations, and preparing technical grant applications.

City of Santa Clara (Silicon Valley Power)
2019-2020 **Consultant –** Assisted the City's electric utility, Silicon Valley Power (SVP), with the implementation and tracking of the Utility's strategic plan.

2007-2018 **Chief Electric Utility Officer/Director of Electric Utility –** Responsible for overall leadership of SVP. Managed SVP to safely provide excellent service and to be a primary driver of economic development and growth in Santa Clara. Worked closely with other utilities, and state and federal regulatory agencies. Provided recommendations and presentations to the City Council. Represented

SVP before various joint powers agencies, bond rating agencies, industry associations, and various legislative and regulatory forums.

1996-2007 **Assistant Director of Electric Utility, Customer Service and Marketing** – Responsible for relations with industrial, commercial and residential customers including customer service, economic development, rates, Public Benefit Programs, negotiating customer contracts, and overseeing internal and external communications including frequent presentations to City Council, employees, customers and other stakeholders.

1989-1996 **Assistant Director of Electric Utility, Electric Distribution** – Responsible for providing cost effective and reliable service including engineering, design, construction, operation and maintenance of the City's distribution, transmission and generation facilities. Duties included employee health and safety, environmental and regulatory compliance, labor/management relations, emergency response and management of dispatch and power scheduling operations.

1986-1989 **Assistant Director of Electric Utility, Resources** – Responsible for generation project licensing and development, resource acquisition, power purchase contract negotiation and transmission interconnection agreement administration. Duties included responsibility for the interface with Pacific Gas and Electric Company, the Federal Energy Regulatory Commission (FERC), Western Area Power Administration, United States Bureau of Reclamation and Army Corps of Engineers.

1983-1986 **Electric Division Manager, Power Supply Development and Licensing** – Responsible for generation project licensing and development, resource planning and acquisition, power purchase contract negotiation and interconnection agreement administration.

1980-1983 **Senior Electric Utility Engineer** – Responsible for engineering, construction and operational support of the City's substations and generation facilities

Pacific Gas and Electric Company

1977-1980 **Engineer** – Involved in the electrical and mechanical engineering, startup, and operational support of hydroelectric power plants.

PROFESSIONAL ACTIVITIES

- Board of Governors California Municipal Utility Association 1989-1996, 2007-2018
  - Executive Committee Member 2017-2018
- Commissioner Transmission Agency of Northern California 2007-2018
  - Chairman 2013-2014
- Commissioner M-S-R Energy Authority 2008-2019
  - President 2010, 2013, 2016, 2019
- Commissioner M-S-R Public Power Agency 2018-2019 (Alternate Commissioner 2007-2017)
  - President 2019
- Board of Directors, CVP Corporation 2009-2020

- American Public Power Association CEO Climate Change and Generation Policy Task Force 2008-2017
- American Public Power Association CEO Climate Change and Generation Policy Task Force New Source Performance Standard Working Group
- Alternate Commissioner, Northern California Power Agency 2007-2018
- Vice President, Board of Directors, Mission City Federal Credit Union 2014-2018
- Member, Board of Directors and Executive Committee, American Public Power Association DEED (Demonstrate Energy-Efficient Developments) Program 1999-2005
- President, Northern California Municipal Electric Association
- Chairman, Santa Clara Valley Power Engineering Society, IEEE
- President, Santa Clara Chapter Western Council of Engineers
- Member, Renewable Resources Task Force, Electric Power Research Institute (EPRI)

EDUCATION AND LICENSES

B.S.E.E. Montana State University
M.S.E.E. Santa Clara University
Registered Electrical Engineer, State of California

ALLEGRA JOHNSON ROUKEMA

(206) 661-5312 ▪ allegra@roukemaconsulting.com

OVERVIEW

Over fifteen years' experience advising companies and government entities on matters including legal compliance and contracts, risk mitigation, and creation of internal policies and processes.

EXPERIENCE

ROUKEMA CONSULTING LLC Seattle, WA
Consultant March 2023-present
Partner in management consulting firm with former chief executive of Silicon Valley Power

- Assisted with internal employment investigations of major healthcare provider
- Performed research and analysis, drafted reports and plans, and recommend strategies and processes for institutions undergoing transitions, including:
  - Advised a commuter rail line on utilizing California's low carbon fuel standard credits upon its transition to electric energy by researching regulations and processes and drafting a compliance plan
  - Reviewed and revised agreements of an electric utility joint powers authority
  - Analyzed proposals of energy vendors and made recommendations accordingly

UNIVERSITY OF WASHINGTON Seattle, WA
Senior Compliance Analyst April 2019-March 2023
Conducted legal analysis to ensure compliance with Washington State and federal law

- Researched, analyzed, and applied state and federal statutes, case law, and University policies to determine whether, and how, to publicly disclose sensitive records and information
- Analyzed new legislation, created new compliance processes accordingly, and trained colleagues on such processes
- Identified legal, financial, and brand risks, and recommended risk mitigation options
- Developed and drafted office policies, procedures, workflow, and official communication templates
- Consulted with University stakeholders (e.g., executives, department leaders, Assistant Attorneys General) and managed expectations of external parties (e.g., third parties with privacy concerns); helped such individuals understand relevant regulations and policies
- Independently managed large case load and complex system of sensitive and confidential information
- Hired, trained, managed, and supervised team of technology assistants

LAW OFFICES OF DANIEL C. EDMUNDSON Seattle, WA and New York, NY
Corporate Attorney Feb. 2014-March 2019
Advised global corporation and its U.S. subsidiaries on legal issues relating to compliance, corporate governance, and mergers and acquisitions

- Researched, analyzed, and advised clients on compliance with state and federal regulations
- Managed multimillion-dollar mergers and acquisitions under strict deadline
- Drafted, analyzed, and managed contracts and other legal documents
- Produced memoranda summarizing and explaining legal concepts and research conclusions
- Counseled clients and colleagues on mitigation of legal risks; advised senior executives directly
- Developed and evaluated companies' internal legal policies; managed corporate group legal projects; evaluated third-party contracts for compliance with internal company policies
- Formed companies, drafted their organizational and governance documents, and maintained their minute books and corporate legal records
- Drafted Special Security Agreements, and other related corporate legal documents, to maintain U.S. Department of Defense compliance

ALLEGRA JOHNSON ROUKEMA

(206) 661-5312 ▪ allegra@roukemaconsulting.com

TROUTMAN SANDERS LLP New York, NY
Corporate Associate Attorney Sept. 2010-Feb. 2014
Summer Associate Summer 2008

Advised companies on compliance, mergers and acquisitions, securities, finance, and other legal matters

Project Management
- Managed multimillion-dollar mergers and acquisitions under strict deadline
- Managed large due diligence reviews and the multitude of documents, records, and data involved

Research and Analysis
- Researched, and advised clients on, a variety of state business statutes, federal regulations, and case law
- Researched and analyzed U.S. securities law to ensure compliance with 1933 Act and 1934 Act reporting requirements, FINRA regulations, and NASDAQ and NYSE listing standards; prepared and filed forms and schedules with SEC accordingly
- Assisted other practice groups by performing research on a variety of legal topics (e.g., immigration, labor and employment, consumer protection)
- Evaluated responses to requests for proposals for compatibility with clients' requirements and objectives
- Assisted lenders in evaluating creditworthiness of borrowers and obtaining appropriate security
- Analyzed contracts and internal corporate documents of companies from a variety of nations and industries

Writing
- Drafted contracts, shareholder and board consents, purchase and sale agreements, merger agreements, and loan documents
- Wrote memoranda, motions, and briefs

Other
- Utilized a variety of research and document management technologies (e.g., LexisNexis), as well as Microsoft Office, Adobe, and other software
- Represented clients in court

INTERNATIONAL CRIMINAL TRIBUNAL FOR FORMER YUGOSLAVIA The Hague, Netherlands
Legal Intern Aug. 2009-Apr. 2010
- Researched U.S. and international case law; drafted memoranda explaining legal findings; drafted motions; interviewed witnesses; developed legal strategy

AMERICAN CIVIL LIBERTIES UNION Seattle, Washington
Legal Intern Jan. 2009-May 2009
- Researched case law and statutes; drafted memoranda explaining legal findings; drafted amicus briefs; developed legal strategy

EDUCATION

CORNELL LAW SCHOOL Ithaca, NY
Juris Doctor May 2009

UNIVERSITY OF WASHINGTON Seattle, WA
Bachelor of Arts, Linguistics and Bachelor of Arts, Political Science June 2001

ADDITIONAL INFORMATION

OTHER EXPERIENCE: Taught English to professionals and developed curricula, marketing strategies, and human resources policies in private language schools in Turkey, Bosnia, and Vietnam (2001-2005).
BAR ADMISSIONS: Washington State and New York
COMMUNITY INVOLVEMENT: World Affairs Council

STAFF REPORT
February 11, 2026

TO: Honorable Mayor and City Council Members

FROM: Lincoln Bogard, Finance Director
Bill Pattison, City Manager

SUBJECT: Resolution No. 2026-10 Approving a Professional Services Agreement for Financial Advisory Services with Urban Futures, Inc. for Assistance with the Issuance of Bonds in Conjunction with the Formation of the Coachella Electric Financing Authority with a Not To Exceed Amount of $75,000

STAFF RECOMMENDATION:

Staff recommends that the City Council approve Resolution 2026-10, approving a contract for financial advisory services with Urban Futures, Inc. for assistance with the issuance of bonds in conjunction with the formation of the Coachella Electric Financing Authority with a not to exceed amount of $75,000.

BACKGROUND:

Staff has communicated its discussions with Imperial Irrigation District (IID) to Council. IID electrical capacity in our city is limited. Construction of additional substations in the city is needed for energy reliability, resiliency and continued economic growth. Indio and IID recently created the Indio Electric Financing Authority which successfully financed the construction of new substations within in Indio through the levy of surcharge on each kilowatt hour of energy sold by IID in Indio. IID talks have progressed to the point that our city needs to begin the formation and rate setting process for the Coachella Electric Financing Authority. A consultant is need to act as a municipal financial advisor for the proposed substation projects for the City and its residents.

The goal of the Coachella Electric Financing Authority would be to issue bonds secured by a surcharge collected by IID on behalf of the City. The bonds would finance the expansion of 3 existing substations and the construction of a new substation within the City.

DISCUSSION/ANALYSIS:

Staff would like to have Council consider Urban Futures to be the financial advisor for the funding of the Coachella Electric Financing Authority through the issuance of bonds. Urban Futures is proposing to provide the following services to the City:

Scope of Work

Activity 1: Preliminary Analysis/Recommendation

- Schedule meetings or calls with staff to request all necessary data and discuss the needs and goals of the City.
- Undertake a funding analysis for the identified capital project(s) and prepare a finance plan.
- Identify and assist with strategies to mitigate risks of large public facilities projects.
- Analyze existing outstanding debt to determine parity test requirements, feasibility of refunding certain outstanding series of Bonds, and debt affordability.
- Review pension liabilities and existing policies.
- Assist with comprehensive credit analysis to determine the anticipated rating, preferred structure, and interest rate scale for the Bonds.
- Prepare a summary of cost of issuance
- Independently structure the financing and present results to the City.

Activity 2: Assemble the Finance Team and Manage the Financing Process

- Assist in the selection of additional service providers, including, but not limited to, underwriter, bond counsel, disclosure counsel, appraiser, or trustee.
- Call, arrange, and lead working group meetings as appropriate.
- Develop the financing timetable.
- Monitor financing process and coordinate all activities of the financing team.
- Review all legal and financing documents on behalf of the City.
- Provide support to the City relating to financing documents, including preparation of staff reports and presentations.
- Compute Sizing and Structure of Debt Issue and verify cash flows from underwriters.
- Plan and Coordinate Presentations to Ratings Agencies
- Monitor market conditions to advise on timing of bond offering.

Activity 3: Pricing and Closing Execution

- Monitor and track comparable transactions
- Analyze alternative couponing and optional redemption strategies
- Evaluate use of bond insurance
- In a competitive sale, prepare and market bid documents, advise on timing of sale, and evaluate bids
- Assist with negotiated sale, including advice regarding retail order periods and institutional marketing, analysis of comparable bonds and secondary market data, verify cash flow calculations, and serve as Pricing Advisor
- Prepare and coordinate bond closings

ALTERNATIVES:

1. Approve the action.
2. Do not approve the action.

FISCAL IMPACT:

UFI's Proposed Municipal Advisory Fees	
Par Amount	**Fee**
< $25 million	$50,000
$25 million - $100 million	$65,000
> $100 million	$75,000
Private Placements	$33,500

The first tranche of bonds are expected to be approximately $40 million, which would involve a fee of $65,000. The total of all tranches is around $100 million. Staff is requesting a Not To Exceed amount of $75,000 in the event that multiple tranches can be considered together. This may not be possible, in which case, only $65,000 will be used upon successful issuance. These fees can be rolled into the Coachella Electric Financing Authority.

Attachments:
Resolution 2026-10
Proposal to Provide Municipal Financial Advisory Services

RESOLUTION NO. 2026-10

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COACHELLA, CALIFORNIA, APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH URBAN FUTURES, INC. WITH A NOT TO EXCEED AMOUNT OF $75,000

WHEREAS, the Approval of Agreement Between the City of Coachella and Urban Futures, Inc. is for financial advisory services for assistance with the issuance of debt in conjunction with the formation of the Coachella Electric Financing Authority; and

WHEREAS, the City of Coachella has limited IID capacity in our city; and

WHEREAS, the Agreement provides for assistance in the funding program (through the issuance of debt) for the Coachella Electric Financing Authority to add redundancy, resiliency and capacity to the city electric grid; and

WHEREAS, the goal of the Coachella Electric Financing Authority is to issue bonds secured by a surcharge to be levied by the Coachella Electric Financing Authority and collected by IID to finance the expansion of three substations and addition of one new substation (in a phased approach to minimize costs to residents); and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Coachella as follows:

Section 2. Adopt Resolution No. 2026-10 Approving a Professional Services Agreement for Municipal Financial Advisory Services with Urban Futures, Inc. for assistance with the issuance of debt in conjunction with the formation of the Coachella Electric Financing Authority.

Section 3. Authorize the City Manager to make any non-substantive changes to the contract as may be recommended by City Attorney and agreed to by Urban Futures.

PASSED, APPROVED and **ADOPTED** this 11th day of February 2026.

_____

Steven A. Hernandez
Mayor

ATTEST:

_____
Angela M. Zepeda
City Clerk

APPROVED AS TO FORM:

BEST, BEST & KRIEGER

_____
City Attorney

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF COACHELLA)

I HEREBY CERTIFY that the foregoing Resolution No. 2026-10 was duly adopted by the City Council of the City of Coachella at a regular meeting thereof, held on the 11th day of February 2026, by the following vote of Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Delia Granados
Deputy City Clerk

City of Coachella

Proposal for Financial Advisory Services

Urban Futures, Inc.
February 3, 2026



UFI Financial Solutions

Public Finance | Public Management |Analytics & Compliance

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UFI | Financial Solutions

February 3, 2026

William Pattison, City Manager
Lincoln Bogard, Finance Director
City of Coachella
1515 6th Street | Coachella, CA 92236

Re: Urban Futures, Inc. – Request for Proposals - Municipal Financial Advisory

Dear Mr. Pattison and Bogard:

Urban Futures, Inc. (UFI) is pleased to submit this proposal to the City of Coachella (the City) for the purpose of providing objective and independent municipal financial advisory services to the City. As one of California's leading municipal advisory firms, we believe we are uniquely positioned to provide the City with a high level of service from an experienced team of California-based professionals.

We feel privileged to have had a long-standing relationship with the City since 2007, and we are proud to have supported a wide range of critical initiatives during that time. No other municipal advisory firm brings the same depth of knowledge or familiarity with the City's financial landscape. Our team understands the City's goals, financing needs, current debt portfolio, and operational priorities, and we are excited to build on that foundation as we continue supporting the City in its next chapter.

We have strived to provide the City with tailored, strategic guidance across a range of financing tools and policy issues. Looking ahead, our commitment remains the same: to serve as an extension of City staff, deliver sound financial strategies, and support the City's long-term vision.

The following is a summary of our distinguishing expertise and services:

- **#1 Ranked California Municipal Advisor**: UFI has been a leader in providing financial advisory services since 1972 to over 300 public agencies throughout California. ***UFI is ranked as the top financial advisory firm in California over the last 5-year period as measured by the number of transactions completed[1].*** UFI is in the market virtually every week, **advising on more bond sales than any other firm.**
- **Relevant and Local Experience**: Our experience assisting cities in Southern California gives us a firm grasp on the local economic landscape as well as the unique challenges and opportunities faced by the City. We regularly engage with cities in Riverside County to advise on public facilities financings, often bridging municipal advisory activities and analysis with in-house consulting engagements leading to successful economic development.
- **Experienced Personnel**: The team assigned to the City includes professionals with deep expertise across enterprise and general fund credits, credit analysis, pricing execution for bond sales, as well as post-issuance compliance services, and financial forecasting. UFI's municipal advisors and consultants include a former city finance director/assistant city manager, special district general counsel, public finance investment bankers, and a rating agency analyst, which allows us to offer the City a comprehensive blend of qualifications and resources. With advisors based in Southern California, we are available to meet with the City as often as is necessary to complete upcoming assignments.

[1] Source: SDC Platinum (Thomson Reuters)

- **Technical Competence:** Providing our clients with responsive and high-quality analytical services is central to our corporate mission. Our advisors have extensive financial modeling and credit analysis experience directly related to the types of debt issued by the City. In addition, UFI has extensive experience advocating for our clients through preparing best-in-class rating presentations. Our priority is to help the City execute future financings at the lowest possible cost while maintaining its strong credit position.

Working with the City is very important to us. UFI is committed to dedicating as much of the firm's resources to the City as is necessary, and to completing assignments in a comprehensive and timely fashion. Thank you very much for your consideration.

Sincerely,





Michael Busch
Chief Strategy Officer
(714) 923-3541
mbusch@ufi.us

Branden Kfoury
Director
(714) 923-3560
bkfoury@ufi.us

A. Firm and Team Experience

1. Team Qualifications

Provided below is the contact information for the project manager assigned to this engagement. Mr. Busch has served as the City's municipal advisor continuously since 2007 and has extensive experience and familiarity with the City's financial operations and long-term objectives.

Primary Contact: Michael Busch, Chief Strategy Officer
Office: (714) 923-3541
E-mail: mbusch@ufi.us

For this proposal we are assigning two senior level municipal advisors as well as the firm's Series 54 principal, who oversees compliance activities for the firm. **Michael Busch** will serve as the primary contact and will have overall responsibility for client service delivery; **Branden Kfoury** will serve as transaction manager for municipal advisory services and will provide day-to-day coverage. **Wing-See Fox**, Managing Director and Series 54 principal, will be responsible for overseeing the municipal advisory activities to ensure compliance with MSRB rules and other applicable regulations.

Project Team Organizational Chart



Cumulatively, the core project team assigned to the City has nearly two decades of experience working with the City of Coachella, and maintains extensive experience assisting cities in Southern California, with a large number of Riverside County cities, with the execution of general fund financings, enterprise fund financings, and other economic development assignments.

We are committed to delivering consistent, high-quality service throughout the term of the agreement. For each financing engagement, UFI assigns a minimum of two municipal advisors to provide both strategic guidance and day-to-day responsiveness. The designated project manager is supported by a broader team of professionals with deep expertise in the full range of financing mechanisms utilized by the City. This staffing approach ensures continuity, responsiveness, and a consistently high level of service for the duration of the engagement.

Provided below is a summary of the assigned team, qualifications, education, and relevant experience.

UFI Team Biographies – Key Personnel
Municipal Advisory

Michael Busch, Chief Strategy Officer| (714) 923-3541



Role: Financing Strategy/Primary Contact
Office Location: Southern California
Experience: Michael is a seasoned municipal executive and public finance professional with 30 years in public finance with the last 18 years at Urban Futures, Inc. (UFI), where he served as owner and Chief Executive Officer before becoming Chief Strategy Officer. His career includes senior leadership roles as Assistant City Manager and Finance Director, guiding public agencies with strategic fiscal management and operational leadership. Michael has advised cities, special districts, and nonprofits across California, helping them identify emerging trends, navigate complex policy issues, share best practices, and advance their missions through sound fiscal and economic strategies. Over his career, he has structured and managed more than $5 billion in tax-exempt and taxable debt, including lease revenue bonds/COPs, water and wastewater revenue bonds, pension obligation bonds, tax allocation bonds, CFD and assessment district bonds, and New Market Tax Credits. Recognized for linking prudent fiscal policies with economic development objectives, Michael has helped deliver numerous high-priority projects for communities statewide. His current and recent clients include the Water Replenishment District of Southern California, Walnut Valley Water District, and the Cities of Eastvale, Ontario, San Jacinto, Pomona, Oceanside, Azusa, Banning, Beaumont, Lake Elsinore, and Menifee.

Branden Kfoury, Director | (714) 923-3560



Role: Transaction Manager/Day-to-day coverage
Office Location: Southern California
Experience: Branden Kfoury joined Urban Futures in 2019. He has worked on a variety of debt offerings for cities and special districts in California including, but not limited to utility revenue bonds, general obligation bonds, lease revenue bonds, CFD and assessment district bonds, as well as tax allocation bonds. Mr. Kfoury has extensive experience in all aspects of the bond financing process and excels at providing value-added debt structuring, credit, and quantitative analysis. Since joining UFI, Mr. Kfoury has assisted with financing and consulting assignments for the Cities of Encinitas, Newport Beach, Eastvale, Ontario, Fullerton, Pasadena, and Menifee. Previously, Mr. Kfoury worked as a Senior Associate at Fieldman, Rolapp & Associates where he supported the firm's city and special district clients. Mr. Kfoury has held prior roles in public finance investment banking, bond insurance, as well as in the technology industry. Mr. Kfoury passed the CFA Level I Exam in May 2025.

Municipal Advisory Compliance

Wing-See Fox, Managing Director | (650) 503-1500



Role: Series 54 Principal
Office Location: Northern California
Experience: Wing-See Fox is the Series 54 Municipal Advisor Principal of UFI and leads the Public Finance Group. Wing-See has over a decade of experience in the fields of municipal advising, public finance, and municipal securities. She has worked on over $3 billion in municipal debt offerings for various credits, including general obligation bonds for cities and special districts. Wing-See focuses on California cities and excels in transaction management, credit analysis, developing funding alternatives, and structuring bond transactions to meet the needs of the issuer while maximizing credit strength and marketability to investors. Prior to joining UFI in 2017, Wing-See worked as a public finance investment banker. She is an active member of the Northern California Chapters of Women in Public Finance (WIP) and Asian Americans in Public Finance (AAPF) as well as CSMFO. Wing-See received an MBA from Columbia Business School, MSW from Columbia University School of Social Work, and BA from Stanford University. Her current and recent clients include the Cities of Victorville, Oceanside, Goleta, Watsonville, Cosumnes CSD, Atascadero, and Manteca.

Professional resumes for the primary assigned staff and additional support staff available to assist the City are included in Appendix A.

References: We encourage you to contact any of our recent clients listed below to learn more about their experience and satisfaction with UFI. Our firm has a strong track record of serving a diverse range of cities and special

districts across California, including full-service cities comparable in size and complexity to Coachella. This breadth of experience reflects our ability to support agencies with varying needs, priorities, and financial structures.

City of Ontario
Armen Harkalyan, Executive Director of Finance
Phone: (909) 395-2355 E-mail: aharkalyan@ontarioca.gov
200 North Cherry Avenue, Ontario, CA 91764
Scope of Work: MA services for 2025 Lease Revenue Bonds, 2024 Water Revenue Bonds, Various CFD Bond Issues and CFD Formations; financial forecast
UFI Personnel: Michael Busch, James Morris, and Branden Kfoury

City of Pomona
Andrew Mowbray, Finance Director/City Treasurer
Tel: (909) 620-2353; E-mail: Andrew.Mowbray@pomonaca.gov
505 South Garey Avenue, Pomona, California 91766
Scope of Work: Municipal Advisory Services for Tax Allocation Bonds, Capital Lease, Pension Obligation Bonds; Pension Analysis Services; Continuing Disclosure Services
UFI Personnel: Michael Busch and James Morris

City of Fullerton
Toni Smart, CPA, Deputy Director of Administrative Services
Tel: (714) 738-3139; E-mail: Tonette.smart@cityoffullerton.com
303 W. Commonwealth Ave., Fullerton, CA 92832
Scope of Work: Municipal Advisory Services for Tax Allocation Bonds, Capital Lease, CFD Bonds, CFD formation, Pension Analysis Services; Continuing Disclosure Services
UFI Personnel: Branden Kfoury and James Morris

2. Firm Qualifications

UFI IS A TOP-RANKED MUNICIPAL ADVISOR

Since 1972, Urban Futures, Inc. (UFI), has provided municipal advisory services to hundreds of California cities, special districts, redevelopment agencies, counties, schools, community colleges, and non-profits. UFI is registered as an Independent Registered Municipal Advisor (IRMA) with the Municipal Securities Rulemaking Board (MSRB) and the Securities and Exchange Commission (SEC).

UFI is a California-based, California-focused firm, combining a top-ranked municipal advisory practice with a financial consulting practice that has decades of public finance and executive-level government experience. Clients engage our firm to provide a range of services, including municipal advisory assignments for debt issuance across a multitude of credits, capital funding analysis and preparation of finance plans, and non-municipal advisory services including post-issuance compliance financial forecasting, tax and revenue analysis, and development of fiscal strategies.



**Source: SDC Platinum, Equal to each manager*

Our firm has 22 employees, 18 of whom are Series-50 licensed municipal advisors, including 7 based in Southern California. In addition, UFI has two registered Series 54 Principals wo are responsible for overseeing the municipal advisory activities of the firm to ensure compliance with MSRB rules and other applicable regulations.

We believe our extensive experience with California municipalities, and strong understanding of local policy, legal, and market environments make us well-qualified to provide the services needed by the City. For the scope of services, professionals from our **Public Finance Group** will be assigned to provide municipal advisory services to the City. UFI provides additional services, including financial forecasting and fiscal assessment tools via our **Public Management Group**. A description of the three main UFI divisions is provided below:

Public Finance Group **("PFG")** provides municipal advisory services, debt analysis, financing plans, and access to capital markets for various transaction types, including Enterprise Revenue Bonds, General Obligation Bonds, Tax Increment financings, Real Property Leases, Equipment Leases, Land Secured Bonds, and Pension Obligation Bonds, as well as Public Private Partnerships (P3), and Enhanced Infrastructure Financing Districts (EIFDs). We help staff evaluate and implement various financing options for priority projects (including bonds, revolving lines of credit, and State and Federal loan programs) and refinancing opportunities. This group includes Isom Advisors, a division of UFI, that specializes in education financing.

Public Management Group[2] **("PMG")** provides in-depth and insightful analysis of our client's financial history and current position, revenue and expense structures, long-term liabilities and risks, and fiscal outlook through the use of custom financial models, long-term forecasts, and fiscal assessment tools that integrate a wide variety of econometric, financial and demographic data with key metrics, benchmarks and best practices. More importantly, the diversity and experience of our PMG team enable UFI to transform the financial data and analysis into actionable management information, reports and plans that provide specific recommendations, and strategies supported by the analytics that help our clients achieve their goals and objectives.

Analytics and Compliance Group[1] provides services related to post-issuance compliance, including continuing disclosure, arbitrage rebate, and CDIAC reporting compliance. UFI's Analytics & Compliance Group is dedicated to managing the comprehensive continuing disclosure and post-issuance compliance needs of our California clients. UFI has been providing continuing disclosure services since 1994, when the reporting requirements were first mandated. We currently serve over 200 California cities, enterprise districts, utilities, successor agencies, joint powers and financing authorities, school districts, and charter schools, with extensive experience providing disclosure reporting for various credit types, legal structures, and methods of sale.

[2] Non-Municipal Advisory Service

As the #1 ranked Municipal Advisory firm in California by number of deals (Source: SDC), our firm typically completes 100 or more financings each year. A full listing of transactions completed over the past three years is included in Appendix B.

Top Municipal Advisors for CA Municipal Bonds (January 1, 2020 - Present)

Rank	Firm	No. of Issues
1	**Urban Futures Inc**	**627**
2	Fieldman Rolapp & Associates	479
3	KNN Public Finance	364
4	PFM Financial Advisors LLC	290
5	Public Resources Advisory Group	206

Source: SDC Platinum (Thomson Reuters)

Our advisory team has deep experience with all the financing structures previously used by the City of Coachella, including general fund lease revenue bonds, certificates of participation, tax allocation bonds, private placements, special tax bonds, community facility district bonds, and water / wastewater revenue bonds. This deep level of activity provides us with up-to-date insight into market trends, challenges, and opportunities, which we believe significantly enhances the services we offer to our clients.

In addition to our core financing services, UFI offers clients integrated support for post-issuance compliance, long-term financial forecasting, fiscal sustainability planning, and pension liability strategies. Cities that engage us across multiple service areas benefit from the continuity, efficiency, and holistic understanding we bring by working closely with their full financial picture in mind.

Over the next 24 to 36 months, we understand the City may evaluate the feasibility of issuing or refunding debt for a variety of purposes, including water and sewer capital projects, and electric utility infrastructure. UFI has deep experience in each of these areas, and we have outlined our relevant expertise below to demonstrate how we are well positioned to support the City in these potential efforts.

General Fund Financings

Since 2020, the firm has closed 130 California financings secured by general fund revenues. Our general fund financing experience has included various structures, including real property lease transactions, pension obligation bonds, certificates of participation, equipment leases, new money transactions and refundings for cities, special districts, and school districts throughout the State. The team assigned has completed a number of recent general fund lease engagements for the Cities of Ontario, Lake Elsinore, Encinitas, and Orange and recently completed an inaugural lease transaction for the City of Eastvale.

Water and Wastewater Financings

The assigned team has broad experience assisting issuers across California with water and wastewater-related financings, as well as strategic advisory assignments. Recent relevant engagements include water and sewer financings for the Cities of Ontario, Beaumont, and Covina, along with transactions for Diablo Water District, Rowland Water District, Walnut Valley Water District, and the Water Replenishment District of Southern California. Additionally, Michael Busch is currently engaged by the Mission Springs Water District located in Desert Hot Springs exploring financing options related to Chrome 6 regulatory issues similar to those facing the city of Coachella.

Land Secured Financings

We offer deep and specialized experience in land-secured financing. In the past five years, UFI has closed more than $440 million in land secured bonds, ranking us as the third most active firm in California. Our experience spans a wide variety of developer types for CFDs, as well as assessment district financings. Notably, we have completed four utility undergrounding assessment district financings for the City of Newport Beach since 2020. In addition, we take an active role in monitoring outstanding bonds and keeping our clients apprised of possible refunding opportunities. For example, we recently completed multiple pooled CFD refundings for the Cities of Beaumont, Oceanside, and Lake Elsinore.

Our Experience with the City

We are honored to have served as the City of Coachella's municipal advisor for the past 19 years, providing strategic analysis, advising on more than $100 million in transactions, and assisting the City with post-issuance compliance. Our transaction work with the City during this time has spanned various credits including lease revenue bonds, water revenue bonds, tax allocation bonds, as well as community facility district bonds.

Case Studies

Below, we have highlighted specific project experience with Southern California cities completed in the last three years that we believe best demonstrates our capabilities. Notably, each of these projects was completed by staff who are assigned to the City's account, ensuring continuity of expertise and a direct connection to the work presented.

City of Ontario

UFI was engaged by the City of Ontario in 2023 via a competitive RFP process. Since January 2024, we have served as the City's MA on a lease revenue financing, three CFD financings, a water revenue financing, and four CFD formations. Through our work on the 2024 Water Revenue Bonds, we helped the City achieve an S&P rating upgrade to "AA+" from "AA." In addition, UFI is actively working with the City on four additional CFD formations for residential and industrial development projects in the Ontario Ranch area, which is expected to include 24,000 homes at buildout.

Most recently, UFI served as municipal advisor to the City on a $192.4 million lease revenue financing to fund various capital improvements, including offsite improvements for a new professional baseball stadium. Starting late last year, UFI began working with City staff and the financing team to evaluate various structuring options to minimize borrowing costs for the project, including reducing the need for capitalized interest, and maximizing the use of tax-exempt proceeds. Leading up to the bond issuance, UFI's Public Management Group was hired to prepare a financial forecast to help the City in assessing its overall fiscal health and to assist with determining cash flow capacity to fund its $1 billion CIP program over the next several years. The baseball stadium will be one component of the Ontario Regional Sports Complex, which is planned for 190 acres of top-tier athletic facilities, including 20 long fields, 14 youth diamond fields, 8 full-size diamonds, 4 football/rugby fields and 2 championship diamond fields.

The 2025 Lease Revenue Bonds were priced on April 29, 2025, and generated extremely strong demand, with over $1 billion in orders. As a result of the strong demand, the underwriter was able to reduce spreads on most maturities, resulting in an attractive true interest cost of 4.60%.

Looking ahead, UFI is supporting multiple upcoming financings related to the sports complex, including proposed financing for a 200,000-square-foot indoor sports facility that will further expand the City's recreational and community-serving infrastructure. UFI anticipates two financings related to these facilities in 2026 with a PAR value of $500 million.

City of Oceanside

UFI has been the City of Oceanside's municipal advisor since 2021, when we were engaged by a competitive RFP process. Over the past four years, we have assisted the City with various financing assignments including a water revenue bond refinancing, CFD formation, energy lease financing, and most recently a pooled CFD refunding. In addition, UFI has been providing ongoing financial analysis to the City as the explore options for constructing a new police headquarters facility.

In 2024, the UFI team, led by Michael Busch and Branden Kfoury, successfully assisted the City in refunding three of its prior CFD bond issues for the Morro Hills CFD and overlapping improvement area. In order to achieve economies of scale, the refunding utilized a pooled issuance through the Oceanside Public Financing Authority. The Morro Hills CFD is part of the Arrowood Community Development Plan, located on the northeastern edge of the City, which includes approximately 538 gross acres, divided into 11 residential villages, a golf course, and small "Village Center" commercial area. The prior bond issues included publicly sold and privately placed loans, which were subject to optional redemption without penalty. UFI worked with the underwriter to develop a credit strategy to highlight the District's strong value-to-lien, low delinquencies, strong local economy, and consistent growth in assessed values, resulting in a very strong "A+" underlying rating from S&P.

Despite volatile market conditions in November 2024 around the time of the presidential election, we were able to obtain competitive bond insurance bids and achieve a successful result that met the City's objectives. With the final pricing scale, the City achieved an all-in-true interest cost of 3.63% and net present value savings of 3.07%. Property

owners are expected to save about $340 annually on average as a result of the refunding through the remaining term of the bonds.

City of Encinitas

UFI was engaged by the City of Encinitas in 2024 via a competitive RFP process and currently provides both municipal advisory and post-issuance compliance services. For our first assignment, we served as municipal advisor on a $5.69 million lease revenue bond financing. Proceeds of the bonds were used to reimburse the City for the purchase of a 1.43-acre site located at the northeast corner of Coast Highway 101 and La Costa Avenue. A significant portion of the property contains environmental constraint areas including wetland vegetation and bluffs. These sensitive areas are considered protected environmental resources under the City's General Plan and Municipal Code and will be placed in an open space easement upon any future development of the two parcels.

UFI coordinated all aspects of the financing process and worked quickly to meet the City's timeline for completion. We coordinated with City staff to present the financing plan to the City Council at two meetings in March and April 2024. UFI also led the credit rating process, which resulted in affirmation of the City's top-notch "AAA" issuer rating and "AA+" appropriations rating. The bonds priced on April 24, 2024, and received strong investor demand, with $7.2 million in total orders (1.3x oversubscribed) across 19 unique accounts. Based on the strong order period, the underwriter reduced spreads on several maturities, resulting in a final TIC of 4.02%.

City of Lake Elsinore - Since 2014, UFI has provided Municipal Advisory Services to the City of Lake Elsinore on dozens of land secured financings, lease revenue bonds, tax allocation bonds, and private placements. Beyond transactional support, we have also acted as a strategic partner to the City — providing non-financing services such as long-term financial forecasting, pension and OPEB studies, Enhanced Infrastructure Financing District (EIFD) formation, Affordable Housing/AB 341 analysis, and broader economic development initiatives.

In 2022, UFI served as the municipal advisor on the City's issuance of $23.7 million of lease revenue bonds to finance construction costs of a new City Hall, which will further enhance the City's historic downtown and house City Council chambers, administrative office space, multi-purpose and retail space, and outdoor amenities with connection to the existing City Hall building. UFI worked with the City to explore various funding options and ultimately it was decided that issuing lease revenue bonds was the optimal method of financing. Because of inflationary fears as well as expected increases in interest rates, the City accelerated the financing. UFI worked expeditiously to put together a financing schedule and coordinate next steps. On 6/1, S&P upgraded the City's lease revenue bonds to "A+" from "A" as a result of the City's consistent economic growth and strong reserve levels. The lease revenue bonds closed in June 2022 at a favorable true interest cost of 4.57%. The timing of the transaction proved to be advantageous to the City, as yields rose by as much as 150 basis points across the curve in the following months.

City of Fullerton

UFI was engaged by the City of Fullerton via a competitive RFP process in 2020 and has served as municipal advisor on a number of financings since then. In addition to financing transactions, we have provided the City with post-issuance compliance services and pension-related financial analysis.

Most recently, in 2023, the City engaged UFI to assist with the formation of a Community Facilities District (CFD) for The Pines at Sunrise Village, a proposed 164-unit residential development. The developer petitioned the City to form a CFD and issue bonds in an amount not to exceed $9.5 million to finance public improvements, including streets, parks, and sewer infrastructure.

UFI was involved from the outset, beginning with a review of the City's adopted Local Goals and Policies. We also coordinated the distribution of RFPs to special tax consultants and bond/formation counsel, resulting in the engagement of qualified firms at competitive rates.

We served as the City's primary point of coordination with the developer and the broader formation team, managing meetings and aligning the financing process with the City's policy goals. The City Council adopted the Resolution of Formation in August 2023.

Construction on the project is currently underway, with model homes expected to open in Fall 2025. UFI is actively working with the City to evaluate the potential issuance of special tax bonds in Spring 2026.

City of Newport Beach

UFI has advised the City of Newport Beach on numerous assessment district financings since 2020. Most recently, we served as municipal advisor on the issuance of 2023 Limited Obligation Improvement Bonds for Assessment Districts No. 124 and No. 120-2. Assessment District No. 124 originally included 966 assessed parcels, while Assessment District No. 120-2 consisted of 44 parcels located within the City.

UFI managed the financing schedules for both transactions concurrently during a period of heightened market volatility driven by inflationary pressures and broader economic uncertainty. Both bond issues were successfully priced on the same day in July 2023 and attracted strong demand from both retail and institutional investors.

The AD124 Bonds were 9.2 times oversubscribed, allowing the underwriter to reduce yields by 7 basis points on the five serial bonds and 15 basis points on the 2038 and 2043 term bonds, resulting in a True Interest Cost (TIC) of 4.27%. For the AD120-2 Bonds, yields were improved by 3 to 5 basis points, producing a TIC of 4.41%.

UFI's management of both transactions ensured efficient execution and favorable pricing results, despite a challenging market environment.

City of Pasadena

In April 2025, UFI advised the City of Pasadena on the issuance of its $195 million General Obligation Bonds (Central Library Project), Series 2025. The bonds were offered via competitive sale and authorized by voters under Measure PL, which was approved in November 2024. Bond proceeds will fund a portion of the Central Library Seismic Retrofit and Renovations Project.

UFI worked closely with City staff to monitor market conditions and strategically timed the sale around both the economic release calendar and the forward municipal bond calendar. The bonds were assigned a "AAA" rating by Standard & Poor's on April 14, 2025. The Official Notice of Sale and Preliminary Official Statement were released on April 22, and UFI actively marketed the sale to underwriting desks to ensure broad visibility and strong participation.

Despite volatile market conditions, the bonds attracted strong demand, receiving 10 bids from underwriting firms. The winning bid offered a true interest cost (TIC) of 4.34%, narrowly ahead of the cover bid by approximately one basis point. After final sizing adjustments, the final TIC was reduced to 4.33%, outperforming the 4.42% estimate previously presented to City Council on April 7.

UFI is intentionally structured to support cities like Coachella—not just during bond issuance, but across the full spectrum of financial decision-making. As demonstrated through our prior work with the City, we provide comprehensive support throughout the bond issuance process, including assisting with the selection and procurement of key financing team members such as underwriters. Our municipal advisors and consultants bring diverse backgrounds across public finance disciplines, allowing us to offer the City a comprehensive blend of qualifications, insights, and resources. In addition, as noted above, we have decades of experience advising public agencies on a wide variety of debt instruments, from general fund-backed obligations to enterprise and land-secured financings.

Unmatched Experience with Coachella: No other municipal advisory firm has more experience working with the City of Coachella. Since 2007 we have advised the City on a broad range of financings and policy initiatives, developing deep institutional knowledge and strong working relationships with City staff. This long-standing partnership uniquely positions us to support the City with a full understanding of its financial goals, operational priorities, and policy considerations.

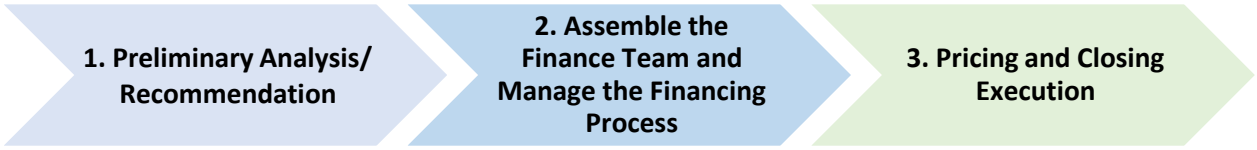
Technical Competence: We offer the technical depth needed to structure and evaluate a wide range of financing options, including nuanced and tailored credit structures. For General Fund-backed financings, we assist clients in developing long-term capital funding strategies and provide analysis of insured property values used for collateral. In the case of enterprise revenue credits, we work closely with clients to review rate studies and develop revenue forecasts that inform optimal funding plans. Post-issuance, we remain actively involved, helping clients manage and monitor their debt portfolios to ensure ongoing financial performance and compliance.

Credit Expertise: UFI has extensive experience presenting municipal credits to rating agencies and crafting compelling rating presentations that highlight the unique strengths of each issuer. Our deep involvement in Southern California has given us a thorough understanding of local economies, allowing us to effectively position our clients' credit profiles. By combining regional insight with a strong grasp of rating agency methodologies, we consistently help our clients achieve favorable rating outcomes.

Pricing Execution: The UFI team assigned to the City includes former public finance investment bankers with deep expertise in the underwriting and pricing of municipal securities. Our team actively monitors the municipal bond market to ensure optimal timing and pricing execution, even under challenging market conditions. We advocate for pricing strategies that balance competitiveness with investor demand, typically recommending that the underwriter pursue an aggressive approach targeting at least two times oversubscription. In addition to ensuring fair market spreads, UFI collaborates with underwriters to analyze alternative couponing, optional redemption features, and other structuring options, with the goal of achieving the lowest cost of capital and best terms for our clients.

APPROACH TO MUNICIPAL ADVISORY SERVICES

Our team is well-versed in all phases of the debt issuance process, from structuring and credit analysis to pricing, disclosure, and post-sale reporting. Across all engagements, UFI works closely with staff, legal counsel, underwriters, and other financing team members to ensure transactions are efficiently managed and tailored to meet each agency's policy goals and market conditions. Each financing undertaken by UFI begins with proper planning and extensive due diligence and ends with ongoing monitoring and administration. We are able to tailor our approach to fit the City's needs on each and every engagement. The scope of municipal advisory services we offer on transactions is built on three core phases, as summarized below.



Activity 1: Preliminary Analysis/Recommendation

In order to formulate effective and pragmatic recommendations, UFI takes the time to perform extensive due diligence, research, and preliminary analyses in order to understand the goals and priorities of our clients, as well as the economic and political challenges and opportunities our clients face in achieving those goals. Activity 1 involves a complete assessment of the client's needs and financial constraints. Where appropriate and requested by the client, this preliminary work may include preparation of a detailed finance plan for the capital project(s) involved in the financing (see below for details). During this period, UFI staff perform the following tasks:

- Schedule meetings or calls with staff to request all necessary data and discuss the needs and goals of the City.
- Undertake a funding analysis for the identified capital project(s) and **prepare a finance plan**.
- Identify and assist with strategies to mitigate risks of large public facilities projects.
- Analyze existing outstanding debt to determine parity test requirements, feasibility of refunding certain outstanding series of Bonds, and debt affordability.
- Review pension liabilities and existing policies.
- Assist with comprehensive credit analysis to determine the anticipated rating, preferred structure, and interest rate scale for the Bonds.
- Prepare a summary of cost of issuance
- Independently structure the financing and present results to the City.

Activity 2: Assemble the Finance Team and Manage the Financing Process

After an evaluation of financing options/alternatives, should it be determined that financing targets will be met through a bond issuance, UFI will begin work on the financing schedule and the implementation of the agreed upon financing strategy. UFI's scope of work during Activity 2 includes, but is not limited to, the following tasks:

- Assist in the selection of additional service providers, including, but not limited to, underwriter, bond counsel, disclosure counsel, appraiser, or trustee.
- Call, arrange, and lead working group meetings as appropriate.
- Develop the financing timetable.
- Monitor financing process and coordinate all activities of the financing team.
- Review all legal and financing documents on behalf of the City.
- Provide support to the City relating to financing documents, including preparation of staff reports and presentations.
- Compute Sizing and Structure of Debt Issue and verify cash flows from underwriters.
- Plan and Coordinate Presentations to Ratings Agencies
- Monitor market conditions to advise on timing of bond offering.

Activity 3: Pricing and Closing Execution

UFI offers extensive expertise in the pricing and marketing of municipal securities, as noted previously. Generally, our approach is to recommend that the underwriter employ an aggressive pricing strategy (aiming for approximately 2 times oversubscription) to achieve the best possible pricing for our clients. We will work to ensure the best possible result for the City, without risk of diminishing investor participation, and provide post issuance analysis. UFI's scope of work during Activity 3 includes, but is not limited to, the following tasks:

- Monitor and track comparable transactions
- Analyze alternative couponing and optional redemption strategies
- Evaluate use of bond insurance
- In a competitive sale, prepare and market bid documents, advise on timing of sale, and evaluate bids
- Assist with negotiated sale, including advice regarding retail order periods and institutional marketing, analysis of comparable bonds and secondary market data, verify cash flow calculations, and serve as Pricing Advisor
- Prepare and coordinate bond closings

B. Cost Proposal

UFI is available for as-needed services on an hourly basis for research, analysis, Capital Improvement Program funding planning, and development of funding options and recommendations. Below are the hourly rates of proposed positions.

UFI's Hourly Fee Schedule	
Chief Strategy Officer	$325
Managing Director/Director	$300
Associate/Analyst	$175

Municipal Advisor Fees

For municipal advisory financing assignments, UFI proposes flat fees based on the par amount of the bonds, as summarized in the table below. Our fees for municipal advisory services are contingent upon closing and are inclusive of out-of-pocket expenses such as travel, data recovery, third party data fees, and internal compliance requirements.

UFI's Proposed Municipal Advisory Fees	
Par Amount	**Fee**
< $25 million	$50,000
$25 million - $100 million	$65,000
> $100 million	$75,000
Private Placements	$33,500

Given that working with the City is of highest priority to our firm, we are open to negotiating our fees should the City find it necessary.

Fees for municipal advisory services will be assessed according to the fee table provided, based on the par amount of the bonds. Our fee structure applies consistently across various types of transactions, including general obligation bonds, refundings, and special district financings. All fees are contingent upon successful closing and inclusive of out-of-pocket expenses.

Appendix A: Professional Resumes – UFI Team Members



MICHAEL BUSCH

Chief Strategy Officer

CONTACT
1470 Maria Lane, Suite 315,
Walnut Creek, CA 94596
TEL: (714) 923-3541
Michaelb@urbanfuturesinc.com

EDUCATION
M.P.A. – Finance and Public Works
Cal State University, Long Beach

B. A., Urban and Regional Planning
Cal State Polytechnic University, Pomona

PROFESSIONAL AFFILIATIONS
Innovating Commerce Serving Communities (ICSC)
California Society of Municipal Finance Officers (CSMFO)
Past President – Municipal Management Association of Southern California (MMASC)
Past Chair – Cal-ICMA

Profile
Michael is a seasoned municipal executive and public finance professional with 30 years in public finance with the last 18 years at UFI, where he served as owner and Chief Executive Officer before becoming Chief Strategy Officer. His career includes senior leadership roles as Assistant City Manager and Finance Director, guiding public agencies with strategic fiscal management and operational leadership. Michael has advised cities, special districts, and nonprofits across California, helping them identify emerging trends, navigate complex policy issues, share best practices, and advance their missions through sound fiscal and economic strategies. Over his career, he has structured and managed more than $5 billion in tax-exempt and taxable debt, including lease revenue bonds/COPs, water and wastewater revenue bonds, pension obligation bonds, tax allocation bonds, CFD and assessment district bonds, and New Market Tax Credits. Recognized for linking prudent fiscal policies with economic development objectives, Michael has helped deliver numerous high-priority projects for communities statewide. His current and recent clients include the Water Replenishment District of Southern California, Walnut Valley Water District, and the Cities of Eastvale, Ontario, San Jacinto, Pomona, Oceanside, Azusa, Banning, Beaumont, Lake Elsinore, and Menifee.

Relevant Project Experience
- City of Ontario – Lease Revenue Bonds, Water Revenue Bonds, Private Activity Financing, CFD Bonds
- Lake Elsinore – CFD Bonds, City Hall Project, Joint Venture Economic Development Financing
- City of Beaumont – CFD Bonds, Wastewater Bonds
- Water Replenishment District – 2025 Refunding Bonds
- City of Eastvale - 2025 Lease Revenue Bonds



BRANDEN KFOURY

Director

CONTACT
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Walnut Creek, CA 94596
Tel: (714) 923-3560
brandenk@urbanfuturesinc.com

EDUCATION
BS, Finance
New York University

PROFESSIONAL AFFILIATIONS
California Society of Municipal Finance Officers (CSMFO)

Profile

Branden Kfoury joined Urban Futures in 2019. He has worked on a variety of debt offerings for cities and special districts in California including, but not limited to utility revenue bonds, general obligation bonds, lease revenue bonds, CFD and assessment district bonds, as well as tax allocation bonds. Mr. Kfoury has extensive experience in all aspects of the bond financing process and excels at providing value-added debt structuring, credit, and quantitative analysis. Previously, Mr. Kfoury worked as a Senior Associate at Fieldman, Rolapp & Associates where he supported the firm's city and special district clients. Mr. Kfoury has held prior roles in public finance investment banking, bond insurance, as well as in the technology industry. He graduated Cum Laude from New York University with a Bachelor of Science degree in Finance and a minor in Politics. Mr. Kfoury is a candidate in the CFA Program and passed the Level I Exam in May 2025.

Relevant Project Experience

- City of Encinitas – Lease Revenue Bonds
- City of Pasadena – General Obligation Bonds (Historic Library Renovation Project)
- City of Newport Beach – Assessment District Bonds
- City of Eastvale - Project Planning & MA Services for Civic Center Facility
- City of Beaumont - Project Planning & MA Services for New Police Facility
- City of Fullerton – CFD Refundings, tax allocation bonds, and CFD Formation



WING-SEE FOX

Managing Director

CONTACT
1470 Maria Lane, Suite 315,
Walnut Creek, CA 94596
TEL: (650) 503-1500
wingseef@urbanfuturesinc.com

EDUCATION

MBA
Columbia Business School

MSW
Columbia University School of Social Work

BA, Psychology
Stanford University

PROFESSIONAL AFFILIATIONS

Women in Public Finance (WIP)
Asian Americans in Public Finance (AAPF)
California Society of Municipal Finance Officers (CSMFO) Communications Committee
Class of 2015 LeaderSpring Fellow

Profile

Wing-See Fox is the Series 54 Municipal Advisor Principal of UFI and leads the Public Finance Group. Wing-See has over a decade of experience in the fields of municipal advising, public finance, and municipal securities. She has worked on over $3 billion in municipal debt offerings for cities and special districts in California including lease revenue bonds and certificates of participation. She has recently executed lease transactions for the Cities of Claremont, South San Francisco, Orange, Atherton, the Town of Apple Valley, and Cosumnes Community Services District. Wing-See excels in gaining a thorough understanding of credits, validating assumptions in financial projections, and structuring bond transactions to meet the needs of the issuer while maximizing credit strength and marketability to investors. She has extensive experience developing credit presentations geared towards the criteria of rating agencies in order to achieve the highest possible ratings. Prior to becoming a municipal advisor, Wing-See was a public finance investment banker, having worked at Raymond James Public Finance in San Francisco and UBS Investment Bank in New York.

Relevant Project Experience

- City of Watsonville – 2025 Lease Revenue Bonds
- City of Goleta – 2025 Lease Revenue Bonds & Transportation Sales Tax Bonds
- Cosumnes Community Services District – 2022 Certificates of Participation
- City of South San Francisco – 2022 Lease Revenue Bonds
- City of Pismo Beach – 2024 Lease Revenue Bonds (Public Safety Facility Project)
- City of Manteca – 2025 CFD Bonds

Appendix B: Regulatory Disclosures

Disclosure of Conflicts of Interest and Legal or Disciplinary Events. Pursuant to Municipal Securities Rulemaking Board ("MSRB") Rule G-42, on Duties of Non-Solicitor Municipal Advisors, Municipal Advisors are required to make certain written disclosures to clients and potential clients which include, amongst other things, Conflicts of Interest and any Legal or Disciplinary events of Urban Futures, Inc. ("UFI") and its associated persons.

Conflicts of Interest. Compensation. UFI represents that in connection with the issuance of municipal securities, UFI may receive compensation from an Issuer or Obligated Person for services rendered, which compensation is contingent upon the successful closing of a transaction and/or is based on the size of a transaction. Consistent with the requirements of MSRB Rule G-42, UFI hereby discloses that such contingent and/or transactional compensation may present a potential conflict of interest regarding UFI's ability to provide unbiased advice to enter into such transaction. This conflict of interest will not impair UFI's ability to render unbiased and competent advice or to fulfill its fiduciary duty to the Issuer.

It should be noted that other forms of compensation (i.e., hourly, or fixed fee based) may also present a potential conflict of interest regarding UFI's ability to provide advice regarding a municipal security transaction. These other potential conflicts of interest will not impair UFI's ability to render unbiased and competent advice or to fulfill its fiduciary duty to the Issuer.

Other Municipal Advisor Relationships. UFI serves a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interests of another UFI client. These other clients may, from time to time and depending on the specific circumstances, have competing interests. In acting in the interests of its various clients, UFI could potentially face a conflict of interest arising from these competing client interests. UFI fulfills its regulatory duty and mitigates such conflicts through dealing honestly and with the utmost good faith with its clients.

If UFI becomes aware of any additional potential or actual conflict of interest after this disclosure, UFI will disclose the detailed information in writing to the issuer or obligated person in a timely manner.

Legal or Disciplinary Events. UFI does not have any legal events or disciplinary history on UFI's Form MA and Form MA-I, which includes information about any criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations, and civil litigation. The Issuer may electronically access UFI's most recent Form MA and each most recent Form MA-I filed with the Commission at the following website: www.sec.gov/edgar/searchedgar/companysearch.html.
There have been no material changes to a legal or disciplinary event disclosure on any Form MA or Form MA-I filed with the SEC. If any material legal or regulatory action is brought against UFI, UFI will provide complete disclosure to the Issuer in detail allowing the Issuer to evaluate UFI, its management and personnel

STAFF REPORT
February 11, 2026

TO: Honorable Mayor and City Council Members

FROM: Lincoln Bogard, Finance Director
Bill Pattison, City Manager

SUBJECT: Resolution No. 2026-11, Resolution WA-2026-01, Resolution SD-2026-01, and Resolution SA-2026-01 Approving a Professional Services Agreement for with Urban Futures, Inc. to Provide Continuing Disclosure and Post-Issuance Compliance Services with a Total Five Year Not To Exceed Amount of $92,500 Distributed between the City of Coachella, the Coachella Water Authority, the Coachella Sanitary District, and the Successor Agency to the Coachella Redevelopment Agency

STAFF RECOMMENDATION:

Staff recommends that the City Council and associated Boards of Directors approve Resolution 2026-11, Resolution WA-2026-01, Resolution SD-2026-01, and Resolution SA-2026-01, approving a agreement with Urban Futures, Inc. to provide continuing disclosure and post-issuance compliance services for debt with a total five-year not to exceed amount of $92,500.

BACKGROUND:

Municipal agencies are required to submit annual continuing disclosure reporting and have post-debt-issuance compliance that is also required. Most municipalities contract with a municipal financial advisor for these services.

DISCUSSION/ANALYSIS:

Urban Futures has been providing continuing disclosure services since 1994, when the reporting requirements were first mandated. They currently serve over 200 California cities, enterprise districts, successor agencies, joint powers and financing authorities, school districts, and charter schools. The current covered debt obligations for this agreement are in the table on the following page. This agreement may be amended to add any future debt issuances the City or any related entity may enter.

Type of Issuance or Debt Obligation	Amount	Final Maturity	Annual Disclosure Reporting	Annual Report Date	Tax Status	Annual CDIAC Filings
CITY OF COACHELLA						
2008A Gas Tax Revenue Certificates of Participation[1]	$14,655,000	06/01/2038	Yes[1]	March 31	Tax-Exempt	-
2015A Wastewater Revenue Refunding Bonds	$4,260,000	04/01/2035	Yes	March 31	Tax-Exempt	-
2016 Lease Revenue Bonds	$12,150,000	06/01/2046	Yes	March 1	Tax-Exempt	-
2019 Gas Tax Revenue Refunding Bonds	$4,775,000	06/01/2038	Yes	March 31	Tax-Exempt	Yes
2020 Pension Obligation Bonds	$17,590,000	07/01/2035	Yes	March 31	Taxable	Yes
2022A Water Revenue Refunding Bonds	$4,895,000	08/01/2048	Yes	March 31	Tax-Exempt	Yes
2022B Water Revenue Refunding Bonds	$6,225,000	08/01/2032	Yes	March 31	Tax-Exempt	Yes
2023 Equipment Lease Financing[2]	$7,257,601	11/01/2043	Yes[2]	March 27	-	Yes
COACHELLA SUCCESSOR AGENCY						
2013 Subordinate Tax Allocation Bonds	$5,275,000	09/01/2028	Yes	February 15	Tax-Exempt	-
2014 Subordinate Tax Allocation Bonds	$9,250,000	09/01/2034	Yes	February 15	Tax-Exempt	-
2016A Tax Allocation Refunding Bonds	$14,935,000	09/01/2036	Yes	February 15	Tax-Exempt	-
2016B Tax Allocation Refunding Bonds	$9,690,000	09/01/2036	Yes	February 15	Taxable	-

[1]Bonds refunded on October 24, 2019, by the 2019 Gas Tax Revenue Refunding Bonds. Under terms of the Continuing Disclosure Agreement, annual reporting is still required as long as City of Indio's share of Certificates of Participation are outstanding.
[2]Private placement requiring dissemination of financials and CDIAC filings only.

ALTERNATIVES:

1. Approve the action.
2. Do not approve the action.

FISCAL IMPACT:

The overall five-year cost is for a not to exceed amount of $92,500. However, these services cover issuances not only of the City of Coachella, but also the Successor Agency to the Coachella Redevelopment Agency, the Coachella Water Authority, and the Coachella Sanitary District. The annual and five-year total costs are below and have been budgeted at prior year costs:

Estimate of Costs By Agency	Bond Amount	# of Reports	Cost per Year	5-Year Total Cost
City of Coachella	$ 56,427,601.00	3.67	$ 5,269.04	$ 26,345.19
Coachella Water Authority	$ 11,120,000.00	2.67	$ 3,833.33	$ 19,166.67
Coachella Sanitary District	$ 4,260,000.00	1.67	$ 2,397.63	$ 11,988.14
Subtotal	$ 71,807,601.00	8.01	$ 11,500.00	$ 57,500.00
Successor Agency to the Coachella Redevelopment Agency	$ 39,150,000.00	4.00	$ 7,000.00	$ 35,000.00
Subtotal	$ 39,150,000.00	4.00	$ 7,000.00	$ 35,000.00
Grand Total	$ 110,957,601.00	12.01	$ 18,500.00	$ 92,500.00

Attachments:
Resolution 2026-11
Resolution WA-2026-01
Resolution SD-2026-01
Resolution SA-2026-01
Proposal to Provide Continuing Disclosure and Post-Issuance Compliance Services

RESOLUTION NO. 2026-11

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COACHELLA, CALIFORNIA, APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH URBAN FUTURES, INC. WITH A NOT TO EXCEED AMOUNT OF $26,345.19

WHEREAS, the Approval of Agreement Between the City of Coachella and Urban Futures, Inc. is to provide continuing disclosure and post-issuance compliance services for debt; and

WHEREAS, municipal agencies are required to submit annual continuing disclosure reporting and have post-debt-issuance compliance that is also required; and

WHEREAS, most municipalities contract with a municipal financial advisor for these services; and

WHEREAS, Urban Futures has been providing continuing disclosure services since 1994, when the reporting requirements were first mandated and they currently serve over 200 California cities, enterprise districts, successor agencies, joint powers and financing authorities, school districts, and charter schools; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Coachella as follows:

Section 2. Adopt Resolution No. 2026-11 Approving a Professional Services Agreement to provide continuing disclosure and post-issuance compliance services for debt with Urban Futures, Inc.

Section 3. Authorize the City Manager to make any non-substantive changes to the contract as may be recommended by City Attorney and agreed to by Urban Futures.

PASSED, APPROVED and **ADOPTED** this 11th day of February 2026.

_____

Steven A. Hernandez
Mayor

ATTEST:

_____
Angela M. Zepeda
City Clerk

APPROVED AS TO FORM:

BEST, BEST & KRIEGER

_____
City Attorney

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF COACHELLA)

I HEREBY CERTIFY that the foregoing Resolution No. 2026-11 was duly adopted by the City Council of the City of Coachella at a regular meeting thereof, held on the 11th day of February 2026, by the following vote of Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Delia Granados
Deputy City Clerk

RESOLUTION NO. WA-2026-01

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE COACHELLA WATER AUTHORITY, COACHELLA, CALIFORNIA, APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH URBAN FUTURES, INC. WITH A NOT TO EXCEED AMOUNT OF $19,166.67

WHEREAS, the Approval of Agreement Between the Coachella Water Authority and Urban Futures, Inc. is to provide continuing disclosure and post-issuance compliance services for debt; and

WHEREAS, municipal agencies are required to submit annual continuing disclosure reporting and have post-debt-issuance compliance that is also required; and

WHEREAS, most municipalities contract with a municipal financial advisor for these services; and

WHEREAS, Urban Futures has been providing continuing disclosure services since 1994, when the reporting requirements were first mandated and they currently serve over 200 California cities, enterprise districts, successor agencies, joint powers and financing authorities, school districts, and charter schools; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Coachella Water Authority as follows:

Section 2. Adopt Resolution No. WA-2026-01 Approving a Professional Services Agreement to provide continuing disclosure and post-issuance compliance services for debt with Urban Futures, Inc.

Section 3. Authorize the City Manager to make any non-substantive changes to the contract as may be recommended by City Attorney and agreed to by Urban Futures.

PASSED, APPROVED and **ADOPTED** this 11th day of February 2026.

_____

Steven A. Hernandez
President

ATTEST:

_____
Angela M. Zepeda
Secretary

APPROVED AS TO FORM:

BEST, BEST & KRIEGER

_____
Authority Attorney

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF COACHELLA)

I HEREBY CERTIFY that the foregoing Resolution No. WA-2026-01 was duly adopted by the Board of Directors of the Coachella Water Authority at a regular meeting thereof, held on the 11th day of February 2026, by the following vote of the Board:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Delia Granados
Deputy City Clerk

RESOLUTION NO. SD-2026-01

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE COACHELLA SANITARY DISTRICT, COACHELLA, CALIFORNIA, APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH URBAN FUTURES, INC. WITH A NOT TO EXCEED AMOUNT OF $11,988.14

WHEREAS, the Approval of Agreement Between the Coachella Sanitary District and Urban Futures, Inc. is to provide continuing disclosure and post-issuance compliance services for debt; and

WHEREAS, municipal agencies are required to submit annual continuing disclosure reporting and have post-debt-issuance compliance that is also required; and

WHEREAS, most municipalities contract with a municipal financial advisor for these services; and

WHEREAS, Urban Futures has been providing continuing disclosure services since 1994, when the reporting requirements were first mandated and they currently serve over 200 California cities, enterprise districts, successor agencies, joint powers and financing authorities, school districts, and charter schools; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Coachella Sanitary District as follows:

Section 2. Adopt Resolution No. SD-2026-01 Approving a Professional Services Agreement to provide continuing disclosure and post-issuance compliance services for debt with Urban Futures, Inc.

Section 3. Authorize the City Manager to make any non-substantive changes to the contract as may be recommended by City Attorney and agreed to by Urban Futures.

PASSED, APPROVED and **ADOPTED** this 11th day of February 2026.

_____

Steven A. Hernandez
President

ATTEST:

_____
Angela M. Zepeda
Secretary

APPROVED AS TO FORM:

BEST, BEST & KRIEGER

_____
Authority Attorney

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF COACHELLA)

I HEREBY CERTIFY that the foregoing Resolution No. SD-2026-01 was duly adopted by the Board of Directors of the Coachella Sanitary District at a regular meeting thereof, held on the 11th day of February 2026, by the following vote of the Board:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Delia Granados
Deputy City Clerk

RESOLUTION NO. SA-2026-01

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE COACHELLA REDEVELOPMENT AGENCY, COACHELLA, CALIFORNIA, APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH URBAN FUTURES, INC. WITH A NOT TO EXCEED AMOUNT OF $35,000

WHEREAS, the Approval of Agreement Between the Successor Agency to the Coachella Redevelopment Agency and Urban Futures, Inc. is to provide continuing disclosure and post-issuance compliance services for debt; and

WHEREAS, municipal agencies are required to submit annual continuing disclosure reporting and have post-debt-issuance compliance that is also required; and

WHEREAS, most municipalities contract with a municipal financial advisor for these services; and

WHEREAS, Urban Futures has been providing continuing disclosure services since 1994, when the reporting requirements were first mandated and they currently serve over 200 California cities, enterprise districts, successor agencies, joint powers and financing authorities, school districts, and charter schools; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Successor Agency to the Coachella Redevelopment Agency as follows:

Section 2. Adopt Resolution No. SA-2026-01 Approving a Professional Services Agreement to provide continuing disclosure and post-issuance compliance services for debt with Urban Futures, Inc.

Section 3. Authorize the City Manager to make any non-substantive changes to the contract as may be recommended by City Attorney and agreed to by Urban Futures.

PASSED, APPROVED and **ADOPTED** this 11th day of February 2026.

_____

Steven A. Hernandez
President

ATTEST:

_____
Angela M. Zepeda
Secretary

APPROVED AS TO FORM:

BEST, BEST & KRIEGER

_____
Authority Attorney

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF COACHELLA)

I HEREBY CERTIFY that the foregoing Resolution No. SA-2026-01 was duly adopted by the Board of Directors of the Successor Agency to the Coachella Redevelopment Agency at a regular meeting thereof, held on the 11th day of February 2026, by the following vote of the Board:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Delia Granados
Deputy City Clerk

STAFF REPORT
February 11, 2026

TO: Honorable Mayor and City Council Members

FROM: William B. Pattison, Jr., City Manager
Ryan Baron & Glen Price, City Attorney's Office, BBK

SUBJECT: Approve Municipal Utility Development Agreement with Coachella Valley Power Services, LLC for Implementation of the City's Municipal Electric Utility

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RECOMMENDATION

1. Staff recommends the City Council approve a Municipal Utility Development Agreement with Coachella Valley Power Services, LLC for implementation of the City's Municipal Electric Utility and authorize the City Manager to execute the agreement in substantially similar form as approved by the City Attorney.

2. Staff recommends the City Council find the Municipal Utility Development Agreement does not constitute a project within the meaning of the California Environmental Quality Act.

BACKGROUND

On July 31, 2019, the City Council adopted Resolution 2019-62 establishing a municipal utility to provide electric and gas service to certain new development and under-served development areas (Development Area) within the City's municipal boundaries, and authorizing the City Manager to take all necessary steps to create and establish the municipal utility and evaluate the areas and manner for providing service as a publicly-owned utility. The Development Area includes the Economic Development Zone, which consists of the Auto-Wrecking Zone and Industrial Zone, where initial load is projected to increase rapidly due to prospective cannabis, industrial, and data center interests. The Development Area and Economic Development Zone are in the eastern portion of the City. The City has subsequently been exploring options to ensure residents and businesses in this area receive cost-effective utility services that meet federal and state standards and can accommodate anticipated future load growth.

On June 12, 2024, the City Council received and filed a feasibility study for municipal electric service to the Development Area. The feasibility study was prepared by EES Consulting and concluded that service to the Development Area is feasible and beneficial to the City's electric customers when growth occurs in those areas. Concurrent with receiving this study, the City Council unanimously approved the issuance of a Request for Information and a Request for Proposals for a public-private partnership for implementation of the City's municipal electric utility within the Development Area.

On October 22, 2024, consistent with Government Code section 5956.5 *et seq.* provisions for infrastructure financing by third parties, the City issued a Request for Qualifications for Public-Private Partnership Development Team for Implementation of Energy Delivery System for Municipal Electric Utility (RFQ) to three potential proposers. The City received statements of qualifications from the three potential proposers on December 6, 2024 and thereafter determined based on its review of the statements that all potential proposers were qualified to proceed to the next stage of the solicitation process. On January 31, 2025, the City issued a Request for Proposals for Public-Private Partnership Development Team for Implementation of Energy Delivery System for Municipal Electric Utility (RFP) and on March 3, 2025 received three proposals from the qualified proposers. On May 7, 2025, the City Council approved the issuance of a Notice of Intent to Award and Agreement to Stronghold Power System, Inc. (SPSI) and authorized the City Manager to negotiate a public-private partnership agreement.

The City Manager and City Attorney's office have been actively refining the development plan for the Coachella Municipal Utility and negotiating a development agreement that would implement the initial phase of the City's utility.

DISCUSSION

The Master Utility Development Agreement (Agreement) provides a roadmap pursuant to which Coachella Valley Power Services, LLC (Provider), a subsidiary of SPSI, will act as the turnkey provider for the development and operation of the first phase of the Coachella Municipal Utility (CMU). Phase 1 of the CMU will include the permitting and infrastructure to provide electrical power to a data center based technology campus in the greenfield area of the eastern portion of the City. The area included within Phase 1 is referred to as the New Municipal Phase 1 Area or "NMU." An optional Phase 2 may be developed at the City's discretion to broaden electric service to the larger Development Area not currently served by the Imperial Irrigation District (IID).

Pursuant to the Agreement, the Provider will implement a Project Infrastructure Plan within the NMU that includes the design and construction of substations, electrical transmission, distribution facilities and local microgrids that will serve both base load and backup power for data center customers. The microgrids will cover approximately 20% of the anticipated load with battery storage and fuel cells, with the remainder of the energy being procured from regional sources of energy generation and imported through IID transmission in reliance on IID's federal Open Access Transmission Tariff as required by the Federal Energy Regulatory Commission (FERC). Once the Project Infrastructure Plan has been implemented and agreements have been signed by the CMU with data center customers for electrical service, Provider will through a potential lease structure operate and maintain the CMU infrastructure, take primary responsibility for the procurement of energy and other regulatory compliance products required under California law, such as renewable energy and resource adequacy, and manage energy regulatory matters in cooperation with CMU staff.

Provider is taking responsibility for arranging the equity capital and financing necessary for the development of the CMU as a private partner of the City and is solely at risk for this financing

during the development and construction of the project. Once the CMU becomes operational, then revenues received from the operation of the CMU will be placed in a lockbox to pay all expenses of the CMU, repay the Provider financing, provide a revenue share for the City in accordance with applicable law, and then any excess revenue will be distributed to the Provider as compensation for its services. The City and CMU will work with Provider for the City Council to set rates for electrical service within the CMU to cover all of the foregoing requirements in accordance with Proposition 26 and other laws. Ultimately, however, the Provider is responsible for any shortfall in revenue as the turnkey provider of utility services. The only liability of the City during the Development Period will be to cover its own costs with respect to staff, legal counsel and consultants who are involved in the permitting process and conducting oversight of Provider efforts.

The Agreement organizes the obligations of Provider into two phases of development. Phase 1 consists of three periods of development: (1) the design and permitting process (also referred to as the Development Period), (2) the construction process (also referred to as the Construction Period), and (3) the operation and maintenance of the CMU operations in the NMU following the commencement of operations. During each of these periods, the Provider has specific obligations to the City to provide services in furtherance of the CMU. During the Development Period, Provider will go through the permitting process and establish an interconnection to import power for CMU operations, which will require applications, discussions and cooperation with IID. There are a number of assumptions that represent the conditions precedent for the financial and operational viability of the project that must be met during this period in order for the CMU to proceed. A key factor will be sufficient commercial interest in a 240 acre technology campus serving a minimum load of 270 MW of energy.

Once the Development Period has been completed and the City has given a notice to proceed, the Provider will construct the project infrastructure necessary for the CMU in accordance with the Project Infrastructure Plan.

Upon completion of the Project Infrastructure Plan, the Provider will move forward with the operation of the CMU on a day to day basis under the direction of the City as the utility through CMU personnel. A working group will be created made up of Provider and City personnel that will meet regularly to discuss project development status, ratesetting, energy risk management and oversight, and other matters, with recommendations to the City Council as the governing and ratesetting body of the CMU.

Once Phase 1 of the technology campus has been completed and is operating successfully within the NMU, there is a process to expand the campus to Phase 2, at the City's discretion, depending on commercial interest and financial feasibility, which will include an approximate doubling of the CMU electrical load.

The term of the Agreement is 20 years following the commencement of operations of the CMU with the potential for a mutually agreed extension for two additional 5 year terms. This term is necessary to provide sufficient time for the Provider to recoup its investment in the CMU and earn a reasonable rate of return. Upon completion of the term, all infrastructure and other assets owned or leased by the Provider will revert to the City at no charge.

In anticipation of implementation, the City and SPSI have begun coordinating with IID. IID has an obligation under federal law as a transmission owner through its Open Access Transmission Tariff to provide non-discriminatory, comparable access to its grid facilities with the City as a publically owned utility being an "eligible customer." The City has submitted an application for network integration transmission service that initiates a transmission study process and allows the CMU as a network customer and retail service provider to serve the data center customer load and anticipated future load. IID also has a duty under federal law as a Balancing Authority (BA) to ensure generation-load balance within its BA area and meet reliability standards that the CMU will need to comply with through schedule coordination.

The City has also notified the California Energy Commission of its formation as the agency regulates certain compliance aspects of publically owned utilities. The City will also notify other governing federal and state agencies and file required reports and meet compliance obligations, through Provider, when required and upon such time as it begins to serve load.

RECOMMENDATION

Staff recommends the City Council approve a Municipal Utility Development Agreement with Coachella Valley Power Services, LLC for implementation of the City's Municipal Electric Utility and authorize the City Manager to execute the agreement in substantially similar form as approved by the City Attorney. Staff further recommends the City Council find the Development Agreement does not constitute a project within the meaning of the California Environmental Quality Act (CEQA).

NEXT STEPS

Upon approval by the City Council, the City Manager will finalize the Development Agreement and work with Coachella Valley Power Services, LLC on the financing and design of the project. Upon final design and other project details, the final CEQA documents will be brought to the City Council for consideration prior to further development moving forward. The City Council will be provided material updates and other agenda items, including ratesetting, as the CMU develops.

ENVIRONMENTAL ASSESSMENT

The approval of the Development Agreement does not constitute a project within the meaning of CEQA as it does not result in any direct or reasonably foreseeable indirect physical change in the environment. Coachella Valley Power Services, LLC will be responsible for performing all required CEQA analysis prior to the implementation of any project on behalf of the City. The City will be the lead agency under CEQA and will consider certification of the project. The Project Infrastructure Plan will be developed during the Development Period of Phase 1 and is not yet known in sufficient detail to allow for the completion of "meaningful environmental assessment" such that undertaking environmental review would be premature under CEQA Guidelines section 15004. Nothing in the Development Agreement constitutes a commitment by the City to issue further project approvals or otherwise restricts the City's ability to impose feasible mitigation measures, or consider or adopt feasible alternatives as part of the CEQA

process. The City retains full discretion to consider the final environmental certification and then approve the project, disapprove it, or require additional mitigation measures.

FISCAL IMPACT

Coachella Valley Power Services, LLC as the turnkey Provider is responsible for all costs, financing, and equity capital associated with the Development Agreement. The City is responsible for its internal staff costs and legal and consultant review anticipated to be approximately $500,000 over Phase 1 of the development.

ATTACHMENTS

1. Municipal Utility Development Agreement

MUNICIPAL UTILITY DEVELOPMENT AGREEMENT

THIS MUNICIPAL UTILITY DEVELOPMENT AGREEMENT ("***Agreement***"), dated as of February [__], 2026 (the "***Effective Date***"), is entered into by and between the City of Coachella, a municipal corporation and general law city, hereinafter referred to as the "***City***," and Coachella Valley Power Services, LLC, a California limited liability company, sometimes hereinafter referred to as "***Provider***". City and Provider are hereinafter sometimes referred to individually as a "***Party***" and together as "***Parties***".

RECITALS

A. The Coachella City Council adopted Resolution No. 2019-62 authorizing the formation of a municipally owned electric utility ("***CMU***") for the purpose of providing electrical power to greenfield areas in the Eastern portion of the City ("***Greenfield Service Area***") that lack the necessary facilities and energy infrastructure needed for commercial and industrial development.

B. Imperial Irrigation District ("***IID***") provides limited electrical service within the Greenfield Service Area, but for various reasons and financing limitations, this service is not sufficient to support the level of economic development envisioned by the City to attract and incentivize growing energy intensive industries such as data centers and technology driven industries. The purpose of the CMU is to establish a new utility that can be responsive and flexible to meet the City's energy needs on the Eastside.

C. The City issued that certain Request for Proposals for Public-Private Partnership Development Team for Implementation of Energy Delivery System for Municipal Electric Utility on January 31, 2025 ("***RFP***"). The purpose of the RFP was to identify a private partner who could bring the capital investment and development expertise necessary to jump start the City's effort to develop electrical infrastructure for the CMU and thereafter operate and expand this infrastructure to serve the commercial and industrial energy demand of CMU customers pursuant to a turn-key service provider agreement with CMU.

D. Stronghold Power Systems, Inc. ("***SPSI***"), responded to the RFP and was selected to negotiate a public-private partnership agreement on May 7, 2025. SPSI's proposal coupled energy infrastructure development with the development of significant customer load in the form of a technology campus to be developed in phases and to include anchor tenants operating data centers with an immediate need for electrical service. The combination of energy demand and a commitment to infrastructure to meet that demand is critical to the success of the SPSI proposal and the economic development of the City. SPSI has formed and owns a majority interest in Provider as a project entity that will be responsible for the development and operation of the CMU.

E. The City desires to engage Provider as its private development partner and turn-key operator for the CMU within the area designated as the New Municipal Utility Phase 1 Area which is shown on the map attached hereto as ***Exhibit "A"*** ("***NMU***"). It is contemplated that the NMU may be expanded to incorporate a second stage within property that is adjacent to the NMU within the unincorporated County of Riverside subject to the success of the phase 1 development.

F. As part of the engagement of Provider pursuant to this Agreement, Provider will provide the following services: (i) site permitting for phase 1 of the technology campus within the NMU and design and permitting for the electrical infrastructure to serve the NMU; (ii) the construction of all electrical infrastructure necessary for the CMU to act as the load serving entity for the NMU, all of which electrical infrastructure will be either be transferred or leased to the CMU following construction (with any lease

being a financing vehicle with eventual ownership transferred to the CMU at the end of the Term); (iii) the management of energy procurement and contracting for the CMU to serve load within the NMU, including interconnections with IID and Southern California Edison ("***SCE***") pursuant to existing open access transmission tariffs ("***OATT***"), as necessary to import energy to meet the demands of NMU customers; (iv) all applicable compliance activities necessary in connection with the operation of the CMU within the NMU, including compliance with state resource adequacy and renewables portfolio standard requirements and federal and state reporting obligations; (v) all day to day operations and system maintenance on behalf of the CMU as the turn-key operator; and (vi) all financing and capital investment necessary to carry out the foregoing obligations.

G. City and Provider desire to document the terms and conditions upon which City will engage Provider to provide the services set forth herein and Provider will provide such services to the City.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the Parties agree as follows:

1. Scope of Agreement.

1.1. Scope of the Project. For the purposes of this Agreement, the "***Project***" will be the design, permitting and construction of all electrical infrastructure necessary for the CMU to serve electrical load for the NMU. A description of the infrastructure that is currently contemplated for the NMU is attached as ***Exhibit "B"*** ("***Project Infrastructure Plan***"). The Project Infrastructure Plan will be finalized in connection with the issuance of the Notice to Proceed (as defined in Section 2.1) and the infrastructure included within the final Project Infrastructure Plan will be referred to herein as the "***Project Infrastructure***". The services necessary for the completion of the Project in accordance with the Project Infrastructure Plan are referred to herein as the "***Project Services***".

1.2. Scope of Operation and Maintenance Services. For the purposes of this Agreement, "***O&M Services***" means the services necessary to operate and maintain the Project and all Project infrastructure, including all maintenance and repair of the Project Infrastructure, handling all customer service requests, reading meters and providing all information necessary for the City to do monthly billing and collection of utility bills for service provided by the CMU. A more detailed list of O&M Services is attached hereto as ***Exhibit "C"***, which list will be finalized prior to the Utility Operations Date (as defined in Section 3.6). Provider may enter into an agreement with a qualified subcontractor that is owned or controlled by Provider, including CMU Operations, LLC ("***CMU Operations***"), pursuant to which such qualified subcontractor will perform O&M Services. Any subcontractor that is not owned or controlled by Provider will be subject to the prior written approval of City. Provider will be responsible for the faithful performance of any subcontractor, including CMU Operations, with the requirements of this Agreement.

1.3. Scope of Energy Services. For the purposes of this Agreement, "***Energy Services***" means (i) the procurement and scheduling of all electrical energy needed to serve customer load within the NMU; (ii) the procurement of all regulatory products such as resource adequacy and renewable energy to meet the California Renewable Portfolio Standard; (iii) the preparation of all required regulatory compliance reports for review by CMU counsel prior to filing; and (iv) the posting of all collateral or credit assurance required by energy providers in connection with the procurement of electrical energy and regulatory products ("***Credit Support***") by the CMU. A more detailed list of Energy Services is attached hereto as ***Exhibit "D"***, which list will be finalized prior to the Commencement of Operations. It is contemplated that certain of the Energy Services may be subcontracted by Provider with the prior consent

of the City to specialist consultants such as the roles of scheduling coordinator and energy portfolio management.

1.4. Status of Provider. The Provider will act as a project developer and service provider for the CMU in accordance with the terms of this Agreement and pursuant to the authority of the CMU as an instrumentality of the City. At no time will Provider engage in providing electrical utility service as a private party to customers within the NMU, nor shall Provider be deemed to be a private utility in connection with the services provided pursuant to this Agreement. Neither Provider, nor the CMU, shall be deemed to dedicate any of Provider's separate property or the Project Infrastructure for public use. The Project Infrastructure will be owned or controlled by the CMU on behalf of the City in accordance with the terms of this Agreement.

2. Development Period.

2.1. Development Period.

(a) This Agreement shall be effective as of the Effective Date, but the obligations of the Parties to proceed with the Project in accordance with the terms of this Agreement shall be conditioned upon the assumptions, contingencies and conditions precedent for the development, design and financing of the Project which are set forth in Sections 2.3 through 2.7 (collectively, the "***Conditions Precedent***") and which are waivable only upon mutual agreement of the Parties. It is anticipated that the development, design and approval of the Project will take place over a period of [twelve (12)] months commencing with the Effective Date and as it may be extended pursuant to Section 2.2 (the "***Development Period***"). The purpose of the Development Period will be to ensure the feasibility of the Project and the ability of Provider to fulfill and finance its obligations hereunder. The decision to proceed is intended to be taken no later than the end of the Development Period. If all of the Conditions Precedent have been satisfied to the reasonable satisfaction of the City and Provider has given written notice to the City of its intent to proceed prior to the end of the Development Period, then the City will provide a written notice to proceed with the Project ("***Notice to Proceed***"). The Notice to Proceed will include the attachments set forth in Section 2.10. The Notice to Proceed will serve as the authorization by the City for the implementation of the Project and the commencement of construction of the Project Infrastructure. If Provider does not give written notice of its intent to proceed by 5:00 p.m. on the last business day of the Development Period, then City will have the right to terminate this Agreement. Notwithstanding the foregoing, if at any time during the Development Period, Provider does not believe, in its sole discretion, that the Project is feasible to proceed, then Provider may terminate this Agreement on thirty (30) days written notice to City and neither Provider nor City will have any further obligations hereunder, except as provided in this Section 2.1 and for any indemnity obligations of pursuant to this Agreement.

(b) In the event that the City elects not to issue a Notice to Proceed for reasons unrelated to any Event of Default by Provider or a failure of the Conditions Precedent, or if Provider terminates this Agreement during the Developer Period as a result of any material breach of the City's obligations under this Agreement. The costs incurred by Developer during the Development Period are fully at risk to Developer and City will have no obligation to reimburse same. Payment shall be made within thirty (30) days following submission of reasonable documentation of costs by Provider. The City acknowledges that Provider's Development Period activities are undertaken in good faith reliance on City's cooperation and representations set forth in this Agreement.

2.2. Development Schedule. An initial Project development schedule is attached hereto as ***Exhibit E*** ("***Development Schedule***"). The Parties will work together in good faith during the Development Period to complete milestones in accordance with the Development Schedule set forth herein. City and Provider agree that the timeframes reflected in the Development Schedule are intended to keep

the Project on track for the Project to commence construction in the [4th calendar quarter of 2026], with the Project commencing operations in the [first calendar quarter of 2029]. During the Development Period, Provider will provide a detailed monthly report to the Working Group on all activities undertaken in the prior month with respect to the development of the Project, including a copy of all documents or applications submitted in connection with meeting the LSE Requirements. Except as expressly set forth in this Section 2.2, timeframes for completion of a task in the Development Schedule are intended to be a guideline and delays in particular tasks will not be cause for default or termination provided that a Party is performing under this Agreement in good faith and with reasonable diligence. Notwithstanding the foregoing, any extension of the Development Period will be subject to the approval of City, which approval will not be unreasonably withheld if there are circumstances outside of the control of Provider that have caused a delay in the development process, including without limitation, delays by third parties to process permits or approvals, delays in obtaining electric interconnection and transmission service or gas interconnection, transmission and supply arrangements, delays in the approval of the Project by City as a result of third party litigation or threats of litigation and delays in the ability of the Provider to complete milestones as a result of City's failure to review or approve Project development deliverables in accordance with the timeframes set forth herein. Notwithstanding the foregoing, Provider will have a one-time option to extend, in its sole discretion, the Development Period for a period one hundred eighty (180) days. If either Party believes that the other is not proceeding in accordance with its obligations under this Section 2 and such failure is causing a delay in the Development Schedule, the concerned Party will give written notice to the other Party along with any requested extension in the Development Schedule as a result of the delay. A Party who receives such a notice will provide a written response along with a revised timeframe for completion of the task. If the Party causing the delay is City, then the Development Period will be extended by the duration of the delay.

2.3. Development Assumptions. Except as may be agreed by City and Provider pursuant to Section 2.4, the development process will proceed on the basis of the following assumptions ("***Development Assumptions***"):

(a) The Project will initially serve a 240 acre technology campus within the NMU ("***Technology Campus***") with a minimum of 270 MW of electrical capacity to serve a data center project comprised of six buildings and associated infrastructure that is expected to utilize the available energy capacity as shown on the map attached hereto as ***Exhibit F***;

(b) It is currently contemplated that the Project Infrastructure Plan will include one or more microgrids with fuel cells located adjacent to buildings on the Technology Campus (collectively, the "***Project Microgrid***"). The purpose of the Project Microgrid will be to meet a portion of the demand on-site as well as to provide backup power and enhance reliability. A permanent easement will be granted on behalf of the CMU within the Technology Campus to allow for the ownership and operation of the Project Microgrid;

(c) The Project Infrastructure Plan will constitute all of the infrastructure necessary for the operation of the Project within the NMU for the Technology Campus;

(d) The Project will be able to interconnect with IID and/or SCE to obtain access pursuant to the applicable OATT for the import of electrical energy to serve demand within the NMU;

(e) City and Provider intend that the CMU will provide electrical service within the NMU service territory by exercising the City's legal authority under California law. Notwithstanding the foregoing, City may enter into a cooperative arrangement with IID with respect to the rights of the CMU and IID to provide service within the NMU as contemplated in Section 13.2;

(f) Concurrent with the execution of this Agreement, Provider has delivered to the City a preliminary financial plan for the funding of the Project. City acknowledges that this plan is subject to change over the course of the Development Period. No later than the end of the Development Period, Provider will have determined whether there is a viable final financial plan for the Project that provides (i) sufficient funding for the construction of the Project; (ii) operation of the CMU by Provider; and (iii) a rate structure that is consistent with section 2.3(g). If Provider has made such determination, it will deliver a copy of such final financial plan for the Project ,to City along with reasonable documentation of its details and assumptions, all of which will be subject to verification by the City;

(g) The rate structure for electrical service within the NMU and customers within the Technology Campus will be consistent with the assumptions set forth on ***Exhibit "G"*** ("***Rate Assumptions***");

(h) The compensation of Provider for the Project Services, O&M Services and Energy Services provided pursuant to this Agreement will be consistent with the assumptions set forth on ***Exhibit "H"*** ("***Service Fee***");

(i) Provider will be able to demonstrate the ability to fund all of its obligations under this Agreement, including the construction of the Project Infrastructure, including any necessary financing commitments from private lenders or investors, on terms which are acceptable to Provider in its sole discretion;

(j) The Technology Campus will have sufficient water rights and access to water distribution infrastructure necessary to support process water for cooling and fire suppression and domestic water service will be provided by City of Coachella Water Division and Coachella Valley Water District;

(k) City will be the local permitting agency for the Project, subject to compliance with applicable federal, state and local laws, rules and regulations, and it is expected that the City will be the lead agency for the purposes of environmental compliance under the California Environmental Quality Act ("***CEQA***"); and

(k) The Project will be subject to compliance with City building and planning codes, provided that (1) the City will use its best efforts to expedite the planning process and the issuance of necessary building permits and approvals; and (2) the City will waive all fees for planning and building permits to the extent permitted by law.

No later than the end of the Development Period, Provider will confirm with City whether it believes that the Project is feasible based on the Development Assumptions pursuant to the written notice described in Section 2.2. If Provider determines that a material change in the scope of the Development Assumptions is necessary as a result of its analysis during the Development Period, then Provider will provide to City written notice of the proposed change in scope ("***Project Change Notice***") and the City and Provider will work together in good faith to agree on a reasonable change in scope for the Project and a corresponding amendment to the Agreement. If City and Provider, each in its sole discretion, cannot agree on a change in scope within ninety (90) days of the Project Change Notice, then either Party may terminate this Agreement.

2.4. Design Phase. Provider and City will move forward with the design phase of the Project ("***Design Phase***"), with the goal of accomplishing the following milestones within six (6) months following the Effective Date:

(a) Provider will deliver a 70% design of the Project Infrastructure, which design will be subject to review and approval by the City, which approval will not be unreasonably withheld provided it is consistent with the terms of this Agreement;

(b) Provider will deliver all CEQA Documentation (as defined in Section 2.7) that is necessary for City to complete its CEQA review of the Project in accordance with the requirements of City; and

(c) Provider and City, as applicable, will commence the application process for any permits and approvals that are required by any third party, government agency or regulatory authority with respect to the construction and operation of the Project, including any interconnection agreement or transmission application required for the import of energy into the NMU. Provider will be responsible for preparing all such applications for review and approval by the City prior to filing with the applicable third party, government agency or regulatory authority.

2.5. Pre-Construction Phase. Subject to successful completion of the Design Phase as set forth in Section 2.4, Provider and City will move forward with the "***Pre-Construction Phase***" of the Project, with the goal of accomplishing the following milestones prior to the end of the Development Period:

(a) Provider will complete the final design of the Project, which will be incorporated into Exhibit "B", and will commence negotiation of contracts for the construction of the Project Infrastructure;

(b) The City, in consultation with Provider, will develop rules and regulations for the operation of the CMU and the City and Provider will agree on a technical protocol for the delivery of the O&M Services by Provider;

(c) Provider and the City will agree on the final scope of Energy Services as set forth in Exhibit "D" and which, if any, of such Energy Services will be subcontracted by Provider;

(d) City will complete the CEQA review pursuant to Section 2.7 and to the extent City approves CEQA with mitigation conditions, City and Provider shall agree in writing on the schedule for the satisfaction of all such conditions. In the event that City does not approve the Project pursuant to Section 2.7, then City and Provider will meet and confer on such changes to the Project as may be necessary to satisfy the requirements of CEQA and the Development Period will be extended to allow for agreement on such changes and any appropriate mitigation conditions; and

(e) Provider, with the cooperation of City, will have obtained firm commitments or agreement for any interconnection agreements or transmission applications with IID and/or SCE which are necessary to establish electrical service for the NMU. If such commitments have not been obtained or have been challenged by IID and/or SCE during the Development Period, then Provider and City will meet and confer to determine whether it is feasible to proceed, whether to challenge or defend any actions taken by IID and/or SCE in connection with such applications or agreements, and to explore any alternatives that may be available, including the negotiation of a three-Party agreement between Provider, the CMU and the applicable transmission provider, regarding the scope of services provided to the CMU.

2.6. Development Agreements for the Technology Campus. During the Development Period, Provider shall have obtained firm commitments from developers and/or anchor tenants for the Technology Campus. The terms and conditions for such development will be in the sole discretion of

Provider, provided, however, that such commitments must demonstrate sufficient load for the viability of commencement of construction of the Project Improvements and the eventual operation of the CMU.

2.7. CEQA.

(a) City will be the lead agency for evaluating the environmental impact of the Project under CEQA. Provider will be responsible for the preparation of all reports and other documentation necessary for CEQA compliance, including an environmental impact report and all technical studies necessary for City to properly evaluate the environmental impact of the Project (collectively, the "***CEQA Documents***") and the submission of those proposed documents to the City for its independent review, as well as complying with any mitigation measures that may be required in connection with the Project.

(b) The submission of the CEQA Documents and the completion of the CEQA process and any approval by the City's governing board will be a condition precedent to moving forward with the Project beyond the Development Period, and the Parties agree that nothing herein constitutes a commitment by the City to issue any such approvals or otherwise restricts the City's ability to impose feasible mitigation measures or consider or adopt feasible alternatives (including the "no project" alternative) as part of its CEQA process.

2.8. Litigation Indemnity and Cooperation Agreement. Provider will indemnify and cooperate in the defense of City from any claim or lawsuit which is filed challenging and right of the CMU to serve customers within the NMU and any permit or approval required in connection therewith, including the approval of the Project by City pursuant to CEQA. Notwithstanding the foregoing, in the event of any such legal challenge, City and Provider will meet and confer to discuss the feasibility of defending such challenge and moving forward with the Agreement. If the Parties cannot agree on a strategy to move forward, including the allocation of the costs of such defense, then either Party may terminate this Agreement. However, the obligation by Provider to indemnify and cooperate in the defense of the City shall survive any termination of this Agreement or rescission of any approvals. The City and Provider are parties to an existing Joint Defense/Common Interest Agreement that will remain in effect during the Term of this Agreement as the Parties may mutually agree to modify it from time to time.

2.9. Development Period Costs. Except as otherwise expressly set forth in this Section 2, Provider will be responsible for all costs incurred in connection with the activities described herein. Provider acknowledges and agrees that it is entirely at-risk with respect to the completion of the Conditions Precedent applicable to it that are necessary for the issuance of the Notice to Proceed and that the City is not obligated to incur any cost or expense beyond what is set forth in this Section 2, or as otherwise agreed by the City during the Development Period, to mitigate any impediment to the satisfaction of the Conditions Precedent. The City shall be responsible for the actual cost of the City's third party consultants (including legal, engineering and energy industry professionals) incurred in connection with carrying out the City's obligations under this Section 2, as well as all costs associated with staff time. Furthermore, to the extent that the City commissions its own independent review of the feasibility of any aspect of the Project, the City will pay the cost of such review and the legal fees or costs in connection therewith.

2.10. Effect of Termination. If this Agreement is terminated by the City or Provider during the Development Period as provided in this Section 2, then the obligations of Provider and City will terminate (other than any indemnity obligations of Provider pursuant to Section 2.8) and neither Party will have any remaining obligation to the other. In no event shall the City be responsible to reimburse Provider for any cost or expense incurred by Provider in connection with the activities of the Parties during the Development Period. Provider will remain the owner of all designs and engineering drawings prepared in connection with the Project Infrastructure. The City will have the right to use any consulting report, study

or analysis prepared in connection with feasibility studies prepared by Provider in connection with the Project or any interconnection agreement or transmission application. The City will remain the owner of any independent consulting report, study or analysis prepared by the City or its consultants.

2.11. Notice to Proceed. The Notice to Proceed will include (i) a final agreed version of the Project Infrastructure Plan; (ii) the final scope of the Energy Services and any agreed change to the Project Services and/or the O&M Services; (iii) the final Project financial plan, Rate Assumptions and Service Fee; (iv) the agreed rules and regulations for the operation of the CMU and technical protocol for O&M Services; and (v) any mutually agreed Project Change Notice or amendment to this Agreement in connection with the issuance of the Notice to Proceed. Exhibit "E" of this Agreement will be updated from the Development Schedule to the "***Project Implementation Schedule***" showing all milestones from the Notice to Proceed to the projected date for the commencement of operations of the CMU.

2.12. Agreement Commencement. The Term of this Agreement will commence as of the date of the Notice to Proceed ("***Commencement Date***"). Provider shall thereafter commence construction of the Project Infrastructure in accordance with the requirements of Section 3.

3. Construction of Project Infrastructure.

3.1. Construction Period. The period from the Commencement Date through the Utility Operations Date will be referred to herein as the "***Construction Period***".

3.2. Construction Documents. Within forty-five (45) days of the Commencement Date, Provider shall provide the City with a complete set of final designs, plans and specifications for the Project Infrastructure as agreed during the Development Period (***"Construction Documents"***). Provider shall have a one-time option to extend for thirty (30) days, in its sole discretion, the delivery of the Construction Documents.

3.3. Permits. Provider is solely responsible for procuring all required building and other permits and approvals required for the construction of the Project Infrastructure, including without limitation, compliance with the requirements of the City ("***Project Permits***").

3.4. Obligations of Provider. The construction of Project Infrastructure shall be in a good and workmanlike manner and otherwise in accordance with the provisions of this Agreement and the Construction Documents and the Project Permits. Provider, or its construction contractor(s), will obtain and deliver to City one or more performance bond(s) in the amount of the cost of the construction of the Project Infrastructure in accordance with the requirements of Section 5956.6(b)(2) of the Government Code. The scope of such performance bonds will be limited to ensuring that the City can take control of the completion of construction of Project Infrastructure following an Event of Default by Provider under this Agreement. To the extent required by applicable law, all improvements and work must be inspected and approved by the applicable governmental agency. All work will be subject to City inspection and approval, subject to providing reasonable notice to Provider and its contractors. City will reasonably cooperate with Provider as necessary for the application process for any permits and approvals that were not obtained during the Development Period. All of Provider's contractors shall carry the insurance required by this Agreement while working on within the NMU and shall name City as an additional insured. Provider shall have the sole responsibility for the construction of the Project Infrastructure and may perform the same itself or through agents, contractors and others selected by it, and may make or issue such contracts, orders, receipts and instructions, and in general do or cause to be done all such other things, as it may in its sole discretion consider requisite or advisable for the construction of the Project Infrastructure and fulfilling its obligations under this Section. All improvements required or permitted by this Agreement will be constructed by licensed contractors. Each contractor that performs work on the Project Infrastructure

pursuant to an agreement with Provider shall be bound by the terms of this Agreement related to indemnity and insurance and Provider shall further be responsible for all acts of such contractors while working on the Project within the NMU. Upon reasonable notice to Provider, City will have the right to enter upon and inspect all construction activities of Provider and its contractors, provided, however, that City will comply with all safety requirements in connection with the presence of its agents or employees on the applicable work site while construction activities are ongoing, and will not interfere with such activities. City shall indemnify and hold Provider harmless pursuant to Section 10(b) for any losses or claims for personal injury, death or property damage to the Project or the Project site to the extent caused by City agents' or employees' negligence or willful misconduct during such access.

3.5. Prevailing Wage. To the extent required by applicable law, Provider will be responsible for complying with the prevailing wage requirements of the State of California in the construction of all of the Project Infrastructure and will indemnify and hold harmless City for any failure to comply with such requirements.

3.6. Completion of Construction. It is anticipated that the construction of the Project Improvements will require approximately twenty-four months (24) months to complete as set forth in the Project Implementation Schedule. Provider shall have a one-time option in its sole discretion, to extend the completion of construction up to six (6) months. The date upon which the Project Infrastructure is ready to commence utility operations shall be referred to herein as the "***Utility Operations Date***". For the purposes of this Agreement, "***utility operations***" shall mean that the Project Infrastructure is capable of accepting delivery of electrical load from the interconnection point with IID and/or SCE and distribute such electrical load to customers within the NMU generally and more specifically, the Technology Campus. Provider shall promptly notify City of the cause of any delay in construction and the expected impact on the projected Utility Operations Date. Provider will actively manage the construction of the Project and will monitor Provider's contractor(s) work for compliance with their obligations under any contracts for the construction of the Project Infrastructure. In the event of a delay in the projected Utility Operations Date, Provider will work with City to mitigate such delay so as not to delay the delivery of electrical service to customers in the NMU. If such delay continues for a period in excess of six (6) months, then City shall be entitled to deliver a notice of default to Provider. If utility operations have not commenced within six (6) months following the date of such notice of default, then the City may terminate the Agreement. The City will have the right to inspect and approve all of the Project Infrastructure prior to the commencement of utility operations and Provider will promptly remedy any work on the Project Infrastructure that the City reasonably deems non-conforming with the Construction Documents and Project Permits. Approval by the City will not relieve Provider of any of its obligations with respect to the O&M Services. Provider will deliver the following documents to City promptly after the Project Infrastructure has been completed: (i) copies of the "as built" plans for the Facility and the Solar System, including CAD drawings if requested by City; (ii) final lien waivers and all permits, certificates, and sign-offs required to be issued by applicable governmental agencies in connection with the Project Permits; and (iii) if applicable, copies of any approvals of Project Infrastructure that is built in connection with an interconnection agreement with IID and/or SCE.

3.7. Ownership and Risk of Loss. During the Construction Period, Provider shall at all times remain the owner of the Project Infrastructure and all improvements, facilities and equipment used therein. Provider shall bear the risk of loss of the Project Infrastructure as a result of any casualty during such period. As of the Utility Operations Date, all Project Infrastructure and the real property upon which it is located may be transferred to the CMU or leased to the CMU by Provider to the CMU and the City will accept same, subject to its right of inspection and acceptance in Section 3.6. The terms of any lease will be subject to the approval of City, in its reasonable discretion. With respect to any lease that is used for financing purposes of the Project Infrastructure, in no event will such lease create any obligation of the City for the repayment of any debt or financing except as otherwise contemplated in this Agreement and at the

end of the Term, the Project Infrastructure will be transferred to the CMU at no cost or expense. During the remainder of the Term, Provider will retain the risk of loss for the Project Infrastructure as the turn-key operator for purposes of the O&M Services, provided, however, that Provider will not be responsible for any damage to the Project Infrastructure that is directly caused by the negligent acts or willful misconduct of the City, its agents, employees and contractors.

3.8. Real Property. As of the Commencement Date, Provider will have acquired all real property rights necessary for the Project Infrastructure.

3.9. Project Infrastructure Easements. Within thirty (30) days of the Commencement Date, City will grant to the CMU a non-exclusive easement and right of way for the Term of the Agreement to install, use, maintain and repair Project Infrastructure within the NMU to provide electrical and telecommunications service to customers within the NMU. To the extent that any easements or rights of way are required across private land, Provider will acquire such easements or rights of way on behalf of the CMU in a form that is acceptable to Provider and the City. The term of all easements described herein will be perpetual.

4. Commencement of Utility Operations.

4.1. Pre-Operation Activities. It is the intent of Provider and the City that the commencement of utility operations by the CMU will occur on the Utility Operations Date. In connection therewith, Provider, with the cooperation of the City, will take all steps necessary to prepare the CMU as a load serving entity, including registration with all governmental agencies or authorities with jurisdiction over the activities of the CMU, including its ability to schedule and receive electrical deliveries through the OATT, and all regulatory filings that are necessary prior to the commencement of utility operations. A list of such filings as of the Effective Date of this Agreement is attached hereto as ***Exhibit "I"*** ("***LSE Requirements***"). Provider will prepare all such filings for review and approval of the City and will coordinate with City to ensure that filings are made in accordance with the advance reporting and notifications necessary under applicable law. Provider will provide City with no less than thirty (30) days for the review of all filings prior to the required filing date and the City will provide any comments or feedback to Provider no later than ten (10) days prior to the required filing date. Provider will further develop an energy procurement and operations plan no less than [twelve (12)] months prior to the projected Utility Operations Date and commence procurement of energy in connection with such plan. Provider agrees that the goal of the CMU with respect to procurement will be to be fully hedged for projected energy requirements during the first two (2) years of operations as of the Utility Operations Date.

4.2. Operating Budget. Provider shall prepare an initial operating budget for the CMU based on the final financial plan no less than twelve (12) months prior to the projected Utility Operations Date that includes all anticipated revenue and expenses of the CMU during the first two (2) years of operations. The budget will include categories for energy procurement, general expenses payable by the City to the extent the City is required to be the contracting Party, general expenses payable by Provider as the turn-key operator and anticipated maintenance and repair expenses for the Project Infrastructure. Provider will thereafter prepare annual operating budgets for the CMU during the Term, which budgets will be subject to review and verification by the CMU that the budget is consistent with the approved rate structure of the CMU. The operating budget will be updated after the first year of operations and each year thereafter.

4.3. O&M Services; Utility Operations Center.

(a) Following the Utility Operations Date, Provider will provide turn-key services for the operation of the CMU within the NMU for the duration of the Term. Such services will be

provided pursuant to the scope of O&M Services on Exhibit "C", as well as the rules and regulations of the CMU and the technical protocol adopted pursuant to Section 2.5(b).

(b) Provider and CMU will cooperate on the development of a utility administration and operations center for the CMU. The City currently owns two parcels located on Industrial Way, south of 52d Avenue, Assessor's Parcel Numbers 763400017 and 763400016, comprising a combined approximately seven (7) acres, that the Provider has identified as desirable locations. Said parcels are currently included in a feasibility study concerning potential sites for a new rail hub within the City, but in the event that the parcels are not selected for that purpose, the City will discuss with Provider the fair market value of the parcels and the potential for the City's transfer of such parcels for CMU administration and operations.

4.4. CMU Working Group; Risk Management Committee.

(a) The operation and management of the CMU will be coordinated between Provider, CMU and the City through a management committee designated as the "Working Group". The Working Group is intended to include the following individuals (or such other individuals as Provider and City may agree): (i) the general manager of Provider with respect to CMU operations; (ii) two management level representatives of Provider directly involved in the day to day activities of Provider with respect to the CMU; (iii) the general manager or director of the CMU appointed by the City to oversee CMU operations; and (iv) the City Manager or his or her designee. The members of the Working Group may invite employees and third parties who are under contract with Provider, CMU or the City to attend Working Group meetings from time to time to report on or discuss various topics relevant to the development and operation of the CMU, provided that any third party attending a meeting must be subject to a duty of confidentiality. If legal counsel for Provider or City/CMU is invited to attend a meeting of the Working Group, then advance notice will be given to the members so that the other party may have legal counsel attend as well. The Working Group will meet as often as the members believe is necessary to carry out their responsibilities under this Section 4.4, but in no event less than once per month. The Working Group is intended to be a collaborative body for cooperation amongst Provider, City and CMU and does not change any of the respective rights or obligations of the parties pursuant to this Agreement. The Working Group not does not have the authority to modify or amend the terms of this Agreement, but may make recommendations to Provider and the City Council regarding modifications.

(b) The primary purpose of the Working Group will be to discuss operations and where appropriate, make decisions with respect to carrying out the development and operation of the CMU within the framework of the terms and conditions set forth in this Agreement and the policies and regulations adopted by the CMU pursuant to Section 2.5(b), as the same may be amended from time to time. It is expected that the Working Group will formalize strategy and performance criteria for CMU operations, subject to the oversight of the City Council in its role as the governing board of the CMU. On matters requiring governing board approval, such as rate setting pursuant to Section 7.1, the Working Group may make recommendations to the City Council.

(c) The Working Group will further provide a mechanism to resolve differences of opinion and disputes regarding the operation of the CMU or the interpretation of this Agreement at the management level. Disputes that cannot be resolved by the Working Group will be subject to dispute resolution pursuant to Section 29.

(d) The City Council may appoint one or more ad-hoc committees to provide oversight of CMU operations, including a risk management committee that will meet periodically to review the energy portfolio of the CMU, operating risks due to changes in the energy market and such other matters as the City Council may determine. It is intended that such committees will be informational in nature,

allowing the Working Group to keep the City Council appraised of the status of CMU development and operational activities on a periodic basis.

4.5. Changes in Law. Provider, as the turn-key operator of the CMU within the NMU will be responsible for compliance with all changes in federal, state or local law regarding the operation of the CMU. Notwithstanding the foregoing, the City will not adopt any ordinance that would expand the obligations or limit the compensation of Provider pursuant to this Agreement.

4.6. Audit. The City, or its designated accounting firm, at the City's expense, will have the right to perform an annual audit of the operation of the CMU that are conducted by Provider and Provider will reasonably cooperate with such audit.

5. Expansion of the NMU.

5.1. Campus Expansion. The Project will be planned and permitted (to the extent possible prior to annexation) with the intent of expanding the Technology Campus on 210 acres of property adjacent to the NMU that is located on unincorporated land of the County of Riverside ("***Campus Expansion***"). Such stage two expansion is intended to require an additional approximately 300 MW of electrical capacity to serve additional data centers or other technology businesses. The Campus Expansion will require annexation of the adjacent property into the boundaries of the City.

5.2. Process for Campus Expansion. The expansion of the NMU for the Campus Expansion will be within the scope of this Agreement and subject to all of the terms hereof. At such time as SPSI desires to proceed with the Campus Expansion, it will provide written notice to the City of its intent and the timing for the development of the infrastructure required for such expansion, as well as all requirements necessary for the CMU to expand its service territory to meet the needs of the Campus Expansion. The City will cooperate with SPSI for the annexation of the Campus Expansion into the boundaries of the City and the subsequent service of the Campus Expansion by the CMU provided that the following requirements are satisfied:

(i) SPSI is not in breach of any of its obligations under this Agreement;

(ii) SPSI has procured financing for the infrastructure necessary for the CMU to serve the Campus Expansion;

(iii) SPSI has firm commitments with developers and/or anchor tenants for the Campus Expansion; and

(iv) SPSI will indemnify and defend the City and the CMU from any claim arising in connection with the permits and approvals for the expansion in the same manner as Section 2.8.

5.3. Future Expansion. Provider will have the first right of refusal to serve the expansion of the CMU to serve areas outside of the NMU (except for the Campus Expansion) within the Greenfield Service Area. The actual terms and conditions of such expansion will be subject to mutual agreement of Provider and the City. If Provider and the City cannot agree on the terms of any such expansion following good faith negotiation, then the City reserves its right for the CMU to undertake such expansion separate and apart from the obligations of the Parties pursuant to this Agreement provided that no such action will interfere with the ongoing provision of utility service to the NMU for the duration of the Term. Provider acknowledges and agrees that its obligations under this Agreement are not contingent upon any future promise or agreement to provide services on behalf of the City outside of the NMU.

6. Term.

6.1. Term of Agreement. The "***Term***" of this Agreement will initially be the Development Period; provided, however, that this Agreement may be terminated during the initial Term pursuant to Section 2. Following the issuance of the Notice to Proceed, the Term will be that period of time commencing upon the Commencement Date and continuing until the twentieth (20^{th}) anniversary of the Utility Operations Date.

6.2. Renewal. The City and Provider, upon mutual agreement, may extend the Term of this Agreement for two (2) additional five (5) year periods (each, a "***Renewal Term***") upon the terms set forth herein or as otherwise mutually agreed.

6.3. Expiration. The last day of the Term (as extended by any Renewal Term) is referred to herein as the "***Expiration Date***".

7. CMU Rates, Revenue and Expenses.

7.1. CMU Rates. The CMU will set rates for service to customers in the NMU consistent with the rate assumptions that are set forth in Exhibit "G", subject to the compliance by the CMU and the City with the requirements of applicable law. Notwithstanding the participation of Provider in making recommendations with respect to rates, the final authority to set rates for the CMU will at all times be in the final discretion of the governing board of the CMU.

7.2. CMU Revenue. During the Term, all revenue earned by the CMU from the provision of electrical service to customers within the NMU will be deposited into a separate lockbox account owned and controlled by the CMU ("***Utility Lockbox Account***"). Such lockbox account will provide that such revenue may only be withdrawn from the lockbox account in accordance with the payment priorities set forth in Section 7.3. CMU shall ensure that distributions from the Utility Lockbox Account occur in such a manner that CMU payment obligations, whether managed by the City or Provider, are timely met and CMU operations are not interrupted or adversely affected.

7.3. Distributions of Revenue. The revenue of the CMU that is held in the Utility Lockbox Account will be distributed in the following order of priority:

(i) obligations due to energy providers for the CMU;

(ii) obligations for general expenses of the CMU which are fiscal obligations of the CMU;

(iii) obligations for general expenses of the CMU that are administered by Provider pursuant to the O&M Services;

(iv) the rate retention payable to the CMU as set forth in Exhibit "H";

(v) the funding of operating and uncollectible reserve funds as agreed by the City and Provider; and

(vi) all remaining revenue will be distributed to Provider for the Service Fee.

7.4 Payment of Expenses. It is anticipated that the revenue of the CMU will be sufficient for the payment of all expenses, including the rate retention payable to the CMU and the Service

Fee of Provider. Notwithstanding the foregoing, to the extent that the revenue is insufficient to cover the items set forth in clauses (i) through (iv) of Section 7.3, the City and Provider shall meet and confer to implement recommendations on rate adjustments to cover such shortfall or to the extent that the shortfall is temporary, to draw upon reserves. The City and the CMU will cooperate with Provider to avoid operating shortfalls and subject to the authority of the governing board of the CMU to set rates, the foundational principle for setting rates will be to ensure that the costs and expenses of operating the CMU are provided for in good faith. Notwithstanding the foregoing, it is the primary responsibility of Provider to anticipate costs and make recommendations on any necessary rate adjustments and Provider shall be responsible to the extent that there is a revenue shortfall. To the extent that the shortfall is the result of energy procurement expenses exceeding anticipated revenues due to changes in the market or demand that were not anticipated in Provider's hedging strategy for the CMU, then Provider and the City will meet and confer to discuss a change in applicable rates.

8. Compensation for Project Infrastructure and Services.

8.1. Service Fee. Provider will be compensated for all of its obligations under this Agreement, including the construction and financing of the Project Infrastructure and the provision of the Project Services, O&M Services and the Energy Services, pursuant to the Service Fee that is described on Exhibit "H".

8.2. No Cost Reimbursement. Provider will not be entitled to any cost reimbursement by the City for the acquisition and construction of the Project Infrastructure. Provider will be solely responsible for the repayment of all financing procured by Provider for the Project and the fulfillment of its obligations under this Agreement. To the extent that any lender or investor requires a pledge of revenues or fees from Provider, such pledge shall come solely from the payment of the Service Fee and will perfected by Provider and its lenders or investors through the use of a separate lockbox account into which Service Fee is paid from the Utility Lockbox Account.

9. Insurance. During the Term, Provider shall procure and maintain insurance of the types and in the amounts described on ***Exhibit "J"***. The City shall procure and maintain wildfire insurance at the City's sole cost and expense through the City's joint powers insurance authority and Provider shall have no obligation to procure or maintain such insurance.

10. Indemnification.

(a) Provider shall defend, indemnify and hold harmless City, its elected officials, officers, employees, and agents, from any and all actual or alleged claims, demands, causes of action, liability, loss, damage or injury, to property or persons, including wrongful death, whether imposed by a court of law or by administrative action of any federal, state or local governmental body or agency ("***Claims***"), arising out of any acts, omissions, negligence or willful misconduct of Provider, its personnel, employees, agents or subcontractors in connection with this Agreement, including Provider, the construction of the Project Infrastructure and the performance of the Project Services, O&M Services or the Energy Services. This indemnification includes, without limitation, the payment of all penalties, fines, judgments, awards, decrees, reasonable attorney's fees and related costs or expenses, and the reimbursement of City, its elected officials, officers, employees, and/or agents for all reasonable legal expenses and costs incurred by each of them. This indemnification will not apply to the extent that a Claim is caused by the negligence or willful misconduct of City or its employees or agents. Provider's obligation to indemnify shall survive the expiration or termination of this Agreement, and shall not be restricted to insurance proceeds, if any, received by City, its elected officials, officers, employees, or agents.

(b) City shall defend, indemnify and hold harmless Provider, its directors, officers, employees, and agents, from any and all third party Claims arising out of the negligent acts or willful misconduct of City, its personnel, employees, agents or subcontractors in connection with the operation of the Project Infrastructure or while present on any sites that are operated by Provider, as well as any damage to the Project Infrastructure that is caused by such negligent acts or willful misconduct. This indemnification will not apply to the extent that a Claim is caused by the negligence or willful misconduct of Provider or its employees or agents. City's obligation to indemnify shall survive the expiration or termination of this Agreement, and shall not be restricted to insurance proceeds, if any, received by Provider, its elected officials, officers, employees, or agents.

11. No Consequential Damages. EXCEPT FOR THE INDEMNIFICATION OF THIRD PARTY CLAIMS, NEITHER PARTY HEREUNDER SHALL BE LIABLE TO THE OTHER OR ITS INDEMNIFIED PERSONS FOR ANY SPECIAL, INCIDENTIAL, EXEMPLARY, INDIRECT, PUNITIVE OR CONSEQUENTIAL DAMAGES, WHETHER FORESEEABLE OR NOT, ARISING OUT OF, OR IN CONNECTION WITH THIS AGREEMENT, BY STATUTE OR IN TORT OR CONTRACT.

12. Inspection. Upon at least twenty-four (24) hours prior written notice to Provider (or, in the case of emergency, such notice as shall be practicable under the circumstances), Provider shall permit City and its agents to enter into and upon the Project Infrastructure at all reasonable times for the purpose of inspecting the same. City shall indemnify and hold Provider harmless pursuant to Section 10(b) for any losses or claims for personal injury, death or property damage to the Project or the Project site to the extent caused by City agents' or employees' negligence or willful misconduct during such access.

13. Cooperation.

13.1 Cooperation Regarding Agreement. The Parties shall negotiate with one another fairly and in good faith and shall cooperate with one another to effectuate the purposes of the Agreement. In particular, the Parties recognize and agree that Provider shall be obtaining project finance to support the development and construction of the Project Infrastructure. City shall cooperate with Provider and its financing parties to assist and support that process. Additionally, City shall support and cooperate with Provider's efforts to develop the Project and secure federal, state and local permits. All approvals required to be given by any Party shall be given or denied on good faith and may not be unreasonably denied. Each Party shall use due diligence in its attempt to accomplish any act required to be accomplished by that Party. City shall cooperate with Provider in mitigating adverse impacts from force majeure and other events beyond either Party's reasonable control that can impede Provider's performance of its obligations under this Agreement. City shall also reasonably cooperate with Provider in mitigating adverse impacts to the Project from condemnation, eminent domain, and local resistance. City shall reasonably cooperate with Provider to contact regulatory agencies and obtain information that Provider deems necessary or advisable for development of the Project; *provided, however*, that (a) the costs for obtaining such permits, licenses, instruments and approvals, including the reasonable out-of-pocket costs and expenses incurred by City in cooperating with Provider, will be paid by Provider; and (b) in no event will City be required to agree to covenants or conditions of approval which would have a material adverse effect on the City. City understands and agrees that its cooperation in this regard is essential to successful development of the Project.

13.2 Cooperation Regarding NMU Service Area. City hereby authorizes Provider to jointly, with the City Manager, negotiate with IID regarding the acquisition by or transfer to the City, or coordination with the City, of IID's facilities within the NMU and surrounding areas. Provider shall coordinate such negotiations with the City Manager and shall provide regular status reports to CMU. Provider shall not have the authority to, nor shall it, bind the City to any agreement with IID, but it will be

authorized to act as a representative of the City in discussions with IID as necessary to advance the objectives of this Agreement. Provider will provide City with notice of meetings with IID in advance and an opportunity to participate. To the extent that the City does not participate in a meeting, Provider will provide the City Manager with a summary of the discussions. If IID declines to negotiate, materially delays or will not enter into an Agreement substantially consistent with the Development Assumptions, the Parties shall meet and confer to (a) determine if the Project remains feasible; and (b) to the extent necessary, modify the Development Schedule to allow for additional discussions with IID.

14. Maintenance and Repair.

14.1. At all times during the Term, Provider, at its sole cost and expense, shall maintain the Project Infrastructure and any additional infrastructure that is developed for the CMU by Provider in connection with any expansion.

14.2. If any Project Infrastructure is damaged or destroyed by a risk that is covered by the insurance Provider is required to obtain and maintain pursuant to Section 11, then Provider shall restore such facilities to substantially the same condition as they were immediately before the destruction, to the extent covered by such insurance and pursuant to codes and requirements at the time. If the insurance provided by Provider does not cover the damage, then the City will attempt to use its insurance coverage. The City shall be solely responsible for restoration of any Project Infrastructure damaged or destroyed due to wildfire.

14.3. If the Project Infrastructure is damaged or destroyed by a risk that is not covered by Provider or City insurance, then Provider and City will mutually agree on a funding mechanism to repair or replace such infrastructure, provided, however, that Provider and its affiliates will provide the necessary labor for such repairs at cost.

15. Alterations and Expansion. Provider shall not make any material alterations, additions or improvements to or of the Project Infrastructure, or any part thereof without the prior approval of City, which will not be unreasonably withheld provided that such alterations, additions or improvements are necessary for or will increase the operational efficiency of the CMU and will be provided at the sole cost of Provider unless otherwise agreed by the CMU.

16. Taxes. To the extent applicable, City shall be responsible for the timely payment of all property taxes and assessments, including without limitation, any and all utility, city or county assessments which are assessed, levied, confirmed or imposed on the Project Infrastructure.

17. Assignment. Except as provided below, Provider shall not assign, hypothecate or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of City, which consent shall not be unreasonably withheld, conditioned or delayed provided that the proposed assignee or transferee has financial support and capabilities equal to or better than Provider and the requisite expertise and experience to carry out Provider's obligations under this Agreement. Any attempt to do so shall be null and void, and any assignee, hypothecate or transferee shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer. Notwithstanding the foregoing, Provider may, without the City's consent, transfer or assign this Agreement to (a) a subsidiary or affiliate under common ownership or control with Provider provided such subsidiary or affiliate assumes in writing all of the obligations under this agreement and Provider remains responsible for the performance of such obligations by the subsidiary or affiliate; or (b) any lender, investor, financing party or project company established for purposes of financing the Project, provide, however, that any mortgage or assignment does not relieve Provider of its obligations under this Agreement.

18. Events of Provider's Default and City's Remedies.

18.1. Events of Default. If one or more of the following events ("***Event of Default***") occurs, such occurrence constitutes a breach of this Agreement by Provider:

(a) Except in circumstances where the City fails to timely distribute monies to Provider from the Utility Lockbox Account, Provider fails to pay any sum, cost or expense that is the responsibility of Provider when the same becomes due and payable, and such failure continues for more than sixty (60) days after City gives written notice thereof to Provider;

(b) Provider fails to comply with any legal or regulatory requirement, permit obligation of Provider pursuant to this Agreement and such failure is not remedied within thirty (30) days after City gives written notice thereof to Provider or, if such default cannot be cured within said thirty (30) day period but Provider has commenced action to cure, then Provider shall have up to an additional sixty (60) days to cure such default, provided, however, that if the continued operation of the Project Infrastructure and CMU is in imminent danger as a result of such failure to comply, then the City may step in and cure such default at the cost of Provider until such time as Provider has remedied the default;

(c) Provider fails to perform or observe any covenant, condition or provision of this Agreement hereof to be performed by Provider as and when performance is due, and such failure continues for more than sixty (60) days after City gives written notice thereof to Provider or, if such default cannot be cured within said sixty (60) day period but Provider has commenced action to cure, then Provider shall have up to an additional sixty (60) days to cure such default, provided, however, that if the continued operation of the Project Infrastructure and CMU is in imminent danger as a result of such failure to comply, then the City may step in and cure such default at the cost of Provider until such time as Provider has remedied the default; and

(d) Provider becomes subject to an action for bankruptcy or insolvency or a receiver is appointed for the benefit of Provider's creditors, unless within ninety (90) days of the filing of such action, Provider is successful in having the action dismissed.

18.2. City's Remedies. If an Event of Default occurs, City at any time thereafter has the right to terminate this Agreement or to commence an action for the enforcement of this Agreement at law or equity.

18.3. Right to Operate. In the event of any termination of this Agreement by reason of Provider's default, City has the immediate right to take over operation of the CMU and the Project Infrastructure.

19. Events of City's Default and Provider's Remedies.

19.1. If one or more of the following events (each a "***City Event of Default***") occurs, such occurrence constitutes a breach of this Agreement by City:

(a) If City fails to disburse funds in accordance with Section 7.3 and such failure continues for more than five (5) business days after Provider gives written notice thereof to City;

(b) If City fails to perform or observe any agreement, covenant, condition or provision of this Agreement to be performed or observed by City as and when performance or observance is due, and such failure continues for more than sixty (60) days after Provider gives written notice thereof to City; and

(c) The City becomes subject to an action for bankruptcy or insolvency or a receiver is appointed for the benefit of City's creditors, unless within ninety (90) days of the filing of such action, City is successful in having the action dismissed.

18.2 Provider's Remedies. Upon the occurrence of a City Event of Default set forth in 18.1, Provider will have all the rights and remedies available to it at law, in equity, by statute or otherwise.

20. Rights and Obligations on Expiration of the Term or Termination.

20.1. Notice of Renewal or Non-Renewal. No later than one (1) year prior to the expiration of the Term (as the same may be renewed), Provider will provide City with written notice of Provider's interest in renewal of the Term and any proposed modification of terms. If Provider gives such notice, then the City and Provider will have ninety (90) days to negotiate mutually acceptable terms for a renewal term of up to five (5) years. If City and Provider are unable to agree on the terms of renewal or if Provider does not give notice of renewal in accordance with this section, then the Agreement will expire at the end of the Term.

20.2. Transition of Utility Operations. If this Agreement terminates or expires, Provider will cooperate with City to transition the operation of the CMU and the Project Infrastructure to CMU or CMU's designee for a period of one hundred eighty (180) days and will deliver to the City all books and records held by Provider in connection with the services provided under this Agreement.

21. Early Termination Option of City. The City will have the right to terminate this Agreement at any time following the tenth (10^{th}) anniversary of the Commencement of Operations, subject to mutual agreement by City and Provider on the following terms: (a) the payoff in full of any financing obtained by Provider for the Project Infrastructure and Provider's operation of the CMU pursuant to this Agreement, including any penalties associated with such prepayment; and (b) an early termination payment to Provider that reasonably compensates Provider for its anticipated operating profit from the services provided pursuant to this Agreement, including a reasonable return on the equity capital invested by Provider to carry out its obligations under this Agreement, which early termination payment will be discounted for the remainder of the Term.

22. Notices. All notices, demands, consents, approvals and other communications which are required to be given by either City or Provider to the other under this Agreement will be deemed to have been fully given when made in writing and (i) personally delivered; (ii) sent via commercial overnight courier; or (iii) sent via electronic mail, subject to receipt of confirmation via electronic mail of receipt thereof by the other Party (not including automated notices or confirmations of receipt), and addressed to City or Provider at the address set forth below, or at such other addresses as City or Provider may from time to time designate in writing in accordance with this Section 26:

City:	City of Coachella Attn: City Manager 53990 Enterprise Way, Coachella, CA 92236 Phone: (760) 398-3502 Email: bpattison@coachella.org
With a copy to:	Best Best & Krieger LLP Attn: City Attorney, Ryan Guiboa 74-760 Highway 111, Suite 100 Indian Wells, CA 92210 Phone: (760) 568-2611 Email: ryan.guiboa@bbklaw.com
Provider:	_____ Attn: _____ _____ _____ Phone: _____ Email Address: _____
with a copy to:	_____ Attn: _____ _____ _____ Phone: _____ Email Address: _____

23. No Waiver. The waiver by City or Provider of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained.

24. Force Majeure. Neither Party shall not be deemed in default of this Agreement, nor shall such Party be responsible for, any cessation, interruption or delay in the performance of its obligations (excluding payment obligations) due to earthquake, flood, fire, storm, natural disaster, epidemic, pandemic, act of God (inclusive without limitation of extreme weather events, drought, earthquake, fire, flood, lightening, hurricane, high winds or other natural disasters), war, terrorism, armed conflict, labor strike, lockout, boycott or other similar events beyond the reasonable control of Provider or City, as applicable, provided that the Party asking to be excused from performance as a result of such occurrence gives the other Party prompt written notice thereof and takes all steps reasonably necessary to mitigate the effects of the event. The Party claiming the occurrence of force majeure shall use its best efforts to mitigate such event and resume performance as soon as reasonably practicable. If an event of force majeure continues for a period in excess of one hundred eighty (180) days, then the Parties will meet and confer in good faith to determine whether it is economically and operationally feasible to mitigate the effects of the event or to rebuild the facilities of either Party as necessary to restore performance of the terms of this Agreement no later than one (1) year from the commencement of the event of force majeure or such longer period which the Parties shall mutually agree upon.

25. Successors and Assigns. The covenants and conditions herein contained shall, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators and assigns of all Parties hereto, and all of the Parties hereto shall be jointly and severally liable hereunder.

26. Complete Agreement. There are no written or oral agreements between City and Provider affecting this Agreement, and this Agreement supersedes and cancels any and all previous negotiations, arrangements, proposals, agreements and understandings, oral or written, if any, between City and Provider or displayed by City to Provider with respect to the subject matter of this Agreement.

27. Amendment and Modification. This Agreement may not be amended or modified in any respect whatsoever except by an instrument in writing signed by City and Provider. This Agreement and any instrument, agreement or document attached hereto or referred to herein, is intended by City and Provider as the final expression of the agreement with respect to the terms and conditions set forth in this Agreement and any such instrument, agreement or document and as the complete and exclusive statement of the terms agreed to by City and Provider.

28. Incorporation of Exhibits and Documents. Each and every exhibit or document referenced in this Agreement, whether or not attached to this Agreement, shall be incorporated into the body of this Agreement and each point of reference.

29. Dispute Resolution.

29.1. Management Discussions. Should any dispute or claim arise between the Parties concerning the terms, interpretation, effect, or operation of this Agreement, the Parties agree to make good faith efforts to informally resolve such dispute or claim through discussions between the City Manager of City and the Chief Executive Officer of Provider. If the Parties fail to resolve such disputes or claims, then either Party shall have the right to submit the dispute or claim to arbitration pursuant to Section 28.2.

29.2. Arbitration. Any dispute arising under this Agreement, including, without limitation, all disputes relating in any manner to the performance or enforcement of this Agreement shall be resolved by binding arbitration in the County of Riverside, California, pursuant to the rules of Judicial Arbitration and Mediation Services ("***JAMS***"), as amended or as augmented in this Agreement (the "***Rules***"). Arbitration shall be initiated as provided by the Rules, although the written notice to the other party initiating arbitration shall also include a description of the claim(s) asserted and the facts upon which the claim(s) are based. Arbitration shall be final and binding upon the parties and shall be the exclusive remedy for all claims subject hereto, including any award of attorney's fees and costs. Either party may bring an action in court to compel arbitration under this Agreement and to enforce an arbitration award. All disputes shall be decided by a single arbitrator. The arbitrator shall be selected by mutual agreement of the parties within thirty (30) days of the effective date of the notice initiating the arbitration. If the parties cannot agree on an arbitrator, then the complaining party shall notify JAMS and request selection of an arbitrator in accordance with the Rules. The arbitrator shall have only such authority to award equitable relief, damages, costs, and fees as a court would have for the particular claim(s) asserted. In no event shall the arbitrator award punitive damages of any kind. The parties acknowledge that one of the purposes of utilizing arbitration is to avoid lengthy and expensive discovery and allow for prompt resolution of the dispute. The arbitrator shall have the power to limit or deny a request for documents or a deposition if the arbitrator determines that the request exceeds those matters which are directly relevant to the claims in controversy. The document demand and response shall conform to Code of Civil Procedure section 1282.6. The deposition notice shall conform to Code of Civil Procedure section 1283. The parties may make a motion for protective order or motion to compel before the arbitrator with regard to the discovery, as provided in Code of Civil Procedure. Notwithstanding the election by the parties to arbitrate their disputes, nothing contained herein shall prevent a party from filing an action in a court of competent jurisdiction to seek any form of equitable remedy or relief.

30. Governing Law and Venue. This Agreement is to be governed by and construed in accordance with the laws of the State of California. All disputes will be brought in the federal court for the

Central District of California or the superior court of the State of California located in the County of Riverside.

31. Attorney's Fees. Each Party will bear its own legal fees and costs in any action brought to enforce the terms of this Agreement.

32. Miscellaneous.

32.1. The words "***City***" and "***Provider***" as used herein include the plural as well as the singular. If there is more than one Provider or City, the obligations hereunder imposed upon Provider or City are joint and several. Time is of the essence of this Agreement and each and all of its provisions. Subject to the provisions applicable to assignment, the agreements, covenants, conditions and provisions herein contained apply to and bind the successors and assigns of City and Provider.

32.2. This Agreement has been mutually negotiated by the Parties and their legal advisors. Should any provision of this Agreement require interpretation, it is agreed that the person or persons interpreting or construing the same shall not apply a presumption that the terms of this Agreement shall be more strictly construed against one Party by reason of the rule of construction that a document is to be construed more strictly against the Party who itself or through its agent or counsel prepared the same or caused the same to be prepared; it being agreed that the agents and counsel of all of the parties have participated equally in the negotiation and preparation of this Agreement. The language in all parts of this Agreement shall be in all cases construed simply, fairly, equitably and reasonably, according to its plain meaning and not strictly for or against any of the Parties. Without limiting the generality of the foregoing: use of the masculine gender includes the feminine and neuter; the singular number includes the plural and the plural number includes the singular; the term "person" includes a corporation or other entity as well as natural person; and the term "including" means "including but not limited to."

[signature page follows]

IN WITNESS WHEREOF, City and Provider have executed this Agreement as of the day and year first herein above written.

CITY:

CITY OF COACHELLA

By: _____
Name: William Pattison
Title: City Manager

Approved as to form:

_____
Best Best & Krieger LLP

PROVIDER:

Coachella Valley Power Services, LLC
a California limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT "A"

MAP OF NEW MUNICIPAL UTILITY PHASE 1 AREA



EXHIBIT "B"

PROJECT INFRASTRUCTURE PLAN

NMU – Technology Campus (Phase 1)

1. Infrastructure

A. Initial Infrastructure

1. New 230Kv Interconnection to IID's existing Coachella Valley Substation and Associated 230Kv Switchyard at the Coachella Energy Center, each as shown on the map attached hereto as Exhibit B-1.
2. Required equipment to tie-in to IID's Coachella Valley Substation
3. All required 230Kv Metering Equipment
4. All required 230kv sub-transmission
5. Electrical Ops Yard and maintenance building located at the Coachella Energy Center
6. Fuel cell microgrid(s) located at the Technology Campus as shown on Exhibit B-1.

B. Future Additions to Infrastructure

Provider will have the option pursuant to Section 5.3, but not the obligation, to participate in the following future additions:

1. New 92 Kv Substation and Tie-ins for Future Phase 2 Electrical infrastructure
2. New Energy Center Distribution Substation and required Overhead and Underground to stub-out and support future local growth
3. New Polk Street Distribution Substation
4. New Oats Lane Distribution Substation

Transmission included in the infrastructure will be overhead for sub-transmission circuits and will be underground for Distribution Circuits.

2. Real Property

Provider will acquire any real property necessary for the location of the substations and shall dedicate such real property to the City upon completion of the Project Infrastructure.

3. Rights of Way

City will provide access at no cost for the location of infrastructure within public rights of way as identified on the map attached to this Exhibit B. Any private property or rights-of-way across private property that are required to provide transmission to the NMU or within the NMU to the Technology Campus will be acquired by Provider and assigned to the CMU.

4. Building Requirements

The City will adopt rules and regulations for the construction of infrastructure within the CMU that is based on current State of California utility regulations, standards and best practices.

5. Fire Station

Provider will provide five acres for future City-built and staffed Fire Station at or close to the corner of Ave 50th and Filmore St.

EXHIBIT "B-1"

MAP OF PROJECT INFRASTRUCTURE

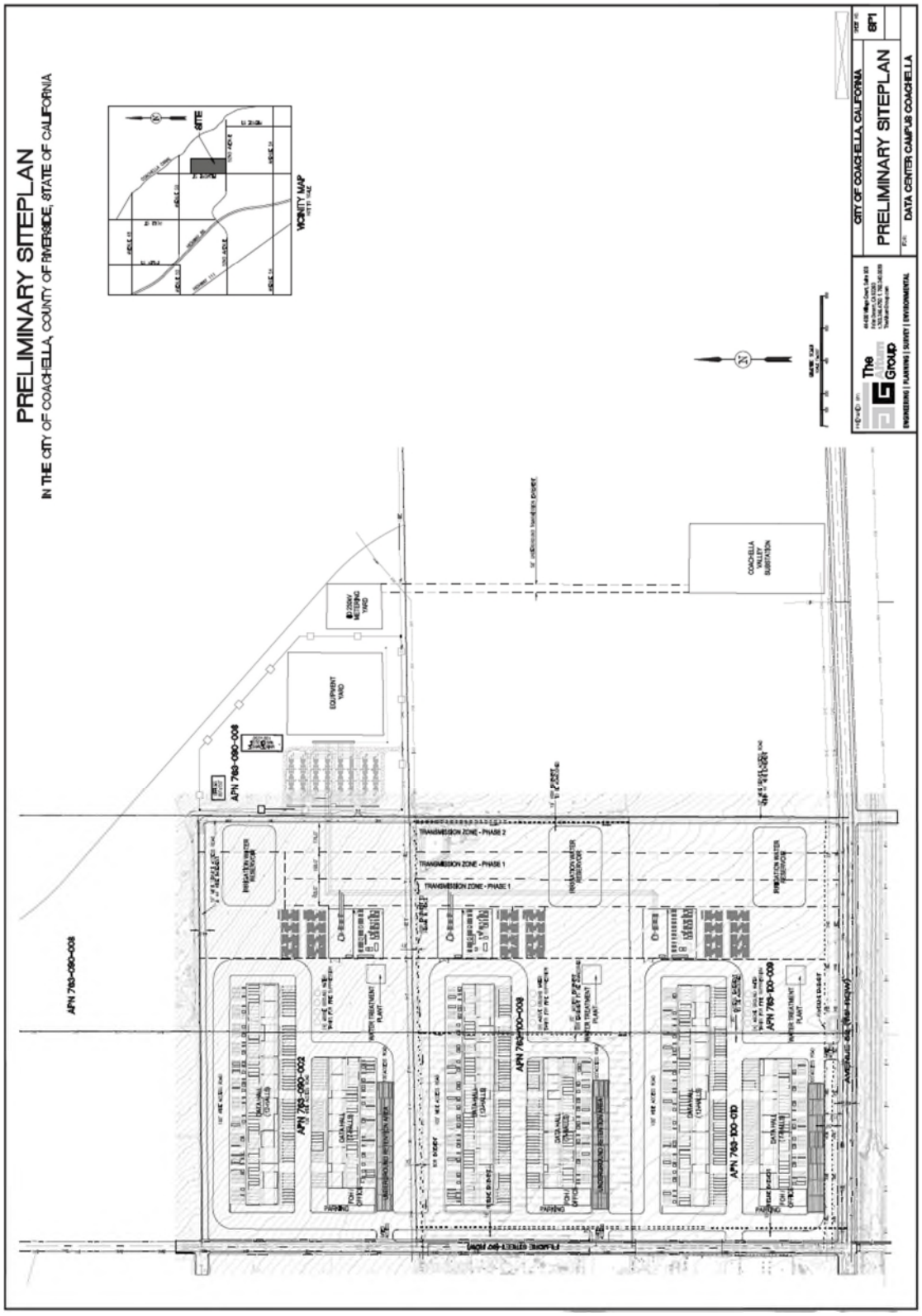


Exhibit "B"

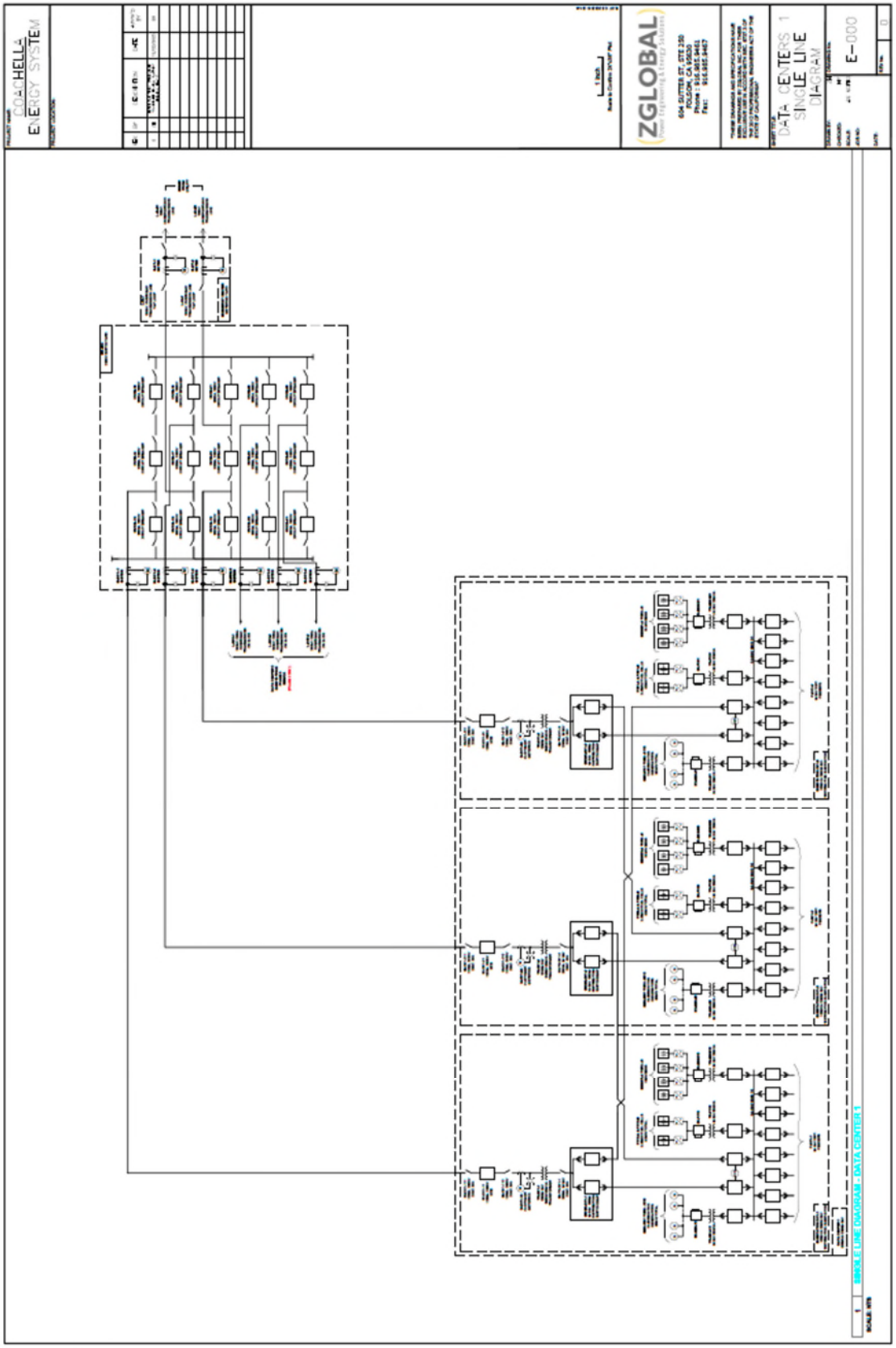

COACHELLA
ENERGY SYSTEM
ZGLOBAL
DATA CENTERS 1
SINGLE LINE
DIAGRAM
E-000
SINGLE LINE DIAGRAM - DATA CENTER 1

EXHIBIT "C"

SCOPE OF O&M SERVICES

Beginning on the Utility Operations Date and continuing thereafter throughout the Term, Provider shall, in a timely manner, perform and/or provide all work, services, supervision, management, labor, equipment, materials, parts, tools, consumables, consumable parts, materials, supplies and other items necessary or appropriate to perform CMU operations within the NMU.

Provider shall be solely responsible for and have control over construction means, methods, techniques, sequences and procedures and for coordinating provision of the O&M Services consistent with the terms of this Agreement, including the timely performance or delivery of work by its subcontractors, except where the Agreement otherwise provides specific instructions concerning these matters.

Project Infrastructure

Provider shall be solely responsible for the operation and maintenance of the Project Infrastructure, including the following:

1. Substations, distribution feeder circuits, switches, primary circuits, protective equipment, distribution transformers, conductors, controls, and instruments.
2. Electrical distribution infrastructure, including overhead poles and wires and underground equipment, lightning arrestors, fuses, insulators, circuit breakers, relays, and busses;
3. Electrical operations control center and customer service center;
4. Accessory buildings and maintenance/repair equipment yards;
5. Equipment required for operation and maintenance of project infrastructure, including parts, tools, and vehicles;
6. Customer electrical meters;
7. Back-end customer service hardware and software;
8. Additional infrastructure and equipment necessary to provide the O&M Services in accordance with industry best practices.

Work not specifically delineated in this Agreement will be performed and provided by Provider to the extent necessary or appropriate to complete the O&M Services.

During the Development Period as set forth in Section 2.5(b), Provider shall prepare and submit to City for its approval, Provider's proposed Operating and Maintenance Plan ("O&M Plan") for the initial year of CMU operations. The O&M Plan shall show, in such detail reasonably required by City, and on a Month-by-Month basis, all relevant information relating to the anticipated operation and on-going maintenance of the Project Infrastructure by Provider and shall include a program and timetable for the performance of Provider's obligations under this Agreement, the proposed number of hours of maintenance, the timing of such maintenance, and any other material activities as identified by Provider. The O&M Plan will be updated by Provider with any necessary modifications no later than the Utility Operation Date. No changes shall be made to the O&M Plan by Provider without the prior written approval of City, which will not be unreasonably withheld, conditioned or delayed.

Provider shall arrange for the testing and calibration of all customer meters on installation and thereafter on a regularly scheduled basis in compliance with the applicable manufacturer's recommendations.

Provider shall prepare log books and reports as necessary with respect to all maintenance activities. The City may review such log books and reports at reasonable intervals, but no more frequently than four (4)

times per calendar year, following prior notice to Provider. Provider shall provide reasonable assistance to City in preparing all reports, plans and other materials that City is required to deliver concerning the maintenance and servicing of the Project Infrastructure, if any, including any asset and inventory management requirements of the CMU to comply with GAAP as adopted by the Governmental Accounting Standards Board or otherwise required by the State of California. All reports and documents prepared by or for Provider for City in connection with the performance of the O&M Services shall become the property of City immediately upon creation thereof.

Billing and Collections

The CMU will handle all billing and collections with respect to the customers of the CMU. Provider will support this effort by providing all information necessary for the CMU to timely bill its customers on a monthly basis, including meter data. All such information will be provided in digital form that is configured to work with the City's billing system.

Permits and Compliance

Provider shall obtain, pay for, and maintain all permits required to allow Provider to lawfully perform the O&M Services and otherwise carry out its business affairs as contemplated in the Agreement, and shall secure each permit prior to performance of the relevant portion of the O&M Services for which such permit is required.

Provider shall deliver copies to CMU of each permit promptly after receipt thereof. Provider shall perform all the O&M Services such that the performance of such services will comply with the provisions of all permits.

Provider shall promptly notify CMU of any communication from any governmental authority that alleges that Provider is not acting in compliance with applicable laws. Provider shall provide a copy to the City immediately upon receipt of any notice, order or other correspondence by Provider from any governmental authority related to any failure or asserted failure to comply with any legal requirement. If the legal requirements are inconsistent but one is more stringent that the other(s) (such that all can be complied with by complying with the most stringent requirement), Provider shall perform its obligations in accordance with the most stringent requirement. If two or more requirements are in conflict (such that it is impossible to comply with all of them concurrently), Provider shall promptly notify CMU of the conflict and the CMU shall resolve such conflict in its sole discretion, after considering input from Provider.

Personnel

Provider shall provide the labor and professional, supervisory and managerial personnel required to perform the O&M Services in accordance with the requirements. Such personnel shall be qualified (including possessing appropriate licenses), experienced and trained in the duties to which they are assigned by Provider and capable of performing such duties in accordance with this Agreement.

Provider shall retain sole authority, control and responsibility with respect to labor matters in connection with the performance of the O&M Services. Upon City's reasonable request, Provider shall provide City with the qualifications of any or all personnel employed in connection with the Services at the Project Site. Provider shall remove, and cause subcontractors to remove, any employee, agent or other person engaged in the performance of the O&M Services for Provider or such subcontractor, as the case may be, whose conduct the CMU reasonably deems to be having a material adverse effect on the O&M Services or the Project Infrastructure, adversely impacting the health and safety of the public, or the perception of the CMU, or City's relationship with the surrounding community.

Provider shall provide ongoing training and education programs, as necessary, for all personnel engaged by Provider in providing the O&M Services. Prior to the expiration of the Term, Provider shall train City's personnel in the performance of the O&M Services and in the start-up, shut-down and operation and maintenance of, safety, and all general process understanding and emergency procedures for the Project Infrastructure and all of its sub-systems.

Provider shall take cognizance of and responsibility for the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq., as well as California Code of Regulations, Title 8, Section 16000 et seq. ("***Prevailing Wage Laws***"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public work" and "maintenance" projects. Provider shall fully comply with and require its subcontractors/subconsultants to fully comply with such Prevailing Wage Laws to the extent applicable. If the Services are funded in whole or in part by federal funds or otherwise requires compliance with the Davis-Bacon Fair Labor Standards Act, Provider and all its subcontractors/subconsultants shall pay the higher of the state or federal prevailing wage rates.

Provider shall adopt policies and practices designed to avoid labor disputes, and to minimize the risk of labor-related delays or disruption in providing the O&M Services. Provider shall advise City promptly, in writing, of any actual or threatened labor dispute of which Provider has knowledge that might materially affect the provision of the O&M Services. Notwithstanding the foregoing, the settlement of labor disputes shall be at the discretion of the Party having the difficulty.

Provider shall ensure (with respect to its employees), and shall cause all subcontractors to ensure (with respect to their respective employees), that at the time of hiring, all personnel providing the O&M Services are in possession of all such documents (including visas, driver's licenses and work permits) as may be required by any and all applicable laws. Provider shall provide any such documentation to the CMU in a timely fashion in order for the CMU to comply with any request or requirement of any governmental Authority.

Safety and Emergencies

Provider shall be responsible for the security of the Project Infrastructure during the duration of the Term. Provider shall secure access to the Project Infrastructure sites in accordance with best industry practices.

In the event of an emergency endangering life or property, Provider shall take such action as may be necessary or reasonable to prevent or mitigate injury, damage or loss and shall promptly notify the CMU of any such emergency and the actions taken by Provider. In addition, the CMU may take such action as is necessary or reasonable to prevent, avoid or mitigate injury, damage or loss (provided that the taking of such action by the CMU, or the CMU's failure to do so, shall not limit Provider's liability or its obligations under this Agreement), and if the necessity of taking of such action is caused by Provider's acts or omissions or those of any other responsible party, then Provider shall reimburse the City for the costs incurred by the CMU in taking such action.

Provider shall cooperate with the requests of the CMU to address any and all concerns of the landowners or occupants of real property adjacent to the Project Infrastructure sites. Provider shall not enter into any agreement, contract or understanding with any landowner or occupant of real property adjacent to the Project Infrastructure without the prior written consent of City.

Environmental Compliance

Provider specifically agrees that in the performance of its obligations under this Agreement and in the performance of all the Services hereunder, Provider shall at all times fully comply with and cause each of its subcontractors, if any, to fully comply with all applicable environmental laws. Provider further agrees that Provider shall have and cause its subcontractors, if any, to have and keep in effect all licenses, permits, registrations, certificates, and approvals required by any environmental law or by any governmental agency for the O&M Services undertaken by Provider or its subcontractors, if any, in the performance of Provider's obligations under this Agreement.

All hazardous materials used in connection with the O&M Services will be promptly and properly managed, containerized, stored, removed, transported and disposed of by Provider in accordance with all applicable environmental laws. Without in any way limiting the foregoing, Provider shall not cause or permit the spillage, discharge, emissions, or release of any hazardous materials in the course of performing O&M Services. If spillage, discharge, emission, or release should accidentally occur through Provider's actions, Provider shall immediately notify the CMU and:

(1) Take all reasonable steps necessary to stop and contain said release;
(2) Make any report of such release as required under environmental law;
(3) Clean up such release as required by the applicable governmental agency.

Provider shall immediately notify the CMU's designated representative of the following upon the occurrence of any release of hazardous material in connection with the O&M Services:

(1) A description of the release;
(2) The identification of the hazardous material and the volume released;
(3) Death or injury to any person;
(4) Property damage;
(5) Any communication from any governmental agency that alleges that Provider is not acting in compliance with environmental laws, rules or regulations;
(6) Any communication from any governmental agency that affects any permits or licenses necessary to perform the O&M Services.

Provider shall submit within thirty-six (36) hours of the release to City's designated representative a written report, in a format required by City, describing in detail any event of any release of a hazardous material which shall include the following information:

(1) Name and address of Provider and any subcontractor(s) involved.
(2) Name and address of Provider's commercial and environmental liability insurance carrier.
(3) Name and address of any injured or deceased persons, if applicable.
(4) Name and address of any property damage, if applicable.
(5) A detailed description of the release including the identification of the hazardous material, the date and time of the release, the volume released, and the nature of any environmental contamination.
(6) A determination of whether any of City/CMU personnel, equipment, tools or materials were involved.
(7) A detailed description of all reports made to any governmental agency, and a description of the actions taken to respond to the release.

EXHIBIT "D"

SCOPE OF ENERGY SERVICES

Portfolio Management Strategy

Provider will assist CMU with preparing and periodically updating its portfolio management strategy that addresses regulatory requirements and Risk Management Policy criteria and thresholds (e.g., mark-to-market and open position tolerances). Setting a strategic course requires a firm understanding of the regulatory landscape/requirements and current market conditions (e.g., price and availability by resource type), which will be carefully considered in reviewing and updating a plan that balances costs and other organizational objectives.

Summary of Tasks

Provider shall develop and complete the following key tasks in collaboration with CMU related to portfolio management strategy:

- Prepare briefing materials articulating applicable regulatory requirements, the various energy products and options available to the CMU, market conditions, and cost and other tradeoffs among the available products and energy sources;
- Attain City Council direction on regulatory ambitions and risk tolerances;
- Discuss options for achieving City Council goals and risk tolerances with respect to cost impacts; and
- Review and update a portfolio management strategy and related planning documentation to achieve established targets.

Risk Management Program Administration

A key component to the success of any load serving entity is a comprehensive and effective energy risk management program. A sound energy risk management program enables the timely understanding of portfolio positions relative to specified targets and values-at-risk (for any open positions) and provides CMU's management with requisite information to make informed decisions regarding its portfolio. Some key components of such a program should include: 1) an Energy Risk Management Policy (Risk Policy) that describes the key risks related to energy procurement that an organization faces and its corresponding mitigators, including price risk, volumetric risk, credit risk, and operational risk, among others; 2) Credit Risk Guidelines (Credit Guidelines) that include management practices/parameters related to supplier credit and liquidity (to inform decision related to collateral posting, etc.) and how to manage credit risk in the event of a supplier default; 3) quantification and reporting of portfolio positions, values and risks; and 4) scenario analyses and stress testing to facilitate CMU's understanding of potential stress-based outcomes under extreme circumstances and certain unlikely/undesirable scenarios.

Summary of Tasks

Provider shall develop and complete the following key tasks in collaboration with CMU related to energy risk management:

- Periodically review the Risk Policy to ensure it is tailored to CMU's needs, focusing on information specific to CMU's operations in order to make well-informed decisions and incorporating industry best practices;

- Draft Credit Guidelines that help shield CMU from counter Party credit risk while minimizing collateral postings;
- Determine the best methods and/or systems to aggregate positions, value positions, value risks, and establish the tolerance bands based upon CMU's risk appetite. Provider will prepare the reports required to review together with CMU's senior management at regularly scheduled (likely, quarterly) Risk Oversight Committee meetings; and
- Perform scenario analyses as needed and present the scenario with the most likely outcome and compare it with the extremes and circumstances under which they could occur.

Power Supply Portfolio Management & Procurement

To continue serving customers, CMU will need to secure requisite energy products and services, including shaped energy (i.e., a quantity of energy delivered by the supplier(s) according to an agreed upon schedule), resource adequacy capacity (i.e., reserve capacity required to meet mandatory compliance obligations applicable to municipal utilities, including incremental procurement orders issued by jurisdictional regulatory authorities), renewable energy (both short-term and long-term renewable supply, which will be necessary to satisfy California's recently increased 65% long-term RPS contracting requirement), and carbon-free energy (if necessary).

Summary of Tasks

Provider shall develop and complete the following key tasks in collaboration with CMU related to supplier selection and related contracting for power procurement:

- Develop and maintain a detailed load forecast for all eligible customers within the NMU;
- Determine desired energy and capacity quantities, which would supply aggregate customer requirements, including anticipated participation in default and voluntary retail service options;
- Prepare draft solicitation materials, including a Request for Proposals/Offers document and related bid workbooks (which will provide an organized, uniform framework for bidder responses), to support the procurement of necessary energy and capacity products, including requisite long-term renewable energy contracts to satisfy California's 65% long-term RPS contracting requirement and incremental capacity procurement obligations issued by jurisdictional regulatory authorities (e.g., the supplemental mid-term reliability procurement order issued by the CPUC via D.23-02-040);
- Coordinate with CMU's executive leadership to explore the possibility of procuring surplus RA capacity and RPS-eligible renewable energy (both short- and long-term);
- Evaluate offers received in response to the aforementioned solicitation processes and assist CMU in selecting the preferred supplier(s) of such products and services;
- In conjunction with the CMU's designated staff and legal counsel, support power purchase agreement negotiation for desired products and services;
- Assist CMU (in cooperation with CMU's designated staff and legal counsel) in developing and finalizing form transaction documents for desired products and services; and
- Perform necessary coordinative activities with CMU's selected supplier(s).

Legislative & Regulatory Compliance

As a Load Serving Entity (LSE) within the state of California, CMU will be required to comply with a variety of regulations, including participation in certain reporting programs administered by the CPUC and California Energy Commission (CEC). In particular, the annual electric load forecast (as it relates to future reserve capacity, also known as "resource adequacy," compliance obligations), Western

Renewable Energy Generation Information System (WREGIS) account renewable energy credits validation work, preparation of a renewable procurement plan, preparation of joint cost comparisons (a customer communication requirement created by SB 790) and preliminary power source disclosures will all require pre-launch completion.

Summary of Tasks

To ensure compliance with these requirements, Provider shall complete the following activities:

- Prepare a regulatory compliance calendar and reporting matrix to ensure that management has a thorough understanding of currently applicable technical reporting requirements and related submittal deadlines;
- Prepare load forecast and related filings to ensure compliance with California's resource adequacy program;
- Prepare annual compliance reports, as required under California's Renewables Portfolio Standard Program;
- Validate and transfer renewable energy credits (REC) on the WREGIS platform as the recipient and the issuer of the RECs on behalf of CMU;
- Assist CMU in developing requisite resource planning documents including statutorily required Integrated Resource Plan, if applicable, and RPS Procurement Plan;
- Prepare CMU's annual Power Source Disclosure reports and distribute key portfolio performance metrics to CMU's management – complete the CEC's required Power Content Label template and coordinate with CMU's communications team regarding technical elements of annual Power Content Label preparation;
- Assist and coordinate with CMU and its Scheduling Coordinator to determine the strategies for acquisition of Import Allocation Rights that may be used to support use of import resource adequacy capacity;
- Assist in preparing month-ahead and year-ahead resource adequacy compliance filings, including those related to California's slice-of-day compliance framework;
- Coordinate with resource adequacy suppliers and jurisdictional regulatory agencies to address and resolve prospective compliance issues;
- Assist in preparing compliance filings pursuant to the CEC's biennial Integrated Energy Policy Report, Quarterly Fuels and Energy Report including the related CEC 1306B quarterly report, and the U.S. Energy Information Agency monthly EIA-826 and annual EIA-861 reports;
- Assist in preparing Demand Forecast and Resource Supply compliance filings related to the CEC Integrated Energy Policy Reports;
- Assist in preparing status updates related to incremental procurement orders mandated by the CPUC; and
- Assist in preparing data request responses related to inputs required for calculation of the Power Charge Indifference Adjustment market price benchmarks.

Rate Setting & Financial Modeling

Provider will maintain a working pro forma financial model for CMU use in budgeting, cash flow planning, and financial performance monitoring. Provider will design customer electric rates and update rates for approval by CMU's governing board on an annual basis – such rates will be established at sufficient levels to meet adopted financial targets. The following tasks are included as part of this service:

Summary of Tasks – Rate Setting

- Annually, develop proposed CMU rate schedules; cost of service modeling; IID benchmarking; billing determinant (e.g., Time of Use energy) forecast; present and proposed rate revenue forecast;
- Collaborate with staff, CMU, and CMU governing bodies, as necessary, in regard to rate changes, including necessary new rate designs or options;
- Monitor realized rate revenue vs. projections to identify necessary rate changes;
- Monitor IID rates and surcharges; and
- Prepare a draft feed-in-tariff policy, including applicable project eligibility criteria, pricing schedules, and an appropriate power purchase agreement (which will be primarily based on successfully deployed FIT agreements used by other municipal utilities.

Summary of Tasks – Financial Modeling (Pro Forma)

- Maintain CMU's pro forma financial models of monthly income/expense projections, cash flow and cash balances;
- Update pro forma models as necessary to incorporate current load, resource and market data; monitor accuracy of financial projections on monthly basis; assist in reconciling budget variances;
- Prepare forecast of power supply and other expenses for annual budget;
- Prepare draft annual budget for the CMU program in cooperation with CMU management and accountants; and
- As necessary, coordinate with CMU and its financial advisors with regard to matters that may impact CMU's financial standing, debt levels, electric rates, annual budget, resource planning and other key concerns.

Invoice Validation Services

Provider will provide invoice validation services for all invoices submitted by CMU's counterparties, including invoices relating to all existing and future agreements and contracts for the term of the Agreement for all required power resources to meet regulatory compliance and serve customer loads. The categories of invoices include product components of energy, resource adequacy, and renewable energy attributes that comply with California's Renewable Portfolio Standard, collectively as Products.

Summary of Tasks – Invoice Validation Services

- Upon execution of Products' contracts and agreements and the delivery of such products, invoices will be submitted to Provider by CMU's counterparties.
- Upon receipt of the invoices, Provider will review and validate the submitted invoices against the respective contracts and agreements.
- Should there be discrepancies, incomplete submissions, lack of justifications, and/or clarifications required, Provider will deliberate with CMU's counterparties to ensure invoices are fully validated.
- Once Provider validates the Products' invoices, Provider will approve and forward the invoices to CMU for timely final approval and processing.

Provider will observe the terms of the Products' contracts and agreements to ensure the invoice validation process are completed timely to provide CMU ample time to finalize payments.

Credit Support/Performance Guaranty

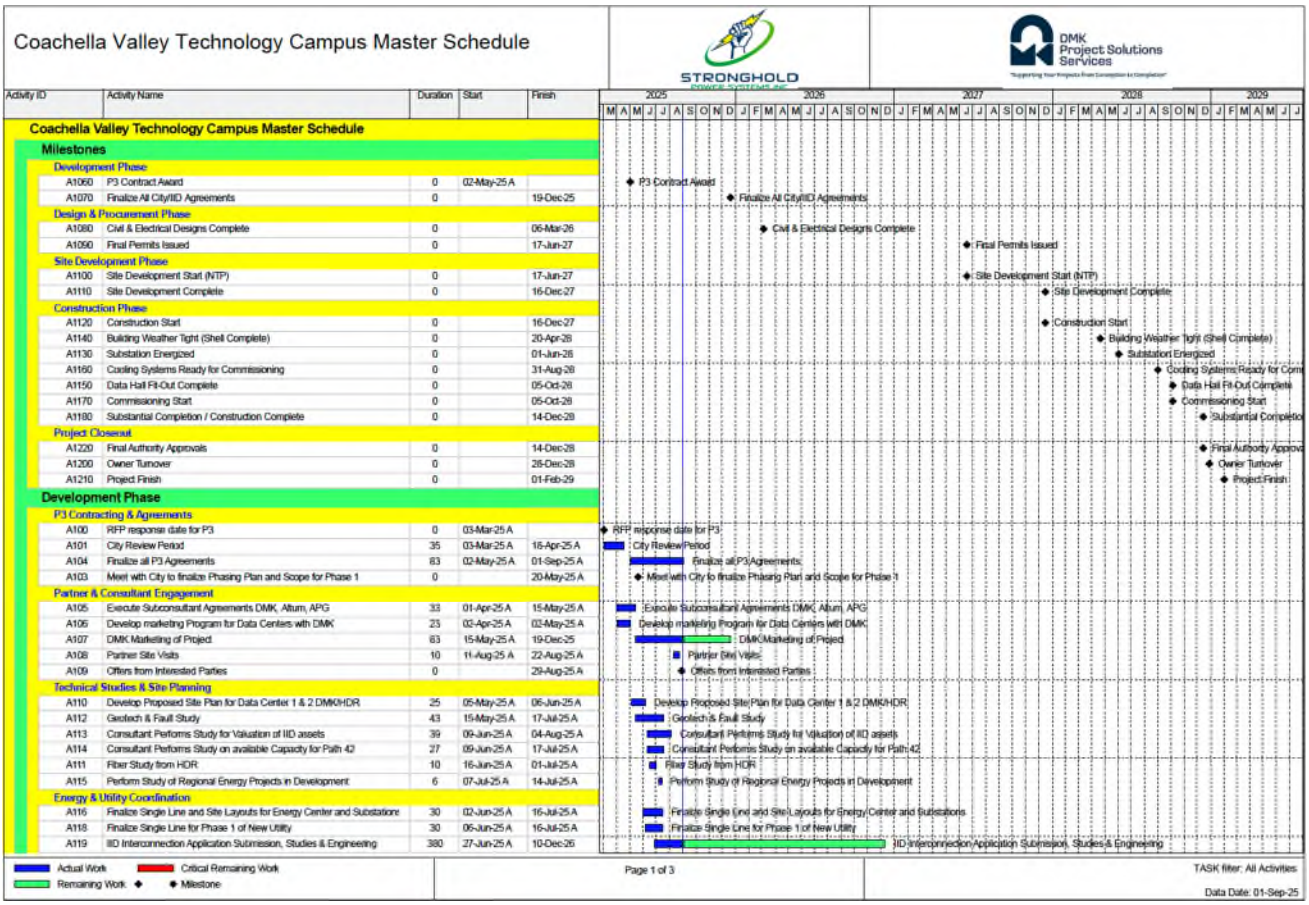
It is intended that Provider will assume all payment risk associated with the procurement of energy to meet load within the NMU.

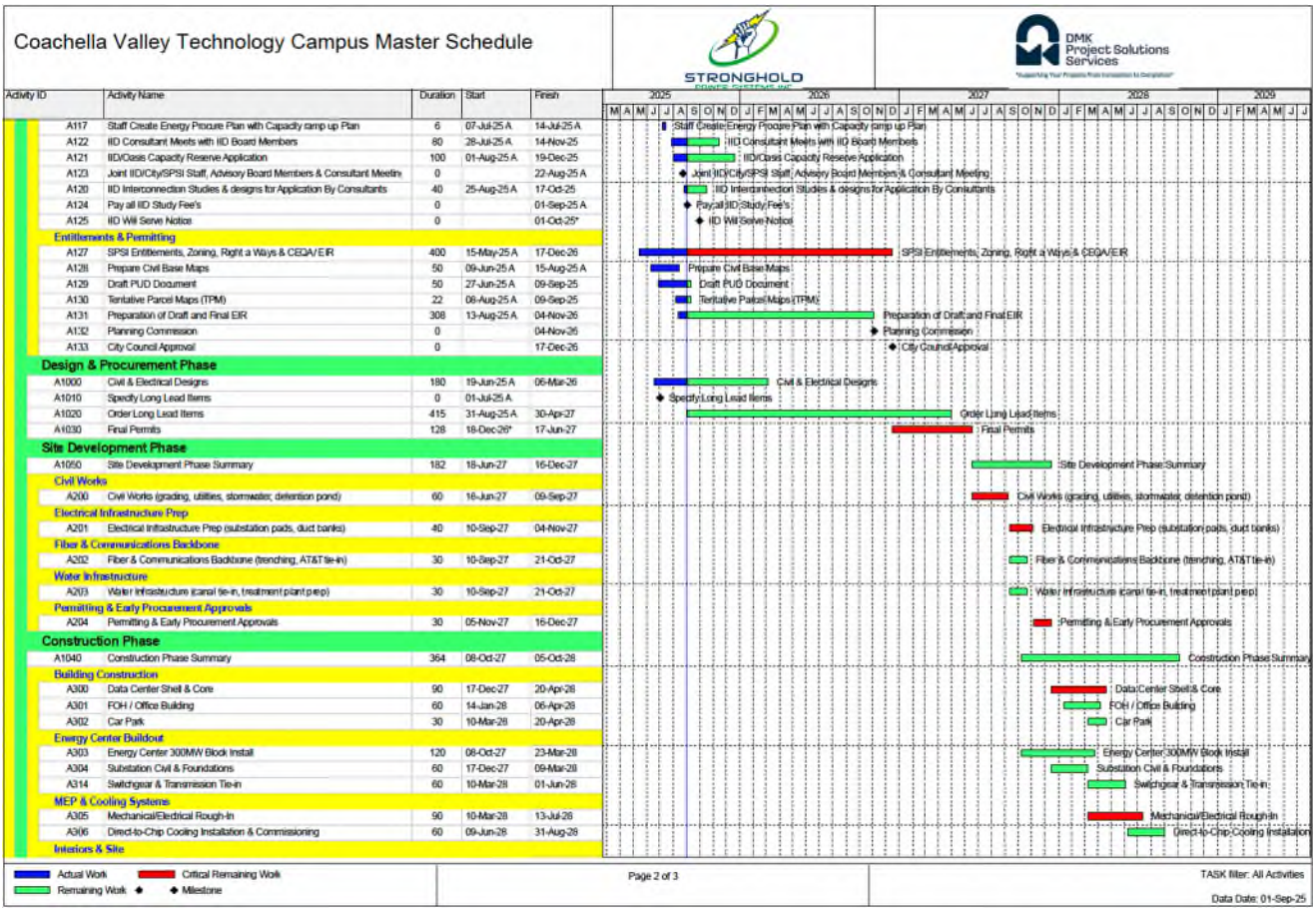
Provider will work with the CMU to create credit support mechanisms for the procurement of energy and regulatory products, including without limitation, a lockbox for energy provider payments, letters of credit and cash collateral.

To the extent required by counterparties, Provider will act as a guarantor for the obligations of the CMU pursuant to all power purchase agreements and will provide as necessary, letters of credit or cash collateral deposits.

EXHIBIT "E"

DEVELOPMENT SCHEDULE





Coachella Valley Technology Campus Master Schedule

STRONGHOLD DIGITAL MINING, INC.

DMK Project Solutions Services

Activity ID	Activity Name	Duration	Start	Finish
A117	Staff Create Energy Procure Plan with Capacity ramp up Plan	6	07-Jul-25 A	14-Jul-25 A
A122	IID Consultant Meets with IID Board Members	80	28-Jul-25 A	14-Nov-25
A121	IID/Oasis Capacity Reserve Application	100	01-Aug-25 A	19-Dec-25
A123	Joint IID/City/SPSI Staff, Advisory Board Members & Consultant Meetin	0		22-Aug-25 A
A120	IID Interconnection Studies & designs for Application By Consultants	40	25-Aug-25 A	17-Oct-25
A124	Pay all IID Study Fee's	0		01-Sep-25 A
A125	IID Will Serve Notice	0		01-Oct-25*
	Entitlements & Permitting			
A127	SPSI Entitlements, Zoning, Right a Ways & CEQA/EIR	400	15-May-25 A	17-Dec-26
A128	Prepare Civil Base Maps	50	09-Jun-25 A	15-Aug-25 A
A129	Draft PUD Document	50	27-Jun-25 A	09-Sep-25
A130	Tentative Parcel Maps (TPM)	22	08-Aug-25 A	09-Sep-25
A131	Preparation of Draft and Final EIR	308	13-Aug-25 A	04-Nov-26
A132	Planning Commission	0		04-Nov-26
A133	City Council Approval	0		17-Dec-26
	Design & Procurement Phase			
A1000	Civil & Electrical Designs	180	19-Jun-25 A	06-Mar-26
A1010	Specify Long Lead Items	0	01-Jul-25 A	
A1020	Order Long Lead Items	415	31-Aug-25 A	30-Apr-27
A1030	Final Permits	128	18-Dec-26*	17-Jun-27
	Site Development Phase			
A1050	Site Development Phase Summary	182	18-Jun-27	16-Dec-27
	Civil Works			
A200	Civil Works (grading, utilities, stormwater, detention pond)	60	18-Jun-27	09-Sep-27
	Electrical Infrastructure Prep			
A201	Electrical Infrastructure Prep (substation pads, duct banks)	40	10-Sep-27	04-Nov-27
	Fiber & Communications Backbone			
A202	Fiber & Communications Backbone (trenching, AT&T tie-in)	30	10-Sep-27	21-Oct-27
	Water Infrastructure			
A203	Water Infrastructure (canal tie-in, treatment plant prep)	30	10-Sep-27	21-Oct-27
	Permitting & Early Procurement Approvals			
A204	Permitting & Early Procurement Approvals	30	05-Nov-27	16-Dec-27
	Construction Phase			
A1040	Construction Phase Summary	364	08-Oct-27	05-Oct-28
	Building Construction			
A300	Data Center Shell & Core	90	17-Dec-27	20-Apr-28
A301	FOH / Office Building	60	14-Jan-28	06-Apr-28
A302	Car Park	30	10-Mar-28	20-Apr-28
	Energy Center Buildout			
A303	Energy Center 300MW Block Install	120	08-Oct-27	23-Mar-28
A304	Substation Civil & Foundations	60	17-Dec-27	09-Mar-28
A314	Switchgear & Transmission Tie-in	60	10-Mar-28	01-Jun-28
	MEP & Cooling Systems			
A305	Mechanical/Electrical Rough-In	90	10-Mar-28	13-Jul-28
A306	Direct-to-Chip Cooling Installation & Commissioning	60	09-Jun-28	31-Aug-28
	Interiors & Site			

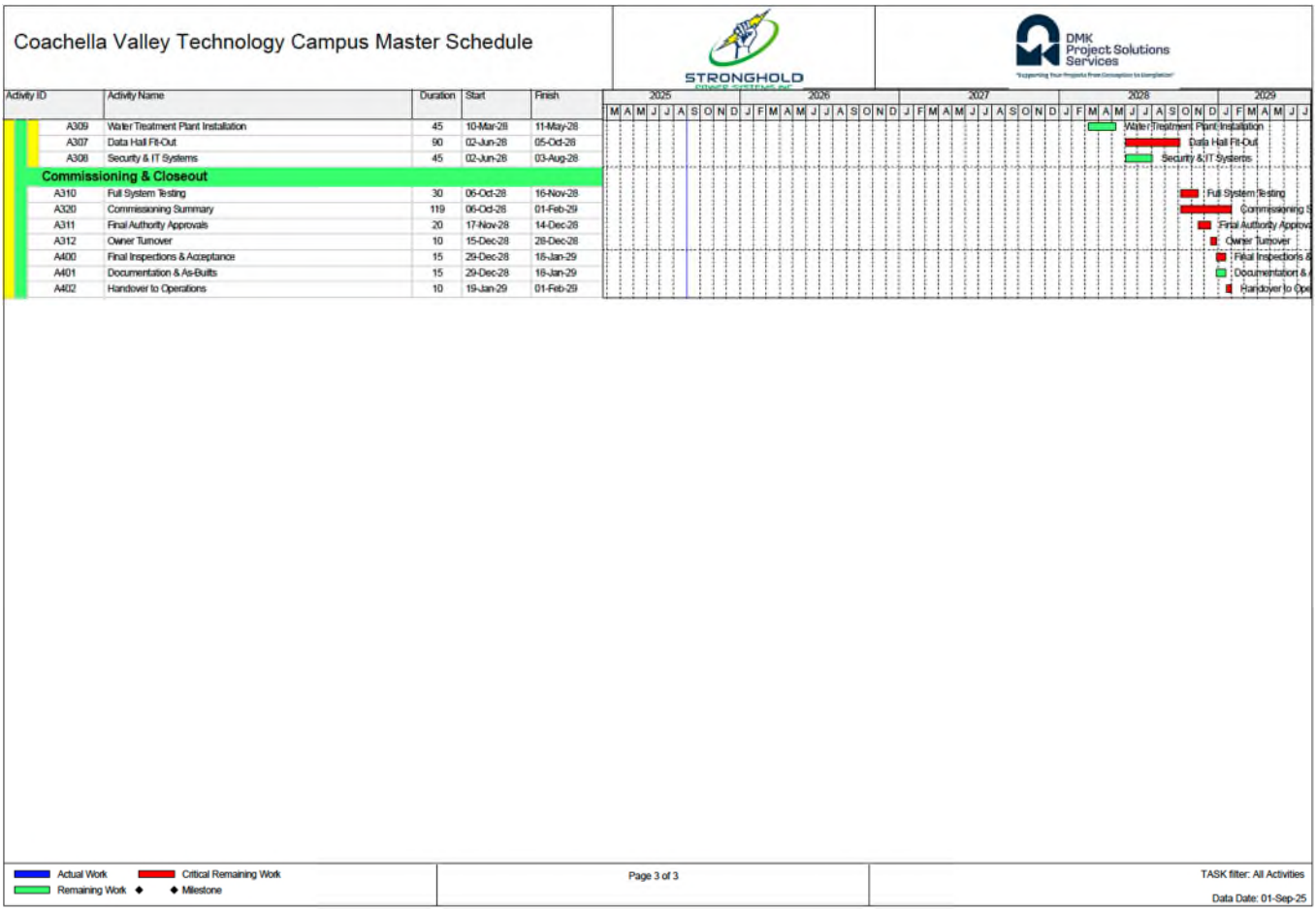

Coachella Valley Technology Campus Master Schedule
STRONGHOLD
DMK Project Solutions Services
Activity ID
Activity Name
Duration
Start
Finish
A309 Water Treatment Plant Installation 45 10-Mar-28 11-May-28
A307 Data Hall Fit-Out 90 02-Jun-28 05-Oct-28
A308 Security & IT Systems 45 02-Jun-28 03-Aug-28
Commissioning & Closeout
A310 Full System Testing 30 06-Oct-28 16-Nov-28
A320 Commissioning Summary 119 06-Oct-28 01-Feb-29
A311 Final Authority Approvals 20 17-Nov-28 14-Dec-28
A312 Owner Turnover 10 15-Dec-28 28-Dec-28
A400 Final Inspections & Acceptance 15 29-Dec-28 18-Jan-29
A401 Documentation & As-Builts 15 29-Dec-28 18-Jan-29
A402 Handover to Operations 10 19-Jan-29 01-Feb-29
2025
2026
2027
2028
2029
Actual Work
Remaining Work
Critical Remaining Work
Milestone
Page 3 of 3
TASK filter: All Activities
Data Date: 01-Sep-25

EXHIBIT "F"

MAP OF TECHNOLOGY CAMPUS AND CAMPUS EXPANSION

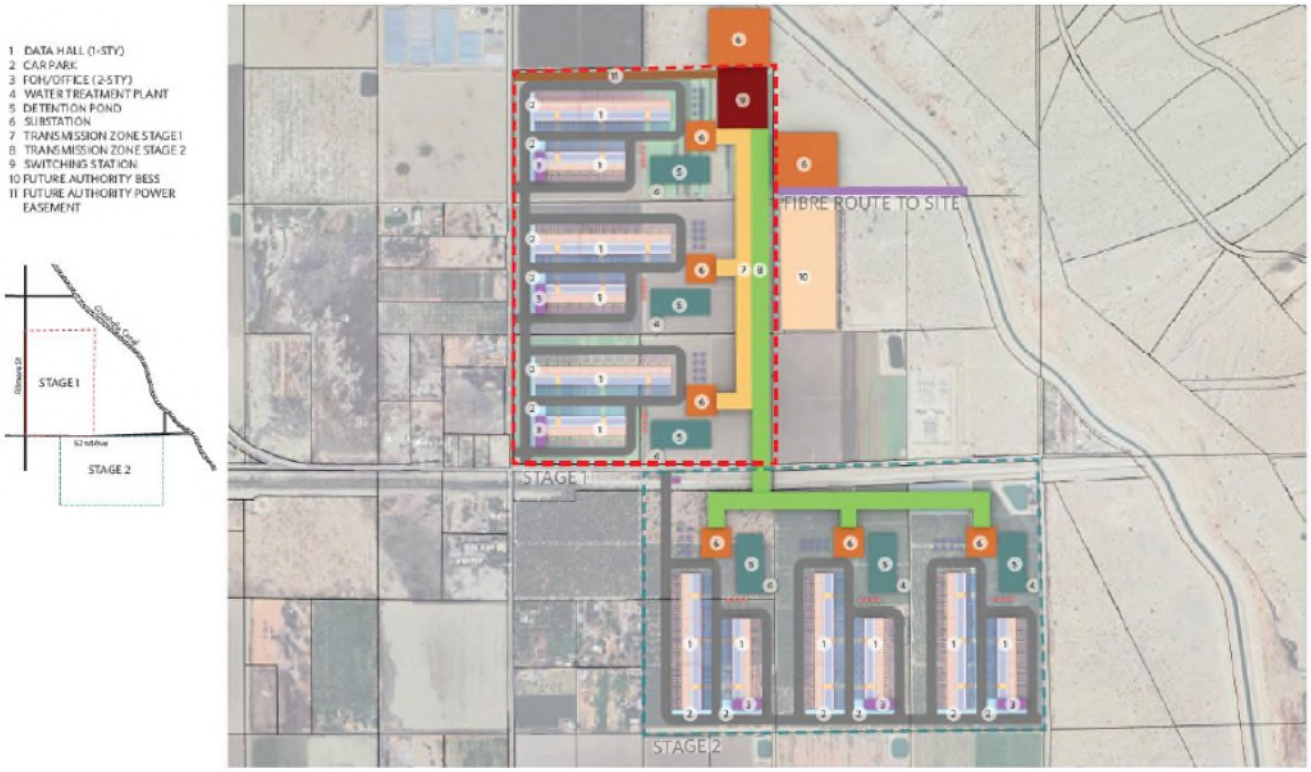


EXHIBIT "G"

RATE ASSUMPTIONS FOR NMU

1. CMU rates will be competitive with IID rates for large commercial customers such as the Technology Campus

2. CMU rates will be consistent with the discussions with initial data center customers within the Technology Campus.

3. CMU rates will be sufficient to cover:

   (i) a retention payment to the CMU equivalent to Eight Percent (8% of gross revenues, subject to reduction in the sole discretion of the City;

   (ii) all anticipated costs and expenses of the CMU for each fiscal year as well as appropriate reserves;

   (iii) all debt service for the Project Infrastructure; and

   (iv) a reasonable return on investment and operating profit of Provider.

EXHIBIT "H"

SERVICE FEE

Provider will provide the Project Infrastructure and all Project Services, O&M Services and Energy Services on the basis of a single turn-key provider fee equal to the revenue of the CMU for providing service within the NMU that is remaining each month after all costs and expenses of the CMU have been paid and the rate retention of the CMU has been retained. Provider acknowledges and agrees that the Service Fee is at-risk subject to the terms and conditions of this Agreement and the City does not guaranty any percentage of return or profit to Provider.

All debt service and repayment for financing obtained by Provider will be paid from its Service Fee.

The Service Fee will be payable in accordance with Section 7.3.

EXHIBIT "I"

LSE REQUIREMENTS

[to be inserted]

EXHIBIT "J"

INSURANCE REQUIREMENTS

See Attached

MINIMUM INSURANCE REQUIREMENTS
DEVELOPMENT & DESIGN PHASE

I. COVERAGE

Before the commencement of any significant design services, Provider shall procure and maintain Professional Liability (Errors & Omissions) insurance covering negligent acts, errors, and omissions arising out of Professional Services performed in connection with this Agreement, including design, engineering, planning, studies, modeling, and technical specifications, with a minimum required limit of $2,000,000 Per Claim and Aggregate.

When Provider retains a licensed architect, engineer or designer or any other Design Consultants (collectively "Consultants") such Consultants and their Subconsultants shall be required to maintain Professional Liability coverage in an amount not less than $5,000,000 Per Claim and Aggregate. This represents the minimum limit required and shall not be construed as confirmation that such limits are adequate to cover the risk.

All required Professional Liability coverage shall be maintained in full force and effect during the performance of the Professional Services and for a period of not less than four (4) years following the completion of such Professional Services, or two (2) years following Substantial Completion of the Project, whichever period is longer. The retroactive date of the Professional Liability policy must predate the beginning of any services provided under the contract and shall not be advanced during the period of time coverage is required to be maintained. Notwithstanding any provision to the contrary, Provider's maximum liability arising out of or related to Professional Services performed in connection with this Agreement, whether in contract, tort, or otherwise, shall not exceed the available proceeds of insurance, excluding liability arising from gross negligence, willful misconduct, or fraud. Consequential, incidental, or indirect damages are excluded to the maximum extent permitted by law.

II. OPTION TO USE ALTERNATIVE INSURANCE PROGRAMS

Provider may, in lieu of the insurance policies otherwise required above, satisfy such requirements through the use of a project-specific insurance program, a master project insurance program, or any other consolidated or alternative insurance arrangement (collectively, an "Alternative Insurance Program"), provided that the coverage afforded by such Alternative Insurance Program is substantially equivalent to, or more comprehensive than, the coverage required under this Agreement.

To the extent an Alternative Insurance Program is used, Provider may require its Consultants and Subconsultants to participate in such program, which shall satisfy their corresponding insurance obligations under this Agreement. The City shall not require Consultants or Subconsultants to procure separate or duplicative insurance unless commercially necessary due to a material coverage gap.

MINIMUM INSURANCE REQUIREMENTS
CONSTRUCTION PHASE

Provider shall procure and maintain insurance of the types specified below, and shall cause each of its Contractors, Subcontractors and Consultants of every tier (collectively "Contractors") to procure and maintain the same. All coverage shall be placed with insurance companies licensed to do business in the state where the project is located with a minimum A.M. Best rating of A- VIII. A specific exception to this requirement will be the State Compensation Insurance Fund of California.

Unless otherwise approved in writing by the City of Coachella ("City"), these insurance obligations shall remain in effect from commencement of any Work until Final Acceptance and through any applicable warranty or maintenance period specified in the Agreement.

I. COVERAGE

1. Commercial General Liability (CGL) Insurance

Provider shall maintain Commercial General Liability (CGL) insurance with a limit of not less than $2,000,000 Per Occurrence and $4,000,000 Aggregate. If such CGL insurance contains a General Aggregate Limit, it shall apply separately to this project as evidenced by ISO Endorsement CG 25 03 or equivalent.

CGL insurance shall be written on the current version of the ISO occurrence form CG 00 01 (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, independent contractors, products/completed operations, personal injury and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). If the CGL policy does not contain standard ISO separation of insureds condition or substantially similar clause, there shall be an endorsement providing cross liability.

If the Scope of Work includes work within 50 feet of any railroad, the CGL policy shall be endorsed to delete the Contractual Liability exclusion for work performed within 50 feet of a railroad.

The City shall be included as an additional insured under the CGL using ISO additional insured endorsements CG 20 10 10/01 (ongoing) and CG 20 37 10/01 (completed operations) or their equivalents, to the extent commercially available. Coverage shall be primary to, and will not seek contribution from, any other insurance or self-insurance programs afforded to the City. Coverage shall be maintained in effect for a period of ten (10) years following completion.

2. Commercial Auto

Provider shall maintain Commercial Auto insurance for all owned, hired, and non-owned vehicles with limits of not less than $1,000,000 Each Accident.

Coverage shall be written on the current version of ISO form CA 00 01, or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage equivalent to that provided in the 1990 and later editions of CA 00 01. The City shall be included as an additional insured, on a primary and non-contributory basis.

3. Workers Compensation and Employers Liability Insurance

Provider shall maintain Workers Compensation and Employers Liability insurance as required by statute. Employers Liability limits shall not be less than $1,000,000 Each Accident, $1,000,000 Each Employee by Disease, and $1,000,000 Policy Limit by Disease.

4. Umbrella/Excess Liability
Provider shall maintain Umbrella/Excess Liability coverage with a minimum limit of $25,000,000 Each Occurrence and $25,000,000 Aggregate. Such policy shall provide coverage over and above the CGL, Auto Liability, and Employers Liability required herein and shall be at least as broad as the underlying coverages. The Excess policy (or policies) shall not require the exhaustion of the underlying limits only through the actual payment by the underlying insurers.

This insurance will name the City as additional insured for ongoing and completed operations on a primary and non-contributory basis.

5. Professional Liability (Errors and Omissions)
Provider shall maintain Professional Liability insurance covering negligent acts, errors, and omissions arising out of Professional Services in an amount not less than $10,000,000 Per Claim and Aggregate.

If Provider or Contractors, retain a licensed architect, engineer or designer ("Design Professional") such Design Professional shall be required to maintain Professional Liability coverage in an amount not less than $5,000,000 Per Claim and Aggregate. This represents the minimum limit required and shall not be construed as confirmation that such limits are adequate to cover the risk.

All required Professional Liability coverage shall be maintained in force throughout the life of the project and for a period of four (4) years following substantial completion of the project. The retroactive date of the Professional Liability policy must predate the beginning of any services provided under the contract and shall not be advanced during the period of time coverage is required to be maintained.

6. Pollution Liability
Provider shall maintain Pollution Liability in an amount not less than $10,000,000 Per Occurrence and $10,000,000 Aggregate.

If any Contractor, Subcontractor or supplier, regardless of tier, perform remediation of hazardous material, or if their operations create an exposure to hazardous materials as those terms are defined in federal, state, or local law, such parties shall maintain in force for the full period of this contract insurance covering losses caused by pollution incidents arising from the operations of such parties. This insurance shall apply to bodily injury, property damage, including loss of use of damaged property or of property that has not been physically injured, cleanup costs, and defense, including costs and expenses incurred in the investigation, defense, or settlement of claims. The policy of insurance affording these required coverages shall be written in an amount of at least $5,000,000 Per Occurrence and $5,000,000 Aggregate

The City shall be included as an additional insured, on a primary and non-contributory basis.

If any Contractor, Subcontractor or supplier, regardless of tier, haul hazardous material (including without limitation, waste) their Commercial Auto policy must include MCS 90 and ISO endorsement CA 99 48 or equivalent coverage.

8. Riggers Liability
If Contractors work involves the moving, lifting, lowering, rigging or hoisting of property or equipment, such Contractor (or Contractors) shall carry Rigger's Liability Insurance to insure against physical loss or damage to first party or third party property or equipment and third party bodily injury with a minimum limit of $10,000,000.

7. Builders Risk (All-Risk)

Provider shall procure and maintain Builders Risk insurance on an "all-risks" completed value or equivalent policy form with a limit sufficient to cover the total value of the entire Project on a replacement cost basis including all materials, equipment, machinery, fixtures, and supplies intended for incorporation into the Utility. The limit shall be no less than the initial contract value, plus the value of any subsequent modifications. Coverage shall include property in transit, and to the extent commercially available and affordable, Equipment Breakdown, Testing, Delay In Start Up, Earthquake and Flood. The City, Provider, Contractor, and all Subcontractors of every tier shall be included as Additional Named Insureds (or Additional Insureds) on the policy.

The requirement to maintain Builders Risk shall remain in full force at all times during the duration of project without any gaps, delays or breaks in coverage, until the Completion and Acceptance of the Work.

The City and Provider waive all rights against each other and any of their Contractors, Subcontractors, agents, and employees, each of the other, for damages caused by fire, or other causes of loss, to the extent those losses are covered by the Builders Risk required by this agreement or other Property insurance applicable to the Project, except such rights as they have to proceeds of such insurance. The City and Provider, as appropriate, shall require similar written waivers in favor of the individuals and entities identified above. The policies of insurance purchased and maintained by each person or entity agreeing to waive claims pursuant to this Exhibit shall not prohibit this waiver of subrogation. This waiver of subrogation shall be effective as to a person or entity (1) even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, (2) even though that person or entity did not pay the insurance premium directly or indirectly, or (3) whether or not the person or entity had an insurable interest in the damaged property. If during the Project construction period the City insures properties, real or personal or both, at or adjacent to the site, the City waives all rights in accordance with the terms of this Exhibit for damages caused by fire or other causes of loss covered by said separate Property insurance or any Self-Insurance Program.

II. ADDITIONAL PROVISIONS AND CONDITIONS

1. Waiver of Subrogation

Provider waives all rights against the City, its agents, and employees for recovery of damages to the extent these damages are covered by insurance (whether or not such insurance is required by this agreement) including but not limited to Commercial General Liability, Commercial Auto, Workers Compensation, and Pollution Liability. This waiver or subrogation shall not apply to the extent such damages arise out of any acts, omissions, negligence or willful misconduct of the City.

2. Cancellation of Insurance

If the insurance company elects to cancel or non-renew coverage for any reason other than nonpayment of premium, Provider's insurer or insurer's representative will provide 30 days notice of such cancellation or nonrenewal.

3. Evidence of Insurance

Prior to commencement of the work, Provider shall furnish the City with a Certificate of Insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth herein. Copies of all required endorsements shall be submitted with the Certificate of Insurance. If requested by the City, Provider shall furnish copies of policies for each coverage required.

4. Failure to Maintain Insurance

Failure to maintain the required insurance may result in termination of this contract at the City's option.

5. Lower Tier Insurance

With the exception of Builders Risk, Provider shall require all Contractors to maintain insurance consistent with these requirements and shall be responsible for ensuring compliance.

6. Continuation of Coverage
All policies, coverages, and limits required by this agreement shall be maintained for a period of at least four (4) years following completion of the project unless specified elsewhere in this Exhibit.

7. No Representation of Coverage Adequacy
This Exhibit K shall not be construed as a representation or guarantee that such coverage and limits are adequate to protect the City, Provider, or any other party to the project, nor shall such coverage and limits be deemed as a limitation of liability.

III. BOND AND FINANCIAL SECURITY REQUIREMENTS

Provider may be required to maintain security requirements that may be satisfied with insurance or surety bonds. Provider may also require surety bonds securing the Provider's obligations by subcontractors, vendors and suppliers.

IV. CHANGES

The Parties acknowledge that insurance markets, statutory requirements, utility standards, and project risk profiles may change over time. The Insurance Requirements applicable to the Construction Phase are therefore subject to adjustment in accordance with this Section. No Party shall be required to procure or maintain insurance coverage beyond what is commercially reasonable, available, and customary for comparable public-private utility projects.

Accordingly, the Parties shall, in good faith, review the Insurance Requirements for the Construction Phase set forth in this Exhibit and may amend such requirements upon mutual written agreement. Any amendment shall be reasonably and proportionately based upon: (a) a material change in the scope or nature of the Work, (b) a change in applicable law, regulation, code, or binding industry standard, (c) a change in the commercial availability, terms, or pricing of the relevant insurance coverage, or (d) prevailing prudent practices within the utility, construction, or renewable-energy space.

The City shall have no unilateral right to increase the required limits or impose new insurance obligations on the Provider or its Contractors, except as expressly allowed in this Section.

If any required coverage becomes commercially unavailable, the Parties shall work in good faith to agree on a commercially reasonable substitute.

V. OPTION TO USE ALTERNATIVE INSURANCE PROGRAMS

Provider may, in lieu of one or more of the insurance policies otherwise required under this Agreement, satisfy such requirements through the use of an Owner-Controlled Insurance Program ("OCIP"), a Contractor-Controlled Insurance Program ("CCIP"), a project-specific insurance program, a master project insurance program, or any other consolidated or alternative insurance arrangement (collectively, an "Alternative Insurance Program"), provided that the coverage afforded by such Alternative Insurance Program is substantially equivalent to, or more comprehensive than, the coverage required under this Agreement, as determined by City in its reasonable discretion.

To the extent an Alternative Insurance Program is used, Provider may require its Contractors and Subcontractors of every tier to participate in such program, which shall satisfy their corresponding

insurance obligations under this Agreement. The City shall not require Contractors or Subcontractors to procure separate or duplicative insurance unless commercially necessary due to a material coverage gap.

MINIMUM INSURANCE REQUIREMENTS
OPERATION, MAINTENANCE AND SERVICE PHASE

Provider shall procure and maintain insurance of the types specified below, and shall cause each of its Subcontractors and Subconsultants of every tier (collectively "Subcontractors") to procure and maintain the same. All coverage shall be placed with insurance companies licensed to do business in the state where the project is located with a minimum A.M. Best rating of A- VIII. A specific exception to this requirement will be the State Compensation Insurance Fund of California.

The insurance required herein shall remain in effect for the full term of the O&M Agreement, including any renewal terms, warranty periods, or transition periods required for turnover.

I. COVERAGE

1. Commercial General Liability (CGL) Insurance

Provider shall maintain Commercial General Liability (CGL) insurance with a limit of not less than $2,000,000 Per Occurrence and $4,000,000 Aggregate.

CGL insurance shall be written on the current version of the ISO occurrence form CG 00 01 (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, independent contractors, products/completed operations, personal injury and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). If the CGL policy does not contain standard ISO separation of insureds condition or substantially similar clause, there shall be an endorsement providing cross liability.

If the Scope of Services includes any work within 50 feet of any railroad, the CGL policy shall be endorsed to delete the Contractual Liability exclusion for work performed within 50 feet of a railroad.

The City of Coachella ("City") shall be included as an additional insured under the CGL using ISO additional insured endorsements CG 20 10 10/01 (ongoing) and CG 20 37 10/01 (completed operations) or their equivalents, to the extent commercially available. Coverage shall be primary to, and will not seek contribution from, any other insurance or self-insurance programs afforded to the City.

2. Commercial Auto

Provider shall maintain Commercial Auto insurance for all owned, hired, and non-owned vehicles with limits of not less than $1,000,000 Each Accident.

Coverage shall be written on the current version of ISO form CA 00 01, or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage equivalent to that provided in the 1990 and later editions of CA 00 01. The City shall be included as an additional insured.

3. Workers Compensation and Employers Liability Insurance

Provider shall maintain Workers Compensation and Employers Liability insurance as required by statute. Employers Liability limits shall not be less than $1,000,000 Each Accident, $1,000,000 Each Employee by Disease, and $1,000,000 Policy Limit by Disease.

4. Umbrella/Excess Liability

Provider shall maintain Umbrella/Excess Liability coverage with a minimum limit of $25,000,000 Each Occurrence and $25,000,000 Aggregate. Such policy shall provide coverage over and above the CGL, Auto Liability, and Employers Liability required herein and shall be at least as broad as the underlying

coverages. The Excess policy (or policies) shall not require the exhaustion of the underlying limits only through the actual payment by the underlying insurers.

This insurance will name the City as additional insured for ongoing and completed operations on a primary and non-contributory basis.

5. Professional Liability (Errors and Omissions)
If Provider provide engineering, design, supervision of interconnection systems, technical performance modeling, or similar Professional or Technical Services, Provider shall maintain Professional Liability insurance covering negligent acts, errors, and omissions arising out of such Professional Services in an amount not less than $10,000,000 Per Claim and Aggregate.

If Provider retain Subcontractors to provide Professional Services, Subcontractors shall be required to maintain Professional Liability coverage in an amount not less than $5,000,000 Per Claim and Aggregate. This represents the minimum limit required and shall not be construed as confirmation that such limits are adequate to cover the risk.

All required Professional Liability coverage shall be maintained in force throughout the life of the contract and for a period of four (4) years following completion of services. The retroactive date of the Professional Liability policy must predate the beginning of any services provided under the contract and shall not be advanced during the period of time coverage is required to be maintained.

6. Pollution Liability
Provider shall maintain Pollution Liability in an amount not less than $10,000,000 Per Occurrence and $10,000,000 Aggregate.

If any Subcontractors retained by Provider perform remediation of hazardous material, or if their operations create an exposure to hazardous materials as those terms are defined in federal, state, or local law (including but not limited to battery storage chemicals, herbicides, and transformer oils) such parties shall maintain in force for the full period of this contract insurance covering losses caused by pollution incidents arising from the operations of such parties. This insurance shall apply to bodily injury, property damage, including loss of use of damaged property or of property that has not been physically injured, cleanup costs, and defense, including costs and expenses incurred in the investigation, defense, or settlement of claims. The policy of insurance affording these required coverages shall be written in an amount of at least $5,000,000 Per Occurrence and $5,000,000 Aggregate.

The City shall be included as an additional insured, on a primary and non-contributory basis.
If Provider or Subcontractors, regardless of tier, haul hazardous material (including without limitation, waste) their Commercial Auto policy must include MCS 90 and ISO endorsement CA 99 48 or equivalent coverage.

7. Cyber Liability
Provider shall maintain Cyber Liability covering losses and claims arising from or related to unauthorized access to, or use of, Project data, SCADA systems, communications networks, monitoring platforms, or other IT systems; Data Breach; Network Security Failures; Cyber Extortion; and Business Interruption or Extra Expense resulting from a Cyber Incident. Coverage shall include third-party liability, regulatory actions, incident response costs, forensic investigation, data restoration, system restoration, and breach notification expenses. The limits maintained shall be no less than $5,000,000 Per Claim and Aggregate.

8. Property Insurance (All-Risk)

Beginning on the Utility Operations Date and continuing for the duration of the Operating Term, as defined in the agreement, the Provider shall procure and maintain Property Insurance covering all related infrastructure, equipment, facilities, and improvements owned by the CMU in connection with the NMU. Coverage shall be written on an "all-risk" basis including coverage for physical loss or damage caused by Windstorm, Hail, Flood, Earthquake, Collapse, Theft, Vandalism, and Equipment Breakdown (including electrical arcing, mechanical breakdown, and transformer failure), to the extent commercially available and affordable. Pursuant to Section 9 of the Agreement, the City will be responsible to provide wildfire coverage for the assets of the CMU. In addition, Property Insurance shall include: Business Interruption, Electrical Generation Interruption, and/or Loss of Income in amounts sufficient to cover loss of revenue, operating margin, and fixed expenses during the period of restoration; Extra Expense coverage to minimize interruption or expedited repair costs; coverage for Renewable Energy Equipment (as applicable) including but not limited to photovoltaic modules, trackers, inverters, transformers, communications equipment, SCADA systems, battery-energy storage components, and interconnection facilities owned by the Operating Entity; and Utility Service Interruption coverage to the extent commercially available and affordable.

Property Insurance shall be maintained for the full replacement cost. Unless otherwise agreed, replacement cost valuation shall be based on: the current replacement cost of solar generating equipment and balance of plant (i.e. non-panel infrastructure) at the time of loss, and the full replacement cost of batteries or other energy storage equipment (if applicable).

The City shall be named as a Loss Payee, but only to the extent of their insurable interest in the Property. If required by Loan or Finance Agreement, Lender shall be included as Loss Payee or Mortgagee pursuant to such agreement.

9. Equipment
Provider and Subcontractors are responsible for insuring their own tools, vehicles, drones, test equipment, SCADA laptops, and personal property. The City is not responsible for such equipment or property.

II. ADDITIONAL PROVISIONS AND CONDITIONS

1. Waiver of Subrogation
Nothing in this Section shall modify or expand the scope of indemnity, except to allocate responsibility between the Parties and their insurers consistent with the risk allocation set forth in this Agreement.

2. Cancellation of Insurance
If the insurance company elects to cancel or non-renew coverage for any reason other than nonpayment of premium Provider' insurer or insurer's representative will provide 30 days notice of such cancellation or nonrenewal.

3. Evidence of Insurance
Prior to commencement of services, Provider shall furnish the City with a Certificate of Insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth herein. Copies of all required endorsements shall be submitted with the Certificate of Insurance. If requested by the City, Provider shall furnish copies of policies for each coverage required.

4. Failure to Maintain Insurance
Failure to maintain the required insurance may result in termination of this contract at the City's option.

5. Lower Tier Insurance

With the exception of Property Insurance, Provider shall require all Subcontractors to maintain insurance consistent with these requirements and shall be responsible for ensuring compliance.

6. Continuation of Coverage
All policies, coverages, and limits required by this agreement shall be maintained for a period of at least four (4) years following completion of services unless specified elsewhere in this Exhibit.

7. No Representation of Coverage Adequacy
Exhibit K shall not be construed as a representation or guarantee that such coverage and limits are adequate to protect the City, Provider, or any other party providing services in accordance with this Agreement, nor shall the requirement of such coverage and limits be deemed as a limitation of liability.

III. BOND AND FINANCIAL SECURITY REQUIREMENTS

The Provider may be required to maintain security requirements that may be satisfied with insurance or surety bonds. The Provider may also require surety bonds securing the Provider' obligations by subcontractors, vendors and suppliers.

IV. CHANGES

The Parties acknowledge that insurance markets, statutory requirements, utility standards, and project risk profiles may change over time. The requirements applicable to the Operational Phase are therefore subject to adjustment in accordance with this Section. No Party shall be required to procure or maintain insurance coverage, bonds, or financial instruments beyond what is commercially reasonable, available, and customary for comparable public-private utility projects.

Accordingly, the Parties shall, in good faith, review the requirements for the Operational Phase set forth in this Exhibit K and may amend such requirements upon mutual written agreement. Any amendment shall be reasonably and proportionately based upon: (a) a material change in the scope or nature of the Work, (b) a change in applicable law, regulation, code, or binding industry standard, (c) a change in the commercial availability, terms, or pricing of the relevant insurance coverage, or (d) prevailing prudent practices within the utility, construction, or renewable-energy space.

The City shall have no unilateral right to increase the required limits or impose new obligations on the Provider or its Subcontractors, except as expressly allowed in this Section.

If any required coverage becomes commercially unavailable, the Parties shall work in good faith to agree on a commercially reasonable substitute.

V. OPTION TO USE ALTERNATIVE INSURANCE PROGRAMS

Provider may, in lieu of one or more of the insurance policies otherwise required under this Agreement, satisfy such requirements through the use of a project-specific insurance program, a master project insurance program, or any other consolidated or alternative insurance arrangement (collectively, an "Alternative Insurance Program"), provided that the coverage afforded by such Alternative Insurance Program is substantially equivalent to, or more comprehensive than, the coverage required under this Agreement, as determined by City in its reasonable discretion.

STAFF REPORT
2/11/2026

TO: Honorable Mayor and City Council Members

FROM: Andrew Simmons, P.E., Public Works Director/City Engineer

SUBJECT: Amendment #1 with the following consultants for On Call Engineering Services Project No. 082522: AKEL Engineering Group, Inc., BSE Engineering Inc, Dudek, Heptagon Seven, Kimley-Horn, Michael Baker International, SVA Architects Inc., TKE Engineering Inc.

STAFF RECOMMENDATION:

Authorize City Manager to execute Amendment #1 with the following consultants for On Call Engineering Services Project No. 082522: AKEL Engineering Group, Inc., BSE Engineering Inc, Dudek, Heptagon Seven, Kimley-Horn, Michael Baker International, SVA Architects Inc., TKE Engineering Inc.

EXECUTIVE SUMMARY:

Staff published a Request for Qualifications for On Call Engineering Services Project 082522 in August 2022. Staff received a total of 21 responses. The responses were reviewed and scored by staff in the following departments: engineering, grants, public works and utilities. City Council authorized professional service agreements with 8 selected consultants in January 2023 for a three year term. These firms were: AKEL Engineering Group, Inc., BSE Engineering Inc, Dudek, Heptagon Seven, Kimley-Horn, Michael Baker International, SVA Architects Inc., TKE Engineering Inc. City staff and the consultants now desire to amend these on-call agreements for an additional one year term.

All agreements are for a one (1) year term with a not to exceed amount of $200,000 annually. Award of these agreements will allow all city departments to use the services provided by these firms and eliminate delays in the execution of budgeted projects/operational needs/grant submittal needs that arise.

FISCAL IMPACT:

No fiscal impact. Task orders will be issued to currently budgeted projects.

ATTACHMENTS:

1. Amendment #1 – AKEL Engineering Group, Inc.
2. Amendment #1 – BSE Engineering Inc.
3. Amendment #1 – Dudek
4. Amendment #1 – Heptagon Seven
5. Amendment #1 – Kimley-Horn
6. Amendment #1 – Michael Baker International
7. Amendment #1 – SVA Architects Inc.
8. Amendment #1 – TKE Engineering Inc.

FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF COACHELLA AND BSE ENGINEERING INC.

THIS FIRST AMENDMENT ("Amendment") is made and entered into as of February 11,2026 by and between the City of Coachella ("City") and BSE Engineering Inc. ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. **RECITALS.** This Amendment is made with the respect to the following facts and purposes:

   a. On or about January 25th, 2023 the City and Consultant entered into that certain agreement entitled "City of Coachella Professional Services Agreement" between the City and Consultant to provide On-Call Engineering Services Project 082522, in the amount of not to exceed $200,000 annually.

   b. The parties now desire to amend the Agreement as set forth in this Amendment.

2. **AMENDMENT.**

3.1.2 Term. Section 3.1.2 of the Agreement is hereby amended to go into effect on January 2, 2026 contingent upon approval by City, and Consultant shall commence work after notification to proceed by City's Agreement Administrator. The Agreement shall end on January 1, 2027 unless extended by Agreement Amendment.

3.3 Allowable Costs and Payments. Section 3.3.1 of the Agreement is hereby amended to increase the compensation, including authorized reimbursements, for all services rendered under this Agreement as set forth in EXHIBIT "A" attached hereto and incorporated herein by reference.

The method of payment in Sections 3.3.1.A and B of the Agreement are hereby amended to actual cost plus a ten percent (10%) fixed fee. City will reimburse Consultant for actual costs (including labor costs, employee benefits, travel, equipment rental costs, overhead and other direct costs; plus ten percent fixed fee) incurred by Consultant in performance of the work. The total authorized compensation for the Amendment No. 1 is in the amount not to exceed Two Hundred Thousand Dollars and Zero Cents ($200,000.00).

The amended total compensation shall not exceed **Eight Hundred Thousand Dollars and Zero Cents ($800,000.00)** without written approval of the City's representative. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this agreement.

3.4 Continuing Effect of Agreement. Except as amended by this Amendment, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Amendment, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement as amended by this Amendment.

3.5 Adequate Consideration. The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment.

3.6 Counterparts. This Amendment may be executed in duplicate originals, each of which is deemed to be an original, but when taken together shall constitute but one and the same instrument.

IN WITNESS THEREOF, the parties have executed this Amendment as of the day and year first set forth above, which date shall be considered by the parties to be the effective date of this Amendment.

CITY OF COACHELLA

By:

_____

William B. Pattison Jr.
City Manager

BSE ENGINEERING INC.

By:

_____

Chief Operations Officer
Name

Approved as to Form:

_____

Best Best & Krieger LLP
City Attorney

By:

_____

Chief Financial Officer
Name

Attest:

_____

Angela Zepeda
City Clerk

FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF COACHELLA AND AKEL ENGINEERING GROUP INC.

THIS FIRST AMENDMENT ("Amendment") is made and entered into as of February 11,2026 by and between the City of Coachella ("City") and Akel Engineering Group Inc. ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. **RECITALS.** This Amendment is made with the respect to the following facts and purposes:

   a. On or about January 25th, 2023 the City and Consultant entered into that certain agreement entitled "City of Coachella Professional Services Agreement" between the City and Consultant to provide On-Call Engineering Services Project 082522, in the amount of not to exceed $200,000 annually.

   b. The parties now desire to amend the Agreement as set forth in this Amendment.

2. **AMENDMENT.**

3.1.2 Term. Section 3.1.2 of the Agreement is hereby amended to go into effect on January 2, 2026 contingent upon approval by City, and Consultant shall commence work after notification to proceed by City's Agreement Administrator. The Agreement shall end on January 1, 2027 unless extended by Agreement Amendment.

3.3 Allowable Costs and Payments. Section 3.3.1 of the Agreement is hereby amended to increase the compensation, including authorized reimbursements, for all services rendered under this Agreement as set forth in EXHIBIT "A" attached hereto and incorporated herein by reference.

The method of payment in Sections 3.3.1.A and B of the Agreement are hereby amended to actual cost plus a ten percent (10%) fixed fee. City will reimburse Consultant for actual costs (including labor costs, employee benefits, travel, equipment rental costs, overhead and other direct costs; plus ten percent fixed fee) incurred by Consultant in performance of the work. The total authorized compensation for the Amendment No. 1 is in the amount not to exceed Two Hundred Thousand Dollars and Zero Cents ($200,000.00).

The amended total compensation shall not exceed **Eight Hundred Thousand Dollars and Zero Cents ($800,000.00)** without written approval of the City's representative. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this agreement.

3.4 Continuing Effect of Agreement. Except as amended by this Amendment, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Amendment, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement as amended by this Amendment.

3.5 Adequate Consideration. The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment.

3.6 Counterparts. This Amendment may be executed in duplicate originals, each of which is deemed to be an original, but when taken together shall constitute but one and the same instrument.

IN WITNESS THEREOF, the parties have executed this Amendment as of the day and year first set forth above, which date shall be considered by the parties to be the effective date of this Amendment.

CITY OF COACHELLA

By:

_____

William B. Pattison Jr.
City Manager

AKEL ENGINEERING GROUP INC.

By:

_____

Chief Operations Officer
Name

Approved as to Form:

_____

Best Best & Krieger LLP
City Attorney

By:

_____

Chief Financial Officer
Name

Attest:

_____

Angela Zepeda
City Clerk

AKEL
ENGINEERING GROUP, INC.

LABOR RATES

PERSONNEL

Professional Services	Current Rates July 1, 2025 to June 30, 2026	Effective July 1, 2026 to June 30, 2027
Engineering Assistant	$135	$139
Assistant Engineer	$170	$175
Associate Engineer	$199	$205
Senior Engineer	$221	$228
Principal Engineer	$269	$277
Senior Principal Engineer	$298	$307
Technical Staff		
GIS Technician	$146	$150
Senior GIS Technician	$176	$181
Support Staff		
Administrative	$116	$119

EXPENSES

Category	
Subconsultant / Other Direct Costs	Cost plus 5%

Notes:
1. Software usage costs are included in hourly rates shown.
2. AKEL Billing Rates are subject to an annual increase at the end of the fiscal year, to reflect labor rates and related cost adjustments.

FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF COACHELLA AND DUDEK

THIS FIRST AMENDMENT ("Amendment") is made and entered into as of February 11,2026 by and between the City of Coachella ("City") and Dudek ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. **RECITALS.** This Amendment is made with the respect to the following facts and purposes:

   a. On or about January 25th, 2023 the City and Consultant entered into that certain agreement entitled "City of Coachella Professional Services Agreement" between the City and Consultant to provide On-Call Engineering Services Project 082522, in the amount of not to exceed $200,000 annually.

   b. The parties now desire to amend the Agreement as set forth in this Amendment.

2. **AMENDMENT.**

3.1.2 Term. Section 3.1.2 of the Agreement is hereby amended to go into effect on January 2, 2026 contingent upon approval by City, and Consultant shall commence work after notification to proceed by City's Agreement Administrator. The Agreement shall end on January 1, 2027 unless extended by Agreement Amendment.

3.3 Allowable Costs and Payments. Section 3.3.1 of the Agreement is hereby amended to increase the compensation, including authorized reimbursements, for all services rendered under this Agreement as set forth in EXHIBIT "A" attached hereto and incorporated herein by reference.

The method of payment in Sections 3.3.1.A and B of the Agreement are hereby amended to actual cost plus a ten percent (10%) fixed fee. City will reimburse Consultant for actual costs (including labor costs, employee benefits, travel, equipment rental costs, overhead and other direct costs; plus ten percent fixed fee) incurred by Consultant in performance of the work. The total authorized compensation for the Amendment No. 1 is in the amount not to exceed Two Hundred Thousand Dollars and Zero Cents ($200,000.00).

The amended total compensation shall not exceed **Eight Hundred Thousand Dollars and Zero Cents ($800,000.00)** without written approval of the City's representative. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this agreement.

3.4 Continuing Effect of Agreement. Except as amended by this Amendment, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Amendment, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement as amended by this Amendment.

3.5 Adequate Consideration. The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment.

3.6 Counterparts. This Amendment may be executed in duplicate originals, each of which is deemed to be an original, but when taken together shall constitute but one and the same instrument.

IN WITNESS THEREOF, the parties have executed this Amendment as of the day and year first set forth above, which date shall be considered by the parties to be the effective date of this Amendment.

CITY OF COACHELLA

By:

_____

William B. Pattison Jr.
City Manager

DUDEK

By:

_____

Chief Operations Officer
Name

Approved as to Form:

_____

Best Best & Krieger LLP
City Attorney

By:

_____

Chief Financial Officer
Name

Attest:

_____

Angela Zepeda
City Clerk

DUDEK 2026 Standard Schedule of Charges

Engineering Services

Project Director	$350.00/hr
Principal Engineer III	$330.00/hr
Principal Engineer II	$310.00/hr
Principal Engineer I	$300.00/hr
Program Manager	$285.00/hr
Senior Project Manager	$285.00/hr
Project Manager	$275.00/hr
Senior Engineer III	$270.00/hr
Senior Engineer II	$260.00/hr
Senior Engineer I	$250.00/hr
Project Engineer IV/Technician IV	$240.00/hr
Project Engineer III/Technician III	$230.00/hr
Project Engineer II/Technician II	$215.00/hr
Project Engineer I/Technician I	$200.00/hr
3D Production Manager	$225.00/hr
Senior Designer II	$220.00/hr
Senior Designer I	$210.00/hr
Designer	$195.00/hr
Assistant Designer	$190.00/hr
CADD Operator III	$210.00/hr
CADD Operator II	$205.00/hr
CADD Operator I	$165.00/hr
CADD Drafter	$185.00/hr
CADD Technician	$135.00/hr
Project Coordinator II	$165.00/hr
Project Coordinator I	$135.00/hr
Engineering Assistant	$130.00/hr

Environmental Services

Senior Project Director	$375.00/hr
Project Director	$350.00/hr
Senior Specialist V	$290.00/hr
Senior Specialist IV	$275.00/hr
Senior Specialist III	$260.00/hr
Senior Specialist II	$245.00/hr
Senior Specialist I	$230.00/hr
Specialist V	$220.00/hr
Specialist IV	$205.00/hr
Specialist III	$195.00/hr
Specialist II	$185.00/hr
Specialist I	$175.00/hr
Analyst V	$165.00/hr
Analyst IV	$155.00/hr
Analyst III	$145.00/hr
Analyst II	$135.00/hr
Analyst I	$115.00/hr
Technician IV	$105.00/hr
Technician III	$95.00/hr
Technician II	$85.00/hr
Technician I	$75.00/hr
Project Coordinator II	$165.00/hr
Project Coordinator I	$135.00/hr

Mapping and Surveying Services

UAS Pilot	$180.00/hr
Survey Lead	$310.00/hr
Survey Manager	$270.00/hr
Survey Crew Chief	$205.00/hr
Survey Rod Person	$155.00/hr
Survey Mapping Technician	$145.00/hr

Construction Management Services

Principal Manager	$225.00/hr
Senior Construction Manager	$195.00/hr
Senior Project Manager	$190.00/hr
Construction Manager	$190.00/hr
Project Manager/Construction Management	$180.00/hr
Resident Engineer	$175.00/hr
Construction Engineer	$180.00/hr
On-site Owner's Representative	$165.00/hr
Prevailing Wage Inspector	$165.00/hr
Construction Inspector	$155.00/hr
Administrator/Labor Compliance	$130.00/hr

Hydrogeology/HazWaste Services

Project Director	$350.00/hr
Principal Hydrogeologist/Engineer III	$330.00/hr
Principal Hydrogeologist/Engineer II	$320.00/hr
Principal Hydrogeologist/Engineer I	$310.00/hr
Senior Hydrogeologist V/Engineer V	$285.00/hr
Senior Hydrogeologist IV/Engineer IV	$275.00/hr
Senior Hydrogeologist III/Engineer III	$265.00/hr
Senior Hydrogeologist II/Engineer II	$255.00/hr
Senior Hydrogeologist I/Engineer I	$245.00/hr
Project Hydrogeologist V/Engineer V	$235.00/hr
Project Hydrogeologist IV/Engineer IV	$225.00/hr
Project Hydrogeologist III/Engineer III	$215.00/hr
Project Hydrogeologist II/Engineer II	$205.00/hr
Project Hydrogeologist I/Engineer I	$195.00/hr
Hydrogeologist/Engineering Assistant	$150.00/hr
HazMat Field Technician	$140.00/hr

District Management & Operations

District General Manager	$225.00/hr
District Engineer	$230.00/hr
Operations Manager	$170.00/hr
District Secretary/Accountant	$155.00/hr
Collections System Manager	$155.00/hr
Grade V Operator	$145.00/hr
Grade IV Operator	$130.00/hr
Grade III Operator	$120.00/hr
Grade II Operator	$100.00/hr
Grade I Operator	$95.00/hr
Operator in Training	$85.00/hr
Collection Maintenance Worker	$90.00/hr

Project Delivery Services

Technology Specialist II	$245.00/hr
Technology Specialist I	$190.00/hr
GIS Analyst V	$220.00/hr
GIS Analyst IV	$200.00/hr
GIS Analyst III	$185.00/hr
GIS Analyst II	$145.00/hr
GIS Analyst I	$130.00/hr
Creative Services IV	$190.00/hr
Creative Services III	$165.00/hr
Creative Services II	$150.00/hr
Creative Services I	$135.00/hr
Technical Editor IV	$190.00/hr
Technical Editor III	$165.00/hr
Technical Editor II	$155.00/hr
Technical Editor I	$135.00/hr
Publications Specialist IV	$140.00/hr
Publications Specialist III	$130.00/hr
Publications Specialist II	$120.00/hr
Publications Specialist I	$110.00/hr
Clerical Administration	$100.00/hr

Expert Witness – Court appearances, depositions, and interrogatories as expert witness will be billed at 2.00 times normal rates.

Emergency and Holidays – Minimum charge of two hours will be billed at 1.75 times the normal rate.

Material and Outside Services – Subcontractors, rental of special equipment, special reproductions and blueprinting, outside data processing and computer services, etc., are charged at 1.15 times the direct cost.

Travel Expenses – Mileage at current IRS allowable rates. Per diem where overnight stay is involved is charged at cost

Invoices, Late Charges – All fees will be billed to Client monthly and shall be due and payable upon receipt. Invoices are delinquent if not paid within 30 days from the date of the invoice. Client agrees to pay interest at a 10% annual rate for amounts unpaid greater than 30 days after the date of the invoice.

Annual Increases – Unless identified otherwise, these standard rates will increase in line with the CPI-U for the nearest urban area per the Department of Labor Statistics to where the work is being completed) or by 3% annually, whichever is higher.

Prevailing Wage – The rates listed above assume prevailing wage rates do not apply. If this assumption is incorrect Dudek reserves the right to adjust its rates accordingly.

FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF COACHELLA AND HEPTAGON SEVEN

THIS FIRST AMENDMENT ("Amendment") is made and entered into as of February 11,2026 by and between the City of Coachella ("City") and Heptagon Seven ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. **RECITALS.** This Amendment is made with the respect to the following facts and purposes:

   a. On or about January 25th, 2023 the City and Consultant entered into that certain agreement entitled "City of Coachella Professional Services Agreement" between the City and Consultant to provide On-Call Engineering Services Project 082522, in the amount of not to exceed $200,000 annually.

   b. The parties now desire to amend the Agreement as set forth in this Amendment.

2. **AMENDMENT.**

3.1.2 Term. Section 3.1.2 of the Agreement is hereby amended to go into effect on January 2, 2026 contingent upon approval by City, and Consultant shall commence work after notification to proceed by City's Agreement Administrator. The Agreement shall end on January 1, 2027 unless extended by Agreement Amendment.

3.3 Allowable Costs and Payments. Section 3.3.1 of the Agreement is hereby amended to increase the compensation, including authorized reimbursements, for all services rendered under this Agreement as set forth in EXHIBIT "A" attached hereto and incorporated herein by reference.

The method of payment in Sections 3.3.1.A and B of the Agreement are hereby amended to actual cost plus a ten percent (10%) fixed fee. City will reimburse Consultant for actual costs (including labor costs, employee benefits, travel, equipment rental costs, overhead and other direct costs; plus ten percent fixed fee) incurred by Consultant in performance of the work. The total authorized compensation for the Amendment No. 1 is in the amount not to exceed Two Hundred Thousand Dollars and Zero Cents ($200,000.00).

The amended total compensation shall not exceed **Eight Hundred Thousand Dollars and Zero Cents ($800,000.00)** without written approval of the City's representative. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this agreement.

3.4 Continuing Effect of Agreement. Except as amended by this Amendment, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Amendment, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement as amended by this Amendment.

3.5 Adequate Consideration. The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment.

3.6 Counterparts. This Amendment may be executed in duplicate originals, each of which is deemed to be an original, but when taken together shall constitute but one and the same instrument.

IN WITNESS THEREOF, the parties have executed this Amendment as of the day and year first set forth above, which date shall be considered by the parties to be the effective date of this Amendment.

CITY OF COACHELLA

By:

_____

William B. Pattison Jr.
City Manager

HEPTAGON SEVEN

By:

_____

Chief Operations Officer
Name

Approved as to Form:

_____

Best Best & Krieger LLP
City Attorney

By:

_____

Chief Financial Officer
Name

Attest:

_____

Angela Zepeda
City Clerk

ATTACHMENT A
COMPENSATION

Section D. Cost Proposal

For projects with a well-defined scope of work, Heptagon Seven prefers to provide Lump Sum amounts per work order tasks, providing back up of work hours per task. For those instances where the scope of work is not well-defined or as directed by City Staff, Heptagon Seven will provide services at the request of the Client on an hourly basis, based on the following breakdown. To the extent possible with each requested task where applicable, Consultant will provide an anticipated hourly estimate for each requested service prior to initiating said service.

• Project Manager	$200 *I* hour
• Project Engineer	$175 / hour
• Principal Landscape Architect	$150 / hour
• Project Manager (LA)	$110 / hour
• Graphic Specialist (LA)	$110 / hour
• CAD Designer (LA)	$95 *I* hour
• Principal Surveyor	$200 *I* hour
• Designer/ Survey Analyst	$135 / hour
• 2 Man Survey Crew	$295 *I* hour (Prevailing Wage rate)
• Administrative Assistant	$90 *I* hour

Due to the possible length of this On Call Engineering, the Heptagon Seven Team's Hourly Rates are reviewed on an annual basis and adjusted for cost of living and employee wage increases. Therefore, we request the ability to revisit the above noted rates on a yearly basis. The final annual rates will be negotiated with the City and updated only upon City approval.

FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF COACHELLA AND TKE ENGINEERING INC.

THIS FIRST AMENDMENT ("Amendment") is made and entered into as of February 11,2026 by and between the City of Coachella ("City") and TKE Engineering Inc. ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. **RECITALS.** This Amendment is made with the respect to the following facts and purposes:

   a. On or about January 25th, 2023 the City and Consultant entered into that certain agreement entitled "City of Coachella Professional Services Agreement" between the City and Consultant to provide On-Call Engineering Services Project 082522, in the amount of not to exceed $200,000 annually.

   b. The parties now desire to amend the Agreement as set forth in this Amendment.

2. **AMENDMENT.**

3.1.2 Term. Section 3.1.2 of the Agreement is hereby amended to go into effect on January 2, 2026 contingent upon approval by City, and Consultant shall commence work after notification to proceed by City's Agreement Administrator. The Agreement shall end on January 1, 2027 unless extended by Agreement Amendment.

3.3 Allowable Costs and Payments. Section 3.3.1 of the Agreement is hereby amended to increase the compensation, including authorized reimbursements, for all services rendered under this Agreement as set forth in EXHIBIT "A" attached hereto and incorporated herein by reference.

The method of payment in Sections 3.3.1.A and B of the Agreement are hereby amended to actual cost plus a ten percent (10%) fixed fee. City will reimburse Consultant for actual costs (including labor costs, employee benefits, travel, equipment rental costs, overhead and other direct costs; plus ten percent fixed fee) incurred by Consultant in performance of the work. The total authorized compensation for the Amendment No. 1 is in the amount not to exceed Two Hundred Thousand Dollars and Zero Cents ($200,000.00).

The amended total compensation shall not exceed **Eight Hundred Thousand Dollars and Zero Cents ($800,000.00)** without written approval of the City's representative. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this agreement.

3.4 Continuing Effect of Agreement. Except as amended by this Amendment, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Amendment, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement as amended by this Amendment.

3.5 Adequate Consideration. The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment.

3.6 Counterparts. This Amendment may be executed in duplicate originals, each of which is deemed to be an original, but when taken together shall constitute but one and the same instrument.

IN WITNESS THEREOF, the parties have executed this Amendment as of the day and year first set forth above, which date shall be considered by the parties to be the effective date of this Amendment.

CITY OF COACHELLA

By:

_____

William B. Pattison Jr.
City Manager

TKE ENGINEERING INC.

By:

_____

Chief Operations Officer
Name

Approved as to Form:

_____

Best Best & Krieger LLP
City Attorney

By:

_____

Chief Financial Officer
Name

Attest:

_____

Angela Zepeda
City Clerk

TKE ENGINEERING, INC.

RATE SCHEDULE 2025–2026

	HOURLY RATE
Principal in Charge	$190.00
Project Manager/Construction Manager/Licensed Surveyor	$180.00
Traffic Engineer (TE)	$190.00
Senior Engineer/Project Engineer (PE)/Senior Plan Checker	$170.00
Assistant Project Manager/Associate Engineer	$160.00
Assistant Engineer/Plan Checker/Designer	$150.00
AutoCAD Technician	$140.00
Engineering Technician	$110.00
Clerical	$ 95.00
Forensic Engineering	$305.00
Expert Witness Testimony	$405.00

SURVEYING SERVICES

2-Man Survey Crew (Prevailing Wage)	$265.00

DEVELOPMENT SERVICES

Managing Director	$190.00
Senior Project Manager	$140.00
Project Manager	$110.00

CONSTRUCTION SERVICES

Senior Construction Inspector (Prevailing Wage)	$140.00
Construction Inspector (Prevailing Wage)	$135.00

REIMBURSABLE COSTS

In-house Reproduction	Cost
Printing and Materials	Cost + 10%
Express Mail/Courier/Next Day Service	Cost + 10%
Special Subconsultant Services	Cost + 10%

FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF COACHELLA AND MICHAEL BAKER INTERNATIONAL

THIS FIRST AMENDMENT ("Amendment") is made and entered into as of February 11,2026 by and between the City of Coachella ("City") and Michael Baker International ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. **RECITALS.** This Amendment is made with the respect to the following facts and purposes:

   a. On or about January 25th, 2023 the City and Consultant entered into that certain agreement entitled "City of Coachella Professional Services Agreement" between the City and Consultant to provide On-Call Engineering Services Project 082522, in the amount of not to exceed $200,000 annually.

   b. The parties now desire to amend the Agreement as set forth in this Amendment.

2. **AMENDMENT.**

3.1.2 Term. Section 3.1.2 of the Agreement is hereby amended to go into effect on January 2, 2026 contingent upon approval by City, and Consultant shall commence work after notification to proceed by City's Agreement Administrator. The Agreement shall end on January 1, 2027 unless extended by Agreement Amendment.

3.3 Allowable Costs and Payments. Section 3.3.1 of the Agreement is hereby amended to increase the compensation, including authorized reimbursements, for all services rendered under this Agreement as set forth in EXHIBIT "A" attached hereto and incorporated herein by reference.

The method of payment in Sections 3.3.1.A and B of the Agreement are hereby amended to actual cost plus a ten percent (10%) fixed fee. City will reimburse Consultant for actual costs (including labor costs, employee benefits, travel, equipment rental costs, overhead and other direct costs; plus ten percent fixed fee) incurred by Consultant in performance of the work. The total authorized compensation for the Amendment No. 1 is in the amount not to exceed Two Hundred Thousand Dollars and Zero Cents ($200,000.00).

The amended total compensation shall not exceed **Eight Hundred Thousand Dollars and Zero Cents ($800,000.00)** without written approval of the City's representative. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this agreement.

3.4 Continuing Effect of Agreement. Except as amended by this Amendment, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Amendment, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement as amended by this Amendment.

3.5 Adequate Consideration. The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment.

3.6 Counterparts. This Amendment may be executed in duplicate originals, each of which is deemed to be an original, but when taken together shall constitute but one and the same instrument.

IN WITNESS THEREOF, the parties have executed this Amendment as of the day and year first set forth above, which date shall be considered by the parties to be the effective date of this Amendment.

CITY OF COACHELLA

By:

_____

William B. Pattison Jr.
City Manager

MICHAEL BAKER INTERNATIONAL

By:

_____

Chief Operations Officer
Name

Approved as to Form:

_____

Best Best & Krieger LLP
City Attorney

By:

_____

Chief Financial Officer
Name

Attest:

_____

Angela Zepeda
City Clerk

FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF COACHELLA AND KIMLEY-HORN

THIS FIRST AMENDMENT ("Amendment") is made and entered into as of February 11,2026 by and between the City of Coachella ("City") and Kimley-Horn ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. **RECITALS.** This Amendment is made with the respect to the following facts and purposes:

   a. On or about January 25th, 2023 the City and Consultant entered into that certain agreement entitled "City of Coachella Professional Services Agreement" between the City and Consultant to provide On-Call Engineering Services Project 082522, in the amount of not to exceed $200,000 annually.

   b. The parties now desire to amend the Agreement as set forth in this Amendment.

2. **AMENDMENT.**

3.1.2 Term. Section 3.1.2 of the Agreement is hereby amended to go into effect on January 2, 2026 contingent upon approval by City, and Consultant shall commence work after notification to proceed by City's Agreement Administrator. The Agreement shall end on January 1, 2027 unless extended by Agreement Amendment.

3.3 Allowable Costs and Payments. Section 3.3.1 of the Agreement is hereby amended to increase the compensation, including authorized reimbursements, for all services rendered under this Agreement as set forth in EXHIBIT "A" attached hereto and incorporated herein by reference.

The method of payment in Sections 3.3.1.A and B of the Agreement are hereby amended to actual cost plus a ten percent (10%) fixed fee. City will reimburse Consultant for actual costs (including labor costs, employee benefits, travel, equipment rental costs, overhead and other direct costs; plus ten percent fixed fee) incurred by Consultant in performance of the work. The total authorized compensation for the Amendment No. 1 is in the amount not to exceed Two Hundred Thousand Dollars and Zero Cents ($200,000.00).

The amended total compensation shall not exceed **Eight Hundred Thousand Dollars and Zero Cents ($800,000.00)** without written approval of the City's representative. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this agreement.

3.4 Continuing Effect of Agreement. Except as amended by this Amendment, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Amendment, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement as amended by this Amendment.

3.5 Adequate Consideration. The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment.

3.6 Counterparts. This Amendment may be executed in duplicate originals, each of which is deemed to be an original, but when taken together shall constitute but one and the same instrument.

IN WITNESS THEREOF, the parties have executed this Amendment as of the day and year first set forth above, which date shall be considered by the parties to be the effective date of this Amendment.

CITY OF COACHELLA

By:

_____

William B. Pattison Jr.
City Manager

KIMLEY-HORN

By:

_____

Chief Operations Officer
Name

Approved as to Form:

_____

Best Best & Krieger LLP
City Attorney

By:

_____

Chief Financial Officer
Name

Attest:

_____

Angela Zepeda
City Clerk

Kimley»Horn

Hourly Labor Rate Schedule

Classification	Rate
Analyst I	$145 - $175
Analyst II	$185 - $220
Professional	$215 - $250
Senior Professional I	$265 - $345
Senior Professional II	$360 - $430
Senior Technical Support	$130 - $310
Technical Support	$105 - $180
Support Staff	$95 - $160

BR00PUSTD.A.001

Effective through June 30, 2026. Subject to annual adjustment thereafter.

Other Direct Costs: Outside Printing/Reproduction, Deliver Services/USPS, Misc. Field Equipment/Supplies, and Travel Expenses will be billed at cost plus 10% mark-up or per the contract. Mileage will be billed at the Federal Rate.

Sub-Consultants will be billed at 10% mark-up or per the Contract.

FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF COACHELLA AND SVA ARCHITECTS INC.

THIS FIRST AMENDMENT ("Amendment") is made and entered into as of February 11,2026 by and between the City of Coachella ("City") and SVA Architects Inc. ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. **RECITALS.** This Amendment is made with the respect to the following facts and purposes:

   a. On or about January 25th, 2023 the City and Consultant entered into that certain agreement entitled "City of Coachella Professional Services Agreement" between the City and Consultant to provide On-Call Engineering Services Project 082522, in the amount of not to exceed $200,000 annually.

   b. The parties now desire to amend the Agreement as set forth in this Amendment.

2. **AMENDMENT.**

3.1.2 Term. Section 3.1.2 of the Agreement is hereby amended to go into effect on January 2, 2026 contingent upon approval by City, and Consultant shall commence work after notification to proceed by City's Agreement Administrator. The Agreement shall end on January 1, 2027 unless extended by Agreement Amendment.

3.3 Allowable Costs and Payments. Section 3.3.1 of the Agreement is hereby amended to increase the compensation, including authorized reimbursements, for all services rendered under this Agreement as set forth in EXHIBIT "A" attached hereto and incorporated herein by reference.

The method of payment in Sections 3.3.1.A and B of the Agreement are hereby amended to actual cost plus a ten percent (10%) fixed fee. City will reimburse Consultant for actual costs (including labor costs, employee benefits, travel, equipment rental costs, overhead and other direct costs; plus ten percent fixed fee) incurred by Consultant in performance of the work. The total authorized compensation for the Amendment No. 1 is in the amount not to exceed Two Hundred Thousand Dollars and Zero Cents ($200,000.00).

The amended total compensation shall not exceed **Eight Hundred Thousand Dollars and Zero Cents ($800,000.00)** without written approval of the City's representative. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this agreement.

3.4 Continuing Effect of Agreement. Except as amended by this Amendment, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Amendment, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement as amended by this Amendment.

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3.6 Counterparts. This Amendment may be executed in duplicate originals, each of which is deemed to be an original, but when taken together shall constitute but one and the same instrument.

IN WITNESS THEREOF, the parties have executed this Amendment as of the day and year first set forth above, which date shall be considered by the parties to be the effective date of this Amendment.

CITY OF COACHELLA

By:

_____

William B. Pattison Jr.
City Manager

SVA ARCHITECTS INC.

By:

_____

Chief Operations Officer
Name

Approved as to Form:

_____

Best Best & Krieger LLP
City Attorney

By:

_____

Chief Financial Officer
Name

Attest:

_____

Angela Zepeda
City Clerk

Hourly Billing Rate Breakdown

SVA ARCHITECTS, INC.

Position	Hourly Billing Rate
Partner	$275
Principal	$250
Sr. Project Architect / Manager	$215
Sr. Designer / Planner	$215
Project Architect / Manager	$195
Designer / Planner	$195
Job Captain	$175
Intermediate Technical Designer	$140
Junior Technical Designer	$115
Administrative Staff	$85

CITY OF COACHELLA
ECONOMIC DEVELOPMENT DEPARTMENT

REQUEST FOR PROPOSALS

LEASE OF BUILDING LOCATED AT
1258 SIXTH STREET COACHELLA, CA 92236

Solicitation Issued: December 18, 2025

Key Dates

- RFP Release Date: **December 18, 2025**
- Site Visit: **January 6, 2026 from 10:00 AM – 11:00 AM**
- Proposals Due: **January 29, 2026 by 4:00 PM PST**
- Review of Proposals: **January 30 – February 5, 2026**
- City Council Consideration: **February 25, 2026**

CITY OF COACHELLA

ECONOMIC DEVELOPMENT DEPARTMENT

REQUEST FOR PROPOSALS

LEASE OF BUILDING LOCATED AT 1258 SIXTH STREET COACHELLA, CA 92236

RFP RESPONSE CERTIFICATION COVER FORM

Instruction: To fulfill your RFP response, this form must be completed, printed, signed and included with your submission.

FIRM/PROPOSER NAME: _____

ADDRESS: _____

CITY, STATE, ZIP _____

EMAIL: _____

TELEPHONE: _____

WEBSITE or SOCIAL MEDIA HANDLE: _____

AUTHORIZED PERSON NAME (TYPE NAME) _____

AUTHORIZED SIGNATURE: _____

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I. Introduction

The City of Coachella is known as the "City of Eternal Sunshine" and the "Gateway to the Salton Sea", and along with its largely young, rural and family oriented demographics makes it one of the most appealing and up-and-coming areas in Southern California and the County of Riverside. The City of Coachella was incorporated on December 13, 1946. According to the 2010 U.S. Census and Southern California Association of Governments (SCAG), the City of Coachella has a population of over 46,000 people with forecasting numbers that indicate a population of 135,000 by 2035, making it the 2nd largest city in the Coachella Valley. The City has over 29 square miles of mix use zoning opportunities, such as agriculture, commercial retail, industrial and housing. This culturally rich and family oriented City has a median age of 24.5 years old with an average family size of 4.57/household.

II. Invitation to Propose

The City of Coachella is pleased to offer an exciting economic development opportunity for a well-qualified business entity to operate within the 722 square foot former Chamber of Commerce building located at 1258 Sixth Street in the Downtown Pueblo Viejo District (APN: 778-110-003-7).

Qualified proposals must demonstrate experience, and knowledge of restaurant/retail business operations—including financing, marketing, design, leasing, management and oversight. It is further expected that proposals will be based on a thorough understanding of existing and future business market conditions and trends and that final proposals will contain realistic financial projections.



III. Building Description



The existing 722 square foot building is on 0.14 acres (6,098 square feet) and is in the CG (Commercial General) Zone, please see site map and site pictures (Exhibit "A" and "B"). The project site has existing separate utility connections.

IV. Goals/Objectives

The goals/objective of this Request for Proposals (RFP) is to award a long term lease to tenant who will accomplish the following:

- Provide a unique destination restaurant and/or related retail operation with a distinctive menu/experience that will cater to visitors of the Downtown Pueblo Viejo District and draw people to the area for a memorable experience;

- Develop a creative façade and tenant improvement design that utilizes the current amenities of the City Hall campus;

- Maximize foot traffic through featured menu items, service, ambiance, and special events marketing;

- Assess, provide, and install all necessary furnishings and equipment in order to create an attractive and inviting destination;

- Implement quality marketing and advertising campaign; and

- Work in a collaborative effort with the City to incorporate to the vision of a walkable and sustainable Downtown Pueblo Viejo District and ensure an optimum experience for those going to the new City Library, expanded Senior Center, City Hall, new County DPSS Building, new Palm View Elementary and the surrounding community.

Furthermore, the proposed restaurant/retail development will promote public enjoyment, provide job opportunities for local residents, and complement the Downtown Pueblo Viejo Implementation Plan ("Plan). (Please note the Plan is available on the website - https://www.coachella.org/departments/pueblo-viejo-revitalization-plan)



Eligible Projects:

- Restaurant/Café/Deli – (Diverse Food Menu Preferred)
- Bar/Saloon
- Retail Store (Non-Cannabis)
- Business/Sales Tax Generating Incubator
- Art Gallery

Ineligible Projects:

- Visitor Center
- Non-Profit Organization
- Church
- Dispensary

V. Proposal Requirements

Interested parties shall submit written proposals that contain the following essential elements:

A. Conceptual: Please describe in detail the business concept being proposed and how it will fit into the Downtown Pueblo Viejo District and compliment the culture and quality of life. Provide preliminary plans, sections, diagrams and elevations in sufficient detail showing the manner in which proposer plans to develop the premises as follows:

- Floor plans of space showing proposed uses, layout, circulation and utilities.

- Proposed integration with the Downtown Pueblo Viejo District Design Guidelines, on City website https://www.coachella.org/departments/pueblo-viejo-revitalization-plan.

- One or more architectural rendering(s) of business indicating layout of space, general color scheme, style of furniture, fixtures, materials to be used for flooring, walls and lighting.

- For all products, please include quality grade, brand names and anticipated costs.

B. Business Plan, Marketing and Customer Service: Please describe the business and marketing plan proposed for use in operations, with an emphasis on measures designed to obtain maximum patronage during peak and non-peak periods. Please include any market study analysis or Pro Forma statements that will illustrate the viability, sustainability and importance of proposed business:

- Describe customer service objectives for the business, specifically employee training and retention programs to support and meet objectives.

- Menu (if applicable): include a copy of the proposed menu for the restaurant Menu: include a copy of the proposed menu for the restaurant food/beverage and any associated merchandise being proposed, which includes non-alcoholic and alcoholic beverages indicating as applicable portion size, suggested price, and name brands.

- Hours: provide proposed days and hours of operation for the proposed business.

C. Project Team (Proposer): Please describe a brief history and experience of the proposer and their team:

- Operational: submit sufficient information to allow the City to evaluate the management structure and operating program of the proposed business concept.

- Business operations: describe current business operations. Please note that City staff may elect to perform a site visit to review/confirm current business conditions

- Minimum Qualifications: provide evidence that the proposer has experience in business administration and be able to show progressive quality management of similar types of business for the past five (5) years.

- References: provide references to evidence the minimum experience requirements, including the name of the operation, address, contact person, telephone number, and annual gross sales generated.

- Management Structure: describe the management structure to be employed in the operation of the business. Please include a job description for the on-site manager, include the number of employees and a proposed daily schedule to deliver good customer service during the proposed hours of operation.

- Insurance Coverage: provide evidence that the proposer has the ability to obtain the necessary insurance required for the operation of the proposed business. Acceptable evidence includes letters from the proposer's insurance company dated no earlier than two weeks before the submittal deadline date and signed by an officer of the insurance and security provider.

D. Capital Investment: Please provide the cost for interior construction, finishes, furnishings, fixtures, trade equipment, and architectural and engineering fees and the proposed method of financing, such as small business loan, micro-loan, saving account, etc. The applicant will be responsible for **ALL** tenant improvements and obtaining all the necessary permits. Please note that the City has pre-existing utility connections that

will be changed to the new tenant once the Lease Agreement has been executed.

VI. Lease Terms and Economic Development Incentives

Multiple City incentives will be available to the selected restaurant/retail space operator which include, but are not limited to:

- Fast Track Permitting Assistance/Ombudsman Service: The City's Economic Development team will assist with expediting the permit approval process and will monitor the permit application through the development review and approval process. Furthermore, the Economic Development team will provide personalized ombudsman assistance which simplifies the process of navigating City departments and processes. All tenant improvement application and inspection fees will be waived.

- City will subsidize the lease rate with potential tenant until the full cost of their tenant improvements has been recovered – 3 years maximum.

- Lease Rate will be $2.00/square foot after cost of tenant improvements have been recovered or 3 years have passed, which ever one if first.

- Lease Term – 3 years maximum (with an opportunity to renew).

VII. Instructions and Schedule for Submitting of Proposals

The City shall not be liable for any expenses incurred by any proposer in relation to the preparation or submittal of Proposals. Expenses include, but are not limited to, expenses by proposer in: preparing a Proposal or related information in response to RFP; negotiations with City on any matter related to this RFP; and costs associated with interviews, meetings, travel or presentations. Additionally, City shall not be liable for expenses incurred as a result of City's rejection of any Proposals made in response to this RFP.

Proposals are due by 4:00 PM on January 29, 2026. This time and date is fixed and extensions will not be granted. The City does not recognize the U. S. Postal Service, its postmarks or any other organization as its agent for purposes of dating

the Proposal. All Proposals received after the deadline shown will be rejected and will not receive further consideration. Furthermore, the City reserves the right to reject any and all Proposals and to waive information and minor irregularities in any Proposal received. Proposal packets received will be the property of the City.

Below is the anticipated schedule:

- RFP Release Date: **December 18, 2025**
- Site Visit: **January 6, 2026 from 10:00 AM – 11:00 AM**
- Proposals Due: **January 29, 2026 by 4:00 PM PST**
- Review of Proposals: **January 30 – February 5, 2026**
- City Council Consideration: **February 25, 2026**

Mail, hand-deliver or e-mail Proposal to:

City of Coachella
Economic Development Department
53462 Enterprise Way, Coachella, CA 92236
Attn: Celina Jimenez, Director of Economic Development
E-mail: CJimenez@Coachella.org
Tel. (760) 262-6263

VIII. Public Records

All proposals submitted in response to this RFP become property of the City and under the Public Records Act (Government Code § 6250 et. seq.) are public records, and as such may be subject to public review at least ten (10) days before selection and award.

If a proposer claims a privilege against public disclosure for trade secret or other proprietary information, such information must be clearly identified in the Proposal. Personal information should be labeled as confidential and will remain so. Note under California law, a price proposal to a public agency is not a trade secret.

IX. Evaluation Process and Selection Criteria

The City will conduct the selection process. The City is the final decision-maker regarding this selection, and it reserves the right to reject any or all responses or to terminate development negotiations at any time. The City reserves the right to request clarification or additional information from individual respondents and to request some or all respondents to make presentations to City staff, community

groups, or others.

As part of the evaluation process, the City expects to interview some, but not necessarily all, of the parties submitting proposals.

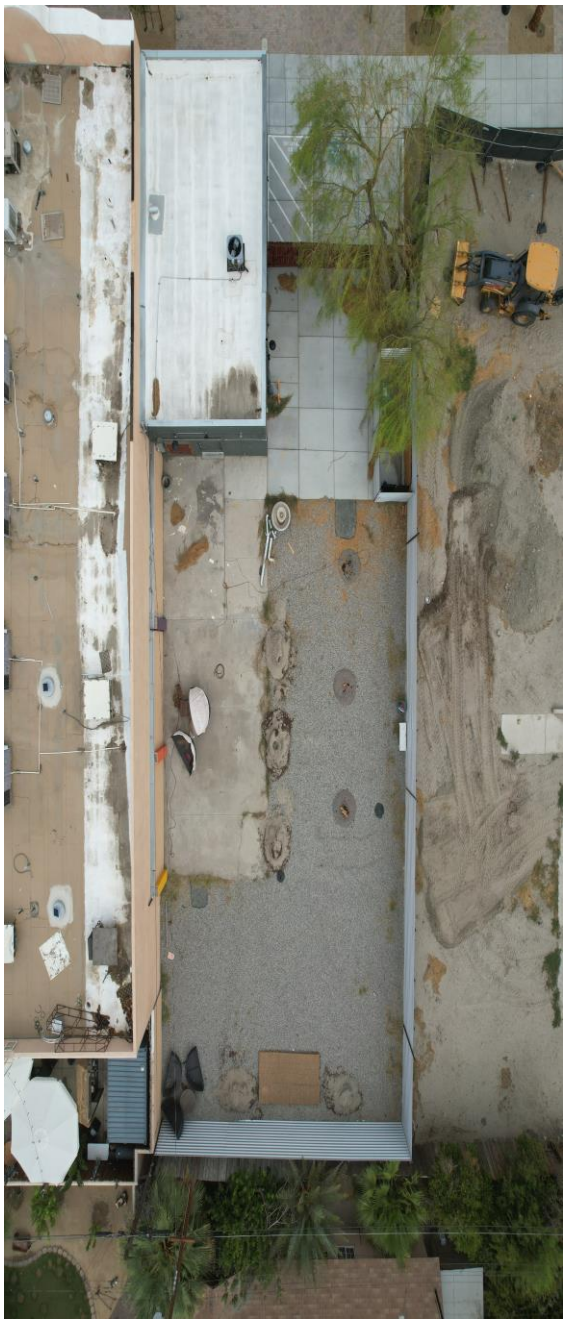
The intent of the RFP step of this selection process is to identify qualified parties interested in operating and maintaining a full-service business and related amenities within the Downtown Pueblo Viejo District. The selection of a qualified proposer will be based generally upon his/her experience in the retail/restaurant business industry and ability to demonstrate progressive quality business management practices for over a five (5) year period, including the quality of the proposed business and capacity to carry out the business development in a carefully and coordinated manner with the full collaboration of the City.

The proposal will be evaluated based upon the following criteria:

Selection Criteria – Chamber of Commerce Building Proposed Business	**Score:**
Benefit of Proposed Business to the Downtown Pueblo Viejo District	30
Strength of Business Team and Management Experience	25
Financial Strength & Capital Accessibility	20
Quality of Proposed Business Plan	15
Conceptual Rendering and Floor Plan	10
TOTAL:	**100**

Exhibit "A"

Site Map



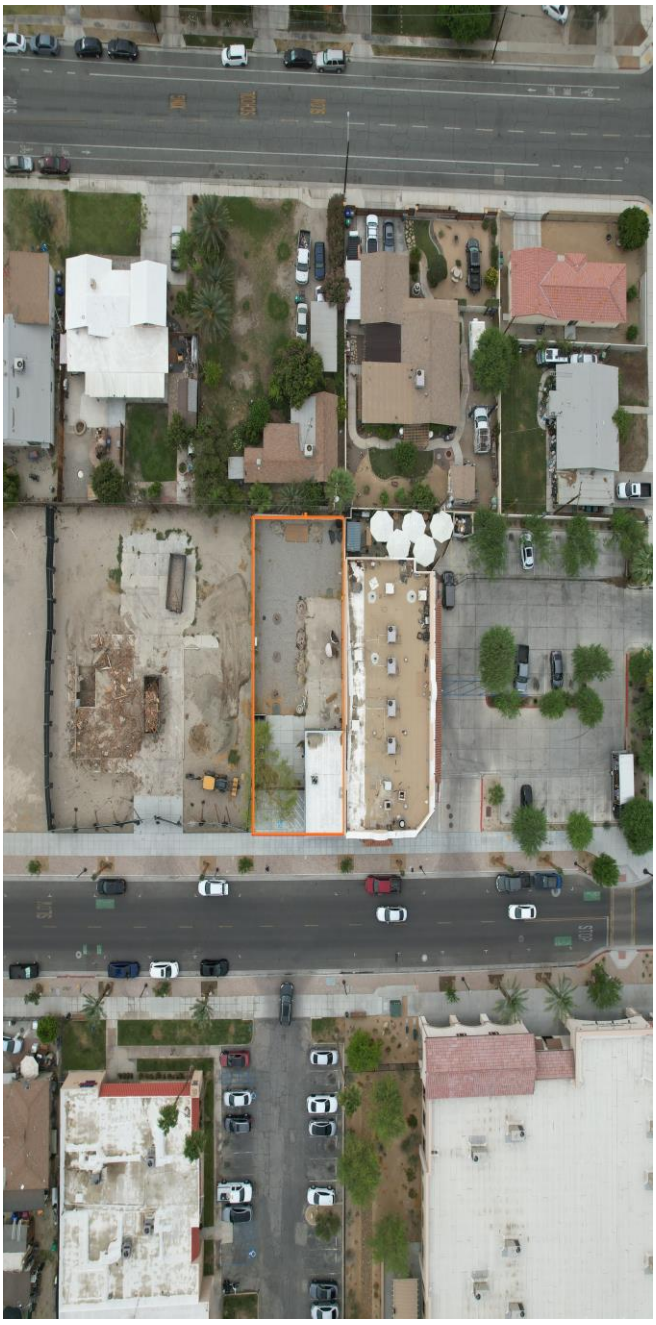


Exhibit "B"

Site Pictures

Outside:













Inside:







Exhibit "C"

Lease Agreement Template - DRAFT

LEASE AGREEMENT

BETWEEN THE CITY OF COACHELLA AND

LESSEE FOR RETAIL SPACE

THIS LEASE AGREEMENT (the "Lease") is made as of [month] [day], 202_ by and between THE CITY OF COACHELLA, a California municipal corporation (the "Lessor"), and ENTITY NAME, a private entity (the "Lessee"), with reference to the following facts:

RECITALS

A. The City owns a 722 square foot, Chamber of Commerce building, located at 1258 Sixth Street, Coachella, CA 92236, which is described in Exhibit "A" (the "Leased Premises"); and

B. Lessee desires to lease all 722 square feet in the Leased Premises from the City for retail space and programming use; and

C. Lessee will be responsible for all tenant improvements and utility services; and

D. Lessee is eligible for all Economic Development Incentives provided in Section 5 of this agreement as approved by the City Council at their meeting of DATE; and

E. Lessor will not be liable or responsible for any damage or injury occurring on the Leased Premises; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

AGREEMENT

1. Recitals. Lessor and Lessee acknowledge the Recitals set forth above which are incorporated herein by this reference together with the Exhibits attached hereto.

2. Leasehold. Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises, for the term, at the rental and upon the conditions set forth herein. Lessee accepts the Premises, including the appurtenant improvements, structures, and facilities, if any, in "AS IS" condition.

3. Premises. The Premises described in **Exhibit "A"** amounts to an area of approximately 722 square feet. Upon execution of this Lease, Lessor grants to Lessee the right to survey the Premises (the "Survey") and such Survey, if performed, shall replace **Exhibit "B"** as the description of the Premise

4. Term of Lease.

   a) The original term of the Lease shall be for a three (3) year period commencing on Month XX, 202_ and terminating on Month XX, 202__ (the "Term").

   b) During the Term of this Lease, Lessee shall pay to Lessor as rent the sum of $$ per month, once all the costs of the tenant improvements have been recovered by the Lessee. In no event will the City cover costs of tenant improvements in excess of total rents.

   c) The annual rent will be paid by the Lessee to the Lessor in advance of the 27th day of each month and continuing throughout the term of this Lease.

   d) Where to Pay Rent. All rent shall be paid to Lessor at the address specified below in Section 19.

5. Economic Development Incentives.

   a) Fast Track Permitting Assistance/Ombudsman Service: The City's Economic Development team will assist with expediting the permit approval process and will monitor the permit application through the development review and approval process. Furthermore, the Economic Development team will provide personalized ombudsman assistance which simplifies the process of navigating City departments and processes.

   b) All tenant improvement application and inspection fees will be waived.

c) City will subsidize the lease rate with Lessee until the full cost of their tenant improvements has been recovered – three (3) years maximum.

d) Lease Rate will be $2.00/square foot after cost of tenant improvements have been recovered.

e) Lease Term – 3 years maximum (with an opportunity to renew).

6. Utilities, Maintenance and Insurance.

a) Utilities. Lessee shall make all arrangements for and shall pay for all utilities and services furnished to the Premises or used by Lessee on the Premises, including, without limitation: electricity, water, sewer, internet and trash removal services. Lessee shall pay for any and all charges for establishment or connection of utility services to the Premises.

b) Maintenance. Lessor shall provide all maintenance and repairs, at Lessor's sole cost and expense, to keep the Premises in good order and condition, including, without limitation, weed abatement, fencing, all improvements existing at the commencement of this Lease, and any improvements approved by the Lessor to be constructed and/or installed by the Lessee during the term of this Lease.

c) Insurance. All insurance carried by Lessee shall be primary to and not contributory with any similar insurance carried by Lessor, whose insurance shall be considered excess insurance only. Lessee shall carry and maintain, during the entire term hereof, at Lessee's sole cost and expense, the following types of insurance in the amounts specified and in the form provided for in this section:

i. Public Liability and Property Damage. Broad-form comprehensive public liability insurance with limits of not less than One Million Dollars ($1,000,000) per person and One Million Dollars ($1,000,000) each occurrence, insuring against any and all liability of Lessee with respect to the Premises or arising out of the maintenance, use or occupancy thereof, and property damage liability insurance with a limit of not less than One Million Dollars ($1,000,000) each accident, or One Million Dollars ($1,000,000) combined single limit.

ii. Property Insurance. Lessee shall obtain and maintain in force a policy or policies of insurance in the name of Lessee, with any loss payable to Lessee, and any lender of Lessor insuring against loss or damage to the improvements on the Premises, including, without limitation, any

improvements installed or constructed by Lessee. The amount of such insurance shall be equal to the full insurable replacement cost of such improvements, as the same shall exist from time to time, or the amount required by any lender of Lessor, but in no event more than the commercially reasonable and available insurance value thereof. If the coverage is available and commercially appropriate, such policy or policies shall insure against all risks of direct loss or physical damage (except the perils of flood and earthquake unless required by a lender of Lessor). If such insurance coverage has a deductible clause, the deductible amount shall not exceed 'the amount permitted by a lender of Lessor. In the event any casualty results in damage to the improvements on the Premises which are the property of Lessor (and not constructed or installed by Lessee in accordance with the provisions hereof), Lessee shall either (i) use the proceeds of insurance to cause the restoration of such property of Lessor or (ii) pay or cause payment to Lessor or any lender of Lessor in an amount of the proportionate share of insurance proceeds attributable to damage to such property of Lessor.

iii. Delivery of Certificate of Insurance. Lessee shall deliver to Lessor certificates of insurance evidencing the insurance procured by Lessee, which certificates shall name Lessor as an additional insured together with any lender of Lessor. The Certificates of Insurance shall be delivered by Lessee to Lessor at the time of the execution of the Lease and shall be monitored regularly.

iv. Notice of Cancellation. All insurance policies shall contain a provision that such policies shall not be canceled or terminated without thirty (30) days' prior notice from the insurance company to Lessor. Lessee agrees that on or before thirty (30) days prior to expiration of any insurance policy, Lessee will deliver to Lessor written notification in the form of a receipt or other similar document from the applicable insurance company that said policy or policies have been renewed, or deliver certificates of coverage from another good and solvent insurance company for such coverage.

7. Use. Lessee shall use and occupy the Premises for purposes of retail space and programming use. Lessee shall not use the Premises for the purposes of storing, manufacturing or selling any inherently dangerous substance, chemical, thing, or device.

8. Hazardous Substances and Hazardous Materials.

a) Defined. For purposes of this Lease, the term "Hazardous Substances" shall be as defined in the Comprehensive Environmental Response, Compensation,

and Liability Act, 42 U.S.C. §§ 9601 et seq., and any regulations promulgated pursuant thereto, and as used to define "Hazardous Wastes" in the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq., and any regulations promulgated thereto, or as may be identified or defined by any federal, state or local law or regulation.

b) Prohibition and Indemnity. Lessee shall not (either with or without negligence) cause or permit the use, storage, generation, escape, disposal or release of any Hazardous Substances or Hazardous Wastes in any manner not sanctioned by law. In all events, Lessee shall indemnify and hold Lessor harmless from any and all claims, damages, fines, judgments, penalties, costs, liabilities or losses (including, without limitation, any and all sums paid for settlement of claims, attorneys' fees, and consultants' and experts' fees) (collectively "Claims") from the presence or release of any Hazardous Substances or Hazardous Wastes on the Premises if caused by Lessee or persons acting under Lessee. The foregoing indemnity shall apply regardless of whether or not any such Claims are contributed to by the negligence or fault of the indemnified party, by the violation of any law, statute or regulation by the indemnified party, and even if the indemnified party is strictly liable therefore. However, in the event of such contributory negligence or other fault of the indemnified party, then the indemnified party shall not be indemnified hereunder in the proportion that the indemnified party's negligence or other fault caused any such Claims. Lessee shall execute such affidavits, representations or other documents from time to time as Lessor may reasonably request concerning Lessee's best knowledge and belief as to the presence of Hazardous Substances or Hazardous Wastes on the Premises. This paragraph shall survive the termination of this Lease.

9. Improvements.

a) Consent of Lessor. Lessee shall not construct or make any installations, additions, improvements or alterations in or to the Premises, without the prior written consent of Lessor.

b) Lessee to Pay Improvement Cost. All installations, additions, improvements, or alterations constructed or made to the Premises, with the consent of Lessor, shall be made at the sole cost and expense of Lessee. Any tenant improvement designs must be approved by the City and undergo the tenant improvement permit process through the Development Services Department.

c) Removal of Improvements. All installations, additions, improvements, or alterations constructed or made to the Premises by Lessee shall remain Lessee's

personal property and, notwithstanding principles of law applicable to real property improvements, Lessee's installations, additions, improvements or alternations shall not be deemed improvements to Lessor's Premises and may be removed from the Premises by Lessee upon termination of this Lease in the sole discretion of Lessee. Notwithstanding the foregoing, upon termination of this Lease, Lessor may require Lessee to remove some or all of Lessee's installations, additions, improvements and alterations, at Lessee's sole cost and expense. Further, upon termination of this Lease and following removal of Lessee's property, the Premises shall be restored to a condition reasonably satisfactory to Lessor, at Lessee's expense. Any of Lessee's property, as aforesaid, not removed from the Premises upon termination of this Lease shall become the property of Lessor.

d) Mechanic's Liens. Lessee agrees to pay promptly for all labor or materials furnished for any work of construction, improvements, alterations, additions, repairs or maintenance performed by Lessee in connection with the Premises, and to keep and to hold the Premises free, clear, and harmless of and from all liens that could arise by reason of any such work.

10. Termination. Within ninety (90) days prior to expiration of the Term, either Lessor or Lessee may terminate this Lease, without cause, by serving the other party with thirty (30) days' prior written notice of such termination (a "Notice of Termination"). Upon termination of this Lease, Lessee shall return the Premises in good condition and repair to the reasonable satisfaction or Lessor.

11. Signs. Lessee shall not install any signs on the Premises without the prior written consent of Lessor. Lessor has the option to authorize a billboard to be installed on the Premises during the term of the Lease.

12. Lessor's Consent Required. Lessee shall not assign, mortgage, or hypothecate this Lease in whole or in part, nor sublet all or any part of the Premises, without the prior written consent of Lessor in each instance, which consent may be granted or denied in Lessor's sole discretion.

13. Assignment and Subleasing. Lessee shall not assign, mortgage, or hypothecate this Lease in whole or in part, nor sublet all or any part of the Premises, without the prior written consent of Lessor in each instance, which consent may be granted or denied in Lessor's sole discretion. This prohibition against assigning or subletting shall be construed to include a prohibition against any assignment or subletting by operation of law. In the event that Lessor's written consent is granted, Lessee shall pay all expenses in connection with such assignment and Lessee shall remain primarily

obligated to Lessor for performance of all provisions of this Lease.

14. Use of Premises by City. The Premises will be used for as retail space and programming for the Lessee.

15. Entry and Inspection. Lessee shall permit Lessor or Lessor's agents to· enter upon the Premises at reasonable times and upon reasonable notice, for the purpose of inspecting the same.

16. Indemnification. To the extent permitted by law, Lessor shall not be liable for any damage or injury to Lessee, or any other person, or to any property, occurring on the Premises or any part thereof in connection with this Lease, unless caused by the gross negligence or willful misconduct of Lessor. Lessee agrees to indemnify and hold Lessor harmless from any claims for damages which arise in connection with any such occurrence. Lessor agrees to indemnify and hold Lessee harmless from any claims for damages which arise from the gross negligence or willful misconduct of Lessor in connection with the Premises or this Lease. Said indemnifications shall include indemnity from any reasonable costs or fees which the indemnified party may incur in defending any such claim. The provisions of this Section shall survive termination of this Lease.

17. Lessor's Remedies on Default. If Lessee defaults in the payment of rent or defaults in the performance of any of the other covenants or conditions hereof, Lessor may give Lessee notice of such default and if Lessee does not cure any such default within thirty (30) days after the giving of such notice (or if the default is of a nature that it cannot be completely cured within such period, if Lessee does not commence such cure within such thirty (30) days and thereafter proceed with reasonable diligence and in good faith to cure such default), then Lessor may terminate this Lease on not less than thirty (30) days' notice to Lessee. On the date specified in such notice, the term of this Lease shall terminate and Lessee shall then quit and surrender the Premises to Lessor, without extinguishing Lessee's liability. If this Lease shall have been so terminated by Lessor, Lessor may at any time thereafter resume possession of the Premises by any lawful means and remove Lessee or other occupants and their effects.

18. Waiver. No Failure to Lessor to enforce any term hereof shall be deemed to be a waiver.

19. Notices. Any notice, request, demand, or other communication which either party may or is required to give, shall be in writing and shall be delivered in person or sent to the address set forth herein below by registered or certified mail, return receipt requested with postage prepaid, by commercial overnight courier, with written verification of receipt, or by telecopy. A notice shall be deemed given: (a) w h e n delivered by personal

delivery (as evidenced by the receipt); (b) three (3) days after deposit in the mail if sent by registered or certified mail; (c) one (1) business day after having been sent by commercial overnight courier as evidenced by the written verification of receipt or (d) on the date of confirmation if telecopies. Either party may change its address for receiving notice by written notice given to the other in accordance with the provisions of this Notices section.

To Lessee:

To Lessor:
City of Coachella
53462 Enterprise Way
Coachella, CA 92236
Attn: Celina Jimenez,
Director of Economic Development
E-mail: CJimenez@coachella.org

20. No Agency/Employment. In performing the terms of this Lease, the Lessor and Lessee each remain an autonomous and separate entity, solely responsible for its own actions and those of its officers, employees, agents and volunteers. No relationship of employment, agency, partnership or joint venture is to be created by or implied from this Lease.

21. Heirs, Assigns, Successors. This Lease is binding upon and inures to the benefit of the heirs, assigns and successors in interest to the parties.

22. Time of Essence. Time is of the essence of this Lease.

23. Entire Agreement. This instrument constitutes the entire agreement between the parties and may be modified only by a writing signed by both parties.

24. Governing Law. This Lease shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the parties have executed this Lease as of the date first written above:

LESSEE:

LESSEE

California Private Entity

By: _____

Name, Position

LESSOR:

THE CITY OF COACHELLA

California Municipal Corporation

By: _____

Name City Manager

Attest:

By: _____

Angela M. Zepeda

City Clerk - City of Coachella

Approved as to Form:

By: _____

Best, Best & Krieger LLP

City Attorney

El Tranvía Expansión Proposal

Submitted by:
El Tranvía Restaurant
1258 6th Street (Proposed Expansion Site)
Coachella, CA 92236
Date: November 2025

To Whom It May Concern,

On behalf of El Tranvía Restaurant, I am pleased to submit this proposal for the expansion of our business into the adjacent property located at 1258 6th Street, Coachella, CA 92236. This location, directly behind our current restaurant, provides a valuable opportunity to enhance our offerings and further contribute to the growth and revitalization of the Downtown Pueblo Viejo District.

Project Overview:

El Tranvía has proudly served the Coachella community for over 15 years, offering authentic cuisine, friendly service, and a family-oriented atmosphere. Over the years, our restaurant has evolved alongside the city—most recently adding a new patio space in 2024 that has become a popular gathering spot for locals and visitors. With the recent acquisition of our liquor license and expanded food service authorization, we are now ready to take the next step in our growth by developing the property behind the restaurant. This project aims to create a family-friendly, culturally inspired dining and entertainment space that enriches downtown Coachella's nightlife while remaining true to the spirit of Pueblo Viejo.

Integration into the Pueblo Viejo District:

The Pueblo Viejo District is the cultural heart of Coachella—a place where art, heritage, and community come together. The El Tranvía expansion will complement the district's identity through traditional Mexican architectural elements, rustic materials, and lush greenery. It will celebrate Coachella's culture with live music, local art displays, and themed family nights highlighting the region's traditions. The project will enhance the district's quality of life by offering a safe, welcoming environment for families to gather after hours and contribute to a vibrant downtown corridor.

Business Plan Summary Concept:

A rustic, family-friendly extension of El Tranvía offering casual dining, small events, and cultural entertainment in a natural, open-air setting. Services and Operations: Full-service dining and beverage program, weekend entertainment, and private event hosting. Hours of Operation: Extended evening hours while maintaining a safe, family-oriented atmosphere. Staffing: The expansion will create approximately 8–12 new local jobs.

Marketing and Customer Service Strategy:

El Tranvía will strengthen its presence through social media, and community partnerships. Our team will collaborate with the City of Coachella and nearby businesses to promote Pueblo Viejo as a dining and cultural destination. Customer service will continue to reflect our long-standing values of hospitality, respect, and consistency.

Project Team Owners:

Oscar Ventura & Jose A. Cabrera General Manager: Experienced in restaurant operations and community engagement. Design & Construction Partner: To be selected, specializing in culturally aligned architecture. Community & Event Coordinator: To oversee family and cultural programming.

Capital Investment:

El Tranvía is prepared to make a capital investment of approximately $50,000 toward property renovation, permitting, and design of the new space. Funding will be sourced through business reserves and private investment, demonstrating our commitment to Coachella's economic growth and sustainable development.

Conclusion:

This expansion represents a meaningful next step for both El Tranvía and the Coachella community. By reimagining the property at 1258 6th Street, we aim to create a safe, beautiful, and engaging space that complements the ongoing growth of Downtown Pueblo Viejo.

Sincerely,

Oscar Ventura & Jose A. Cabrera
Owners, El Tranvía Restaurant
1221 6th Street, Coachella, CA 92236
Phone: 760-619-6550
Email: Oscarv9772@gmail.com

El Tranvia
Inc.

El Tranvia Inc. 2.0

TRANSFORMING SPACES, CREATING DREAMS



Email: oscarv9772@gmail.com

El Tranvia
Inc.

Project Overview

For more than 15 years, El Tranvía has proudly served the Coachella community with authentic Mexican cuisine, warm hospitality, and a welcoming, family-oriented environment. Over time, our restaurant has evolved alongside the city—most recently with the addition of a new patio space in 2024, which has become a favorite gathering spot for both residents and visitors.

With the recent acquisition of our liquor license and expanded food service authorization, we are ready to take the next step in our growth. The proposed project will transform the property behind our restaurant into a family-friendly, culturally inspired dining and entertainment space. This expansion will enhance downtown Coachella's nightlife and community vibrancy while staying true to the heritage and spirit of Pueblo Viejo.



El Tranvia
Inc.

Integration into the Pueblo Viejo District



The Pueblo Viejo District serves as the cultural heart of Coachella—a place where art, heritage, and community come together. The El Tranvía expansion will complement the district's identity through traditional Mexican architectural design, the use of rustic natural materials, and lush landscaping that evokes an inviting, timeless aesthetic.

The new space will celebrate Coachella's cultural identity by incorporating live music performances, local art displays, and family-oriented themed events that highlight the region's traditions. The project aims to enrich the district's quality of life by creating a safe, welcoming environment for families to gather after hours and by contributing to a lively, walkable downtown corridor.

El Tranvia
Inc.

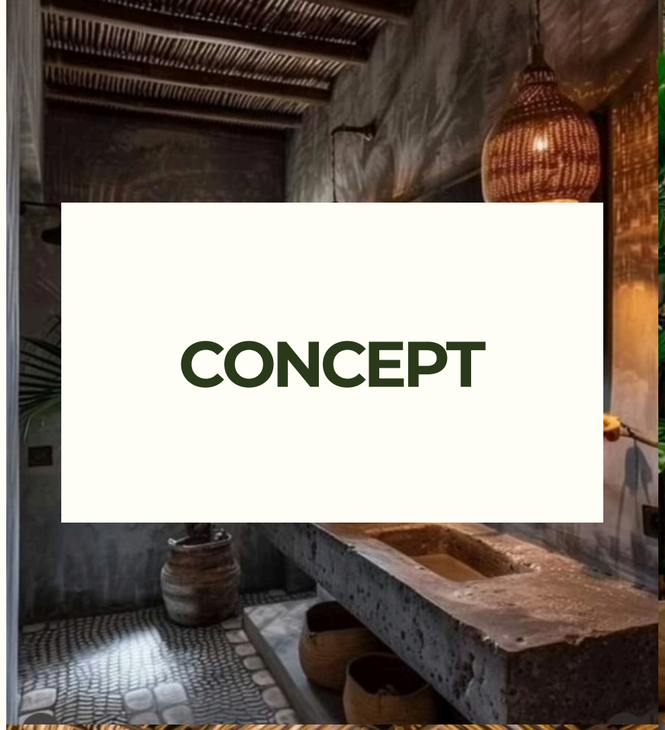
Business Plan & Concept Summary

Concept:
A rustic, family-friendly extension of El Tranvía designed for casual dining, small events, and cultural entertainment in a natural, open-air setting.

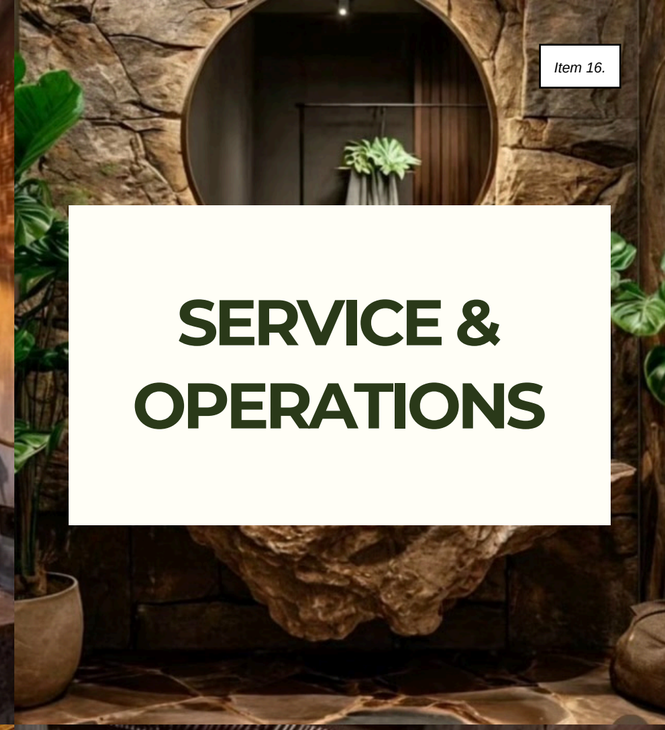
Services & Operations:
Full-service dining and beverage program
Weekend cultural and live entertainment
Private event and celebration hosting

Hours of Operation:
Extended evening hours while maintaining a safe, family-oriented atmosphere

Staffing:
Creation of approximately 8–12 new local jobs, contributing to local employment and workforce development



CONCEPT



SERVICE & OPERATIONS



HOURS OF OPERATION



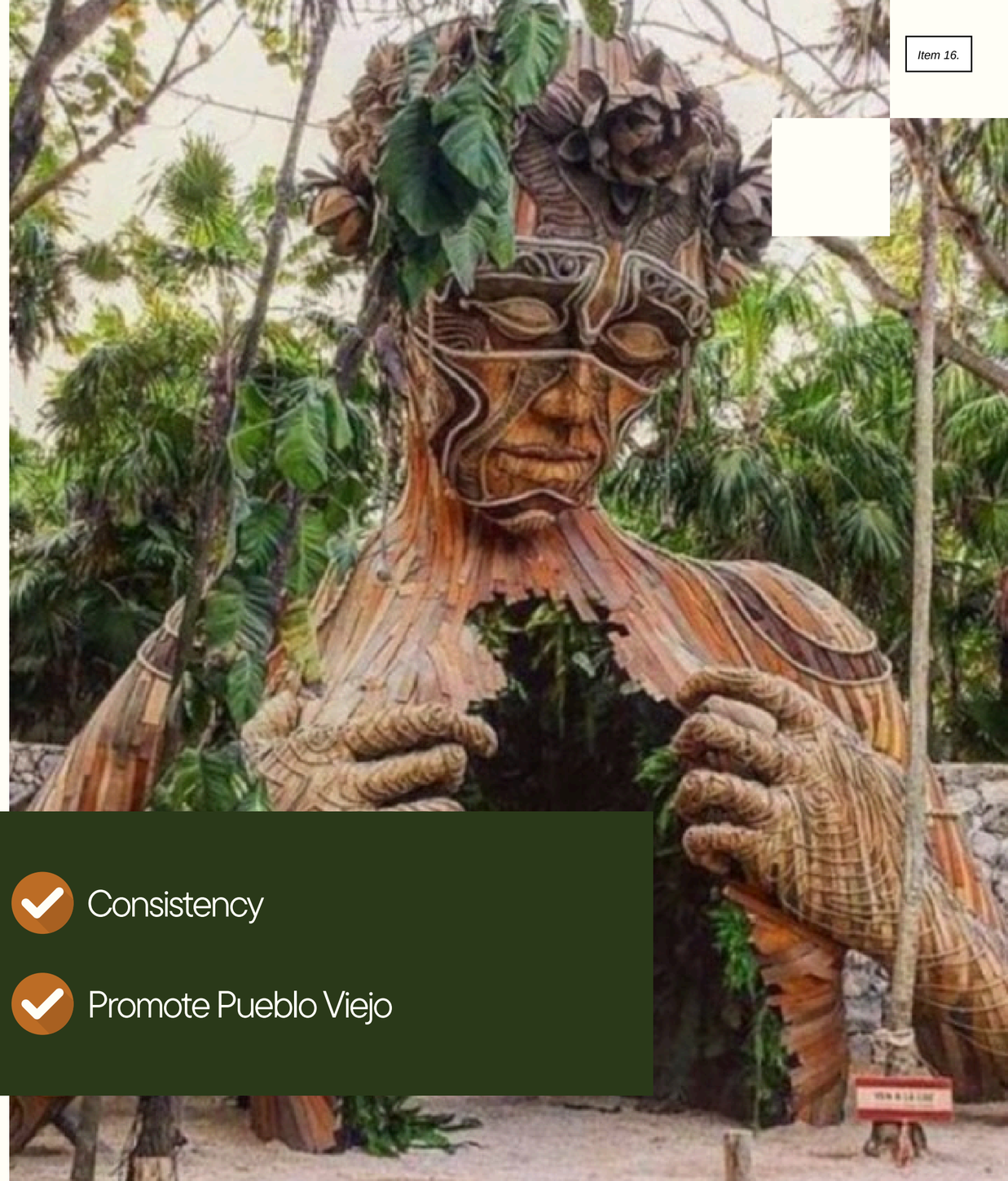
STAFFING

El Tranvia
Inc.

Marketing & Customer Service Strategy

El Tranvía will expand its community presence through social media engagement, and strategic partnerships with nearby businesses and city initiatives. Together with the City of Coachella, we aim to promote Pueblo Viejo as a premier dining and cultural destination.

Our customer service approach will continue to reflect the values that have defined El Tranvía for over a decade—hospitality, respect, and consistency—ensuring every guest feels like part of the family.



- Hospitality
- Respect
- Consistency
- Family
- Community
- Promote Pueblo Viejo

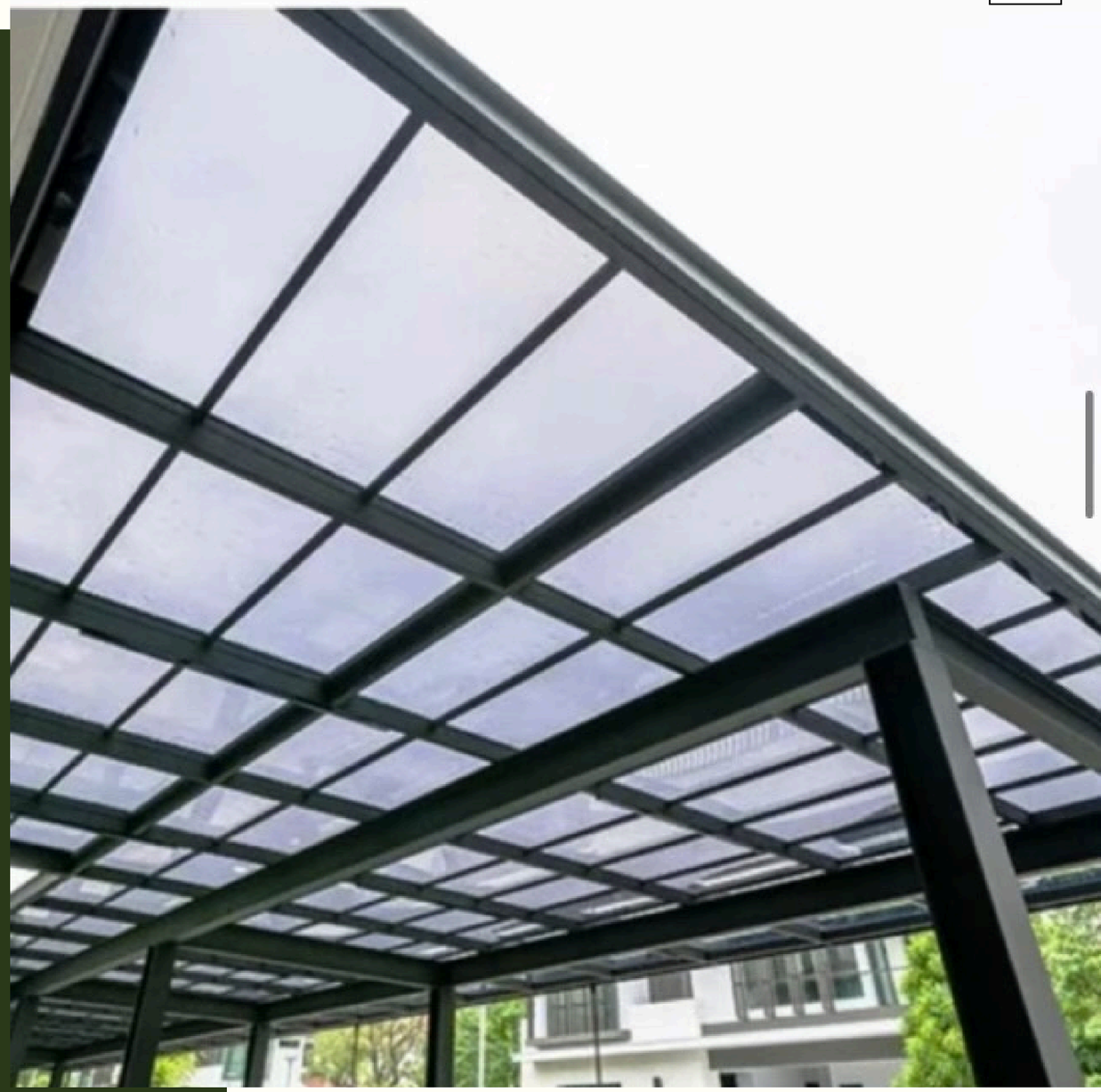
El Tranvia
Inc.

Project Team

General Manager:
Experienced in restaurant operations, hospitality, and community engagement

Design & Construction Partner:
To be selected, with expertise in culturally inspired architecture and sustainable design

Community & Event Coordinator:
To oversee family programming, live entertainment, and community-based events

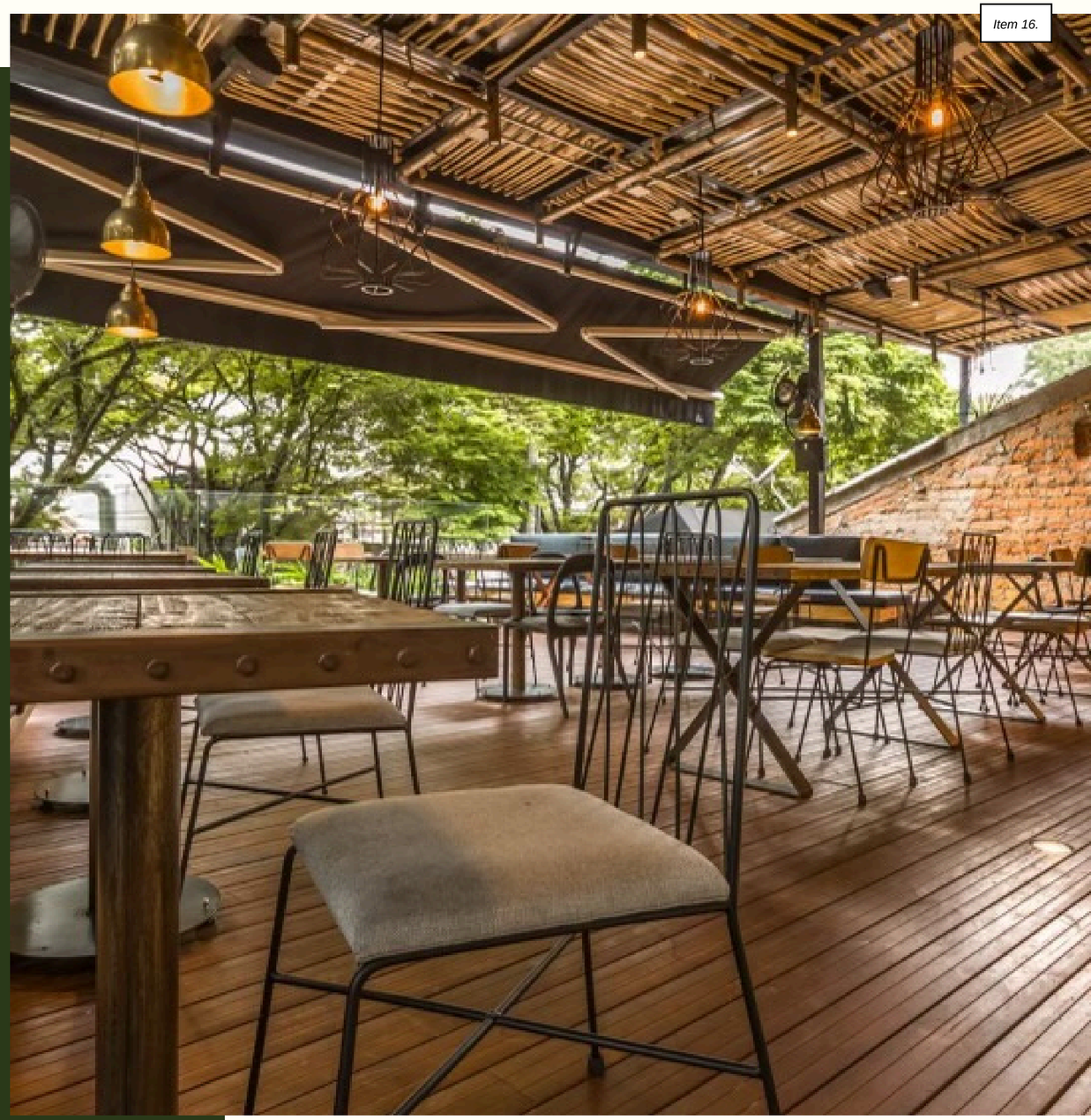


Email: OscarV9772@gmail.com

El Tranvia
Inc.

Capital Investment

El Tranvía is prepared to make a capital investment of approximately $50,000 toward property renovation, permitting, and design of the new space. Funding will be sourced through existing business reserves and private investment, underscoring our long-term commitment to Coachella's economic vitality and sustainable development.

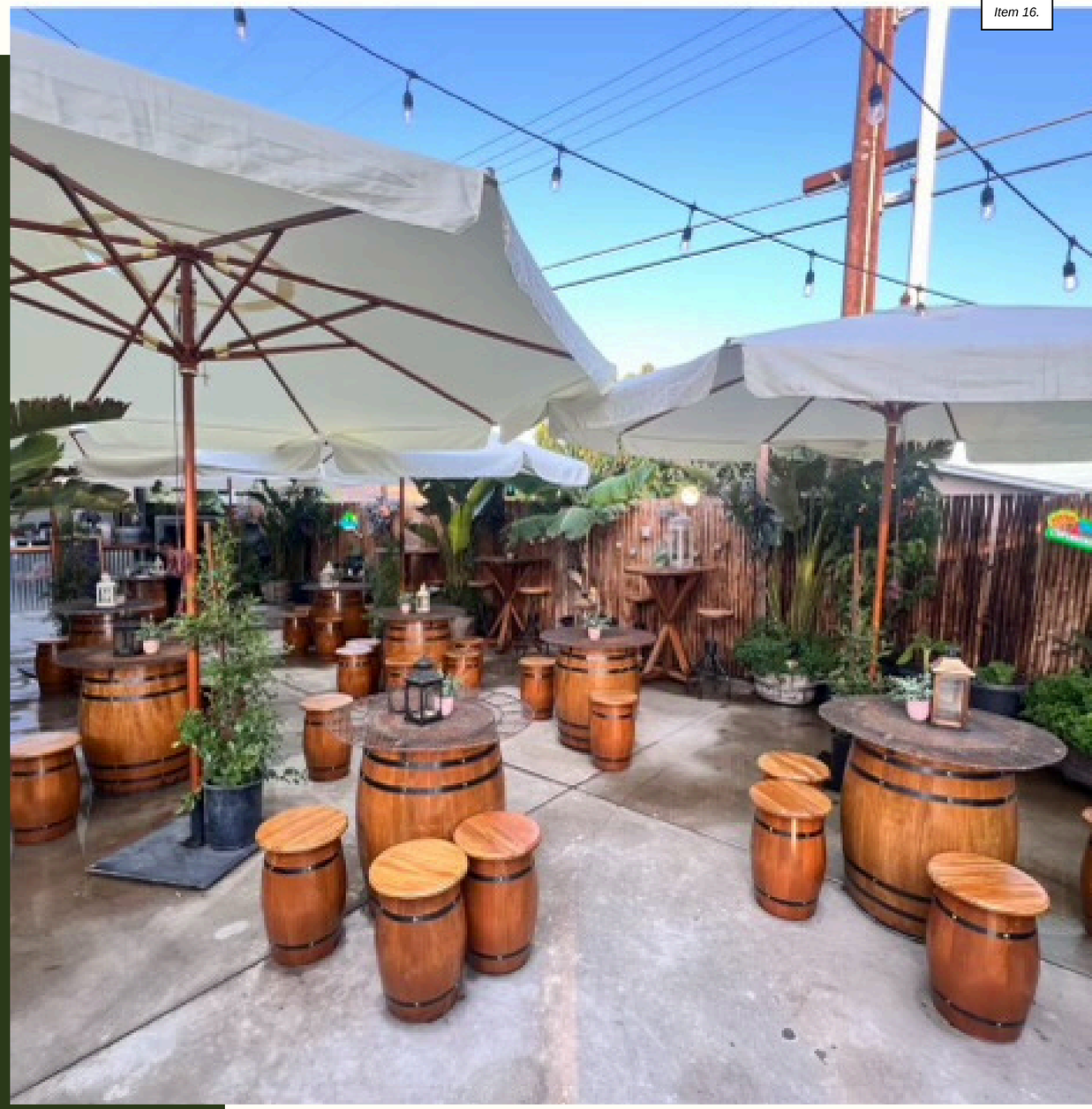


Email: OscarV9772@gmail.com

El Tranvia
Inc.

Conclusion

This expansion represents a meaningful next step for both El Tranvía and the Coachella community. By transforming the property at 1258 6th Street, we aim to create a safe, beautiful, and engaging destination that complements the ongoing revitalization of Downtown Pueblo Viejo—celebrating the city's rich cultural heritage while supporting its future growth.



Email: OscarV9772@gmail.com

El Tranvia
Inc.

Thank You So Much



Social Media :

@el_tranvia_inc

Phone Number :

(760)619-6550

Mail Address :

OScarV9772@gmail.com

STAFF REPORT
2/11/2026

TO: Honorable Mayor and City Council Members

FROM: Celina Jimenez, Director of Economic Development

SUBJECT: Approve Lease Agreement with El Tranvia, Inc. for the City-Owned Building Located at 1258 Sixth Street in the Downtown Pueblo Viejo District and Authorize the City Attorney to Approve Minor Changes to the Lease Agreement Prior to its Execution

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STAFF RECOMMENDATION:

Staff recommends the City Council authorize the City Manager to execute a lease agreement between the City of Coachella and El Tranvia Inc., for the 722 square foot building which was formerly the Chamber of Commerce building located at 1258 Sixth Street in the Downtown Pueblo Viejo District and authorize the City Attorney to approve any minor changes to the lease agreement prior to its execution.

BACKGROUND:

On December 18, 2025, the City of Coachella Economic Development Department issued a Request for Proposals (RFP) to release a Request for Proposal process to allow well-qualified business entities the opportunity to propose a restaurant/retail business in the former Chamber of Commerce building located in the Downtown Pueblo Viejo District. The objective was to provide a unique destination restaurant/café with a distinctive menu and an experience that will bring visitors into the Downtown Pueblo Viejo District. The RFP also provided economic development incentives in order to assist with startup costs. The deadline for proposals was January 29, 2026. As a result, the City only received one proposal. This RFP release would be the second one released since the previous RFP opportunity of October, 2025.

DISCUSSION/ANALYSIS:

Staff reviewed and evaluated the proposal received and qualified Oscar Ventura as an exceptional proposal based on the RFP requirements, conceptual design, marketing, customer service, related business experience and capital investment.

This space will afford El Tranvía restaurant to expand in a manner that will complement the Pueblo Viejo District's identity through traditional Mexican architectural design, the use of rustic natural materials, and lush landscaping that evokes an inviting, timeless aesthetic. The new space will

celebrate Coachella's cultural identity by incorporating live music performances, local art displays, and family-oriented themed events that highlight the region's traditions. The project aims to enrich the district's quality of life by creating a safe, welcoming environment for families to gather after hours and by contributing to a lively, walkable downtown corridor. El Tranvía is willing to make a sizeable capital investment toward property renovations. Funding will be sourced through existing business reserves and private investment, underscoring their long-term commitment to Coachella's economic vitality and sustainable development.

The proposed lease agreement will allow El Tranvia, Inc. to operate on an annual basis and provide economic development incentives that will allow for a successful start-up. The Lessee will be responsible for all tenant improvements; however, the Lessee will be subsidized by the City with a reduced lease rate until the cost of the tenant improvements is recovered. The City will also waive all permitting/planning fees for the first year of operation. The lease rate will be $2.00/square foot, which shall equal to a $1,444/monthly payment to the City, once the cost of the tenant improvements are recovered. The anticipated cost of the tenant improvements are estimated to be between $150,000 and $200,000.





FISCAL IMPACT

If the City Council approves the staff recommendation, the lease agreement will yield annual revenue of $17,328.00 (once the tenant improvement costs are recovered), plus sales tax revenue and business license renewal costs.

ALTERNATIVES:

1. Approve Lease Agreement with El Tranvia, Inc. for the City-Owned Building Located at 1258 Sixth Street in the Downtown Pueblo Viejo District and Authorize the City Attorney to Approve Minor Changes to the Lease Agreement Prior to its Execution

2. Not Approve Lease Agreement and Release Another RFP

ATTACHMENTS:

1. RFP – Lease of Building Located at 1258 Sixth Street, Coachella, CA 92236
2. Proposal - El Tranvia, Inc.
3. Lease Agreement

CITY OF COACHELLA
LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease") is made as of March 1, 2026 by and between THE CITY OF COACHELLA, a California municipal corporation (the "Lessor"), and **EL TRANVIA, INC**., a corporation (the "Lessee"), with reference to the following facts:

RECITALS

A. Lessor is the owner of certain real property located at **1258 Sixth Street**, in the City of Coachella, County of Riverside, Assessor Parcel Number (APN) 778-110-003-7, described in more detail in attached Exhibit "A" incorporated herein by this reference (the "Property"); and

B. Lessee desires to lease from Lessor the Property referenced in more detail in the attached Exhibit "A" for purposes of operating and managing a restaurant/bakery business; and

C. Lessee will be responsible for all tenant improvements the leased space; and

D. Lessor will provide economic development incentives that include subsidizing lease rates until all the cost of tenant improvements are recovered and waive all permitting/planning fees for the first year of operation; and

E. Lessor will not be liable or responsible for any damage or injury occurring on the Premises.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

AGREEMENT

1. Recitals. Lessor and Lessee acknowledge the Recitals set forth above which are incorporated herein by this reference together with the Exhibits attached hereto.

2. Leasehold. Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises, for the term, at the rent and upon the conditions set forth herein. Lessee accepts the Premises, including the appurtenant improvements, structures, and facilities, if any, in "AS IS" condition.

3. Premises. The Premises described in Exhibit "A" amounts to an area of approximately 1,040 square feet. Upon execution of this Lease, Lessor grants to Lessee the right to survey the Premises (the "Survey") and such Survey, if performed, shall replace Exhibit "A" as the description of the Premises and shall be attached and incorporated herein as Exhibit "B." If performed, the Survey attached as Exhibit "B" shall control the description of the Premises thereafter.

4. Term of Lease.

4.1 Term. The original term of the Lease shall be for a three (3) year period commencing on March 1, 2026 and terminating on February 29, 2028 (the "Term") with an opportunity to renew the Term for additional three-year terms or until the costs of tenant improvements have been recovered. If Lessee decides to make tenant improvements to the Premises for which a City Building Permit is issued, then the Lessee's rent shall be waived until such time as all tenant improvement costs have been recovered by the Lessee; all tenant improvement credits must be preapproved and invoices provided to allow for rental credit. All tenant improvements shall be approved by Lessor pursuant to Section 11.

5. Rent.

5.1 Rent. During the Term of this Lease, Lessee shall pay to Lessor as rent the sum of One Thousand Four Hundred Forty-Four Dollars ($1,444.00) per month.

The Lessee will pay the monthly rent to the Lessor in advance of the fifteenth (15) day of each month starting March 15th and continuing throughout the term of this Lease.

5.2 Where to Pay Rent. All rent shall be paid to Lessor at the address specified below in Section 22.

6. Utilities, Maintenance and Insurance.

6.1 Utilities. Lessee shall make all arrangements for and shall pay for all utilities and services furnished to the Premises or used by Lessee on the Premises, including, without limitation: cable, electricity, telephone, internet, water, sewer and trash removal services as described in Exhibit "C", and Lessee shall pay for any and all charges for establishment or connection of utility services to the Premises.

6.2 Maintenance. Lessee shall provide all maintenance and repairs, at Lessee's sole cost and expense, to keep the Premises in good order and condition, including, without limitation, all maintenance of fencing, gates, landscaping, all improvements existing at the commencement of this Lease, and any improvements installed or constructed by Lessee during the term of this Lease.

6.3 Insurance. All insurance carried by Lessee shall be primary to and not contributory with any similar insurance carried by Lessor, whose insurance shall be considered excess insurance only. Lessee shall carry and maintain, during the entire term hereof, at Lessee's sole cost and expense, the following types of insurance in the amounts specified and in the form provided for m this section:

a. Public Liability and Property Damage. Broad-form comprehensive public liability insurance with limits of not less than One Million Dollars ($1,000,000) per person and One Million Dollars ($1,000,000) each occurrence, insuring against any and all liability of Lessee with respect to the Premises or arising out of the maintenance, use or occupancy thereof, and property damage liability insurance with a limit of not less than One Million Dollars ($1,000,000) each accident, or One Million Dollars ($1,000,000) combined single limit.

b. Property Insurance. Lessee shall obtain and maintain in force a policy or

policies of insurance in the name of Lessee, with any loss payable to Lessee, and any lender of Lessor insuring against loss or damage to the improvements on the Premises, including, without limitation, any improvements installed or constructed by Lessee. The amount of such insurance shall be equal to the full insurable replacement cost of such improvements, as the same shall exist from time to time, or the amount required by any lender of Lessor, but in no event more than the commercially reasonable and available insurance value thereof. If the coverage is available and commercially appropriate, such policy or policies shall insure against all risk of direct loss or physical damage (except the perils of flood and earthquake unless required by a lender of Lessor). If such insurance coverage has a deductible clause, the deductible amount shall not exceed the amount permitted by a lender of Lessor. In the event any casualty results in damage to the improvements on the Premises which are the property of Lessor (and not constructed or installed by Lessee in accordance with the provisions hereof), Lessee shall either (i) use the proceeds of insurance to cause the restoration of such property of Lessor or (ii) pay or cause payment to Lessor or any lender of Lessor in an amount of the proportionate share of insurance proceeds attributable to damage to such property of Lessor.

c. Delivery of Certificate of Insurance. Lessee shall deliver to Lessor certificates of insurance evidencing the insurance procured by Lessee, which certificates shall name Lessor as an additional insured together with any lender of Lessor. The Certificates of Insurance shall be delivered by Lessee to Lessor at the time of the execution of the Lease and shall be monitored regularly.

d. Notice of Cancellation. All insurance policies shall contain a provision that such policies shall not be canceled or terminated without thirty (30) days' prior notice from the insurance company to Lessor. Lessee agrees that on or before thirty (30) days prior to expiration of any insurance policy, Lessee will deliver to Lessor written notification in the form of a receipt or other similar document from the applicable insurance company that said policy or policies have been renewed, or deliver certificates of coverage from another good and solvent insurance company for such coverage.

7. Janitorial Services. The Lessee agrees to provide at its sole cost and expense janitorial services for the leased Premises.

8. Security Alarm Monitoring Services. The Lessee agrees to provide at its sole cost and expense security alarm monitoring services for the leased Premises.

9. Use. Lessee shall use and occupy the Premises for purposes of operating and managing a restaurant/bakery business in the old Sunline Transit building. Lessee shall not use the Premises for the purposes of storing, manufacturing or selling any inherently dangerous substance, chemical, thing, or device.

10. Hazardous Substances and Hazardous Materials.

10.1 Defined. For purposes of this Lease, the term "Hazardous Substances" shall be as defined in the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §§ 9601 et seq., and any regulations promulgated pursuant thereto, and as used to define "Hazardous Wastes" in the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq., and any regulations promulgated thereto, or as may be identified or defined by any federal, state or local law or regulation.

10.2 Prohibition and Indemnity. Lessee shall not (either with or without negligence) cause or permit the use, storage, generation, escape, disposal or release of any Hazardous Substances or Hazardous Wastes in any manner not sanctioned by law. In all events, Lessee shall indemnify and hold Lessor harmless from any and all claims, damages, fines, judgments, penalties, costs, liabilities or losses (including, without limitation, any and all sums paid for settlement of claims, attorneys' fees, and consultants' and experts' fees) (collectively "Claims") from the presence or release of any Hazardous Substances or Hazardous Wastes on the Premises if caused by Lessee or persons acting under Lessee. The foregoing indemnity shall apply regardless of whether or not any such Claims are contributed to by the negligence or fault of the indemnified party, by the violation of any law, statute or regulation by the indemnified party, and even if the indemnified party is strictly liable therefore. However, in the event of such contributory negligence or other fault of the indemnified party, then the indemnified party shall not be indemnified hereunder in the proportion that the indemnified party's negligence or other fault caused any such Claims. Lessee shall execute such affidavits, representations or other documents from time to time as Lessor may reasonably request concerning Lessee's best knowledge and belief as to the presence of Hazardous Substances or Hazardous Wastes on the Premises. This paragraph shall survive the termination of this Lease.

11. Improvements.

11.1 Consent of Lessor. Lessee shall not construct or make any installations, additions, improvements or alterations in or to the Premises, without the prior written consent of Lessor.

11.2 Lessee to Pay Improvement Cost. All installations, additions, improvements, or alterations constructed or made to the Premises, with the consent of Lessor, shall be made at the sole cost and expense of Lessee.

11.3 Removal of Improvements. All installations, additions, improvements, or alterations constructed or made to the Premises by Lessee shall remain Lessee's personal property and, notwithstanding principles of law applicable to real property improvements, Lessee's installations, additions, improvements or alternations shall not be deemed improvements to Lessor's Premises and may be removed from the Premises by Lessee upon termination of this Lease in the sole discretion of Lessee. Notwithstanding the foregoing, upon termination of this Lease, Lessor may require Lessee to remove some or all of Lessee's installations, additions, improvements and alterations, at Lessee's sole cost and expense. Further, upon termination of this Lease and following removal of Lessee's property, the Premises shall be restored to a condition reasonably satisfactory to Lessor, at Lessee's expense. Any of Lessee's property, as aforesaid, not removed from the Premises upon termination of this Lease shall become the property of Lessor.

11.4 Mechanic's Liens. Lessee agrees to pay promptly for all labor or materials furnished for any work of construction, improvements, alterations, additions, repairs or maintenance performed by Lessee in connection with the Premises, and to keep and to hold the Premises free, clear,

and harmless of and from all liens that could arise by reason of any such work.

12. Termination. Within ninety (90) days prior to expiration of the Term, either Lessor or Lessee may terminate this Lease, without cause, by serving the other party with thirty (30) days' prior written notice of such termination (a "Notice of Termination"). Upon termination of this Lease, Lessee shall return the Premises in good condition and repair to the reasonable satisfaction or Lessor.

13. Signs. Lessee shall not install any signs on the Premises without the prior written consent of Lessor.

14. Lessor's Consent Required. Lessee shall not assign, mortgage, or hypothecate this Lease in whole or in part, nor sublet all or any part of the Premises, without the prior written consent of Lessor in each instance, which consent may be granted or denied in Lessor's sole discretion.

15. Assignment and Subleasing. Lessee shall not assign, mortgage, or hypothecate this Lease in whole or in part, nor sublet all or any part of the Premises, without the prior written consent of Lessor in each instance, which consent may be granted or denied in Lessor's sole discretion. This prohibition against assigning or subletting shall be construed to include a prohibition against any assignment or subletting by operation of law. In the event that Lessor's written consent is granted, Lessee shall pay all expenses in connection with such assignment and Lessee shall remain primarily obligated to Lessor for performance of all provisions of this Lease.

16. Use of Premises by another Party. The Premises may not be used by any person or party other than the Lessee, its officers, employees, and agents.

17. Use of Premises by City. The Premises may be accessed and used at any time, as needed, by any City staff, for purposes of inspecting the building for maintenance and repairs of various systems.

18. Entry and Inspection. Lessee shall permit Lessor or Lessor's agents to enter upon the Premises at reasonable times and upon reasonable notice, for the purpose of inspecting the same.

19. Indemnification. To the extent permitted by law, Lessor shall not be liable for any damage or injury to Lessee, or any other person, or to any property, occurring on the Premises or any part thereof in connection with this Lease, unless caused by the gross negligence or willful misconduct of Lessor. Lessee agrees to indemnify and hold Lessor harmless from any claims for damages which arise in connection with any such occurrence. Lessor agree to indemnify and hold Lessee harmless from any claims for damages which arise from the gross negligence or willful misconduct of Lessor in connection with the Premises or this Lease. Said indemnifications shall include indemnity from any reasonable costs or fees which the indemnified party may incur in defending any such claim. The provisions of this Section shall survive terminat10n of this Lease.

20. Lessor's Remedies on Default. If Lessee defaults in the payment of rent

or defaults in the performance of any of the other covenants or conditions hereof, Lessor may give Lessee notice of such default and if Lessee does not cure any such default within thirty (30) days after the giving of such notice (or if the default is of a nature that it cannot be completely cured within such period, if Lessee does not commence such cure within such thirty (30) days and thereafter proceed with reasonable diligence and in good faith to cure such default), then Lessor may terminate this Lease on not less than thirty (30) days' notice to Lessee. On the date specified in such notice, the term of this Lease shall terminate and Lessee shall then quit and surrender the Premises to Lessor, without extinguishing Lessee's liability. If this Lease shall have been so terminated by Lessor, Lessor may at any time thereafter resume possession of the Premises by any lawful means and remove Lessee or other occupants and their effects.

21. Waiver. No failure of Lessor to enforce any term hereof shall be deemed to be a waiver.

22. Notices. Any notice, request, demand, or other communication which either party may or is required to give, shall be in writing and shall be delivered in person or sent to the address set forth herein below by registered or certified mail, return receipt requested with postage prepaid, by commercial overnight courier, with written verification of receipt, or by telecopy. A notice shall be deemed given: (a) when delivered by personal delivery (as evidenced by the receipt); (b) three (3) days after deposit in the mail if sent by registered or certified mail or (c) one (1) business day after having been sent by commercial overnight courier as evidenced by the written verification of receipt. Either party may change its address for receiving notice by written notice given to the other in accordance with the provisions of this Notices section.

To Lessee: El Tranvia, Inc. / Oscar Ventura
1258 Sixth Street
Coachella CA 92236

To Lessor: City of Coachella
53-990 Enterprise Way
Coachella, CA 92236
Attn: Director of Public Works

23. No Agency/Employment. In performing the terms of this Lease, the Lessor and Lessee each remain an autonomous and separate entity, solely responsible for its own actions and those of its officers, employees, agents and volunteers. No relationship of employment, agency, partnership or Joint venture is to be created by or implied from this Lease.

24. Time of Essence. Time is of the essence of this Lease.

25. Entire Agreement. This instrument constitutes the entire agreement between the parties and may be modified only by a writing signed by both parties.

26. Governing Law. This Lease shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the parties have executed this Lease as of the date first written above.

LESSEE:
EL TRANVIA, INC.
California Corporation

By: _____
Oscar Ventura, Owner

LESSOR:
THE CITY OF COACHELLA
California Municipal Corporation

By: _____
William B. Pattison, Jr., City Manager

Attest:

By: _____
Angela M. Zepeda
City Clerk - City of Coachella

Approved as to Form:

By: _____
Best, Best & Krieger LLP
City Attorney

EXHIBIT "A"

DESCRIPTION OF PREMISES

The City of Coachella (Lessor) owns real property located at 1258 Sixth Street, in the City of Coachella, County of Riverside, State of California. The old Chamber of Commerce building is part of the City's Properties, identified by the following assessor parcel number: 778-110-003-7. The Lessee will only occupy the pictured area below, which includes the approximate 722 square foot building and outdoor space around the building.

Depiction/Photo





EXHIBIT "B"

SURVEY OF LEASED PREMISES

No survey was completed by the Lessee.

EXHIBIT "C"

Lessor's real property is located at 1258 Sixth Street, Coachella, California 92236. The property is approximately 722 square feet. Lessee shall establish accounts for the property under Lessee's name for all utilities. Lessee will maintain current all utility billing for the property.