



# AGENDA

## CITY COUNCIL 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, AND SUCCESSOR AGENCY TO THE COACHELLA REDEVELOPMENT AGENCY

**January 26, 2022**  
6:00 PM Regular Meeting

Pursuant Assembly Bill 361,  
along with the Governor's State of Emergency Declaration issued on March 4, 2020,  
this meeting may be conducted via teleconference.

**Note: There will be no-in person public access to the meeting location.**

**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 via email, telephonically, or via Zoom** with a limit of **250 words, or three minutes:**
  - **In Real Time:**

If participating in real time via Zoom or phone, during the Public Comment Period, use the “**raise hand**” function on your computer, or when using a phone, participants can raise their hand by pressing \*9 on the keypad.
  - **In Writing:**

Written comments may be submitted to the City Council electronically via email to [cityclerk@coachella.org](mailto:cityclerk@coachella.org). Transmittal **prior to the start** of the meeting is required. All written comments received will be forwarded to the City Council and entered into the record.
  - If you wish, you may leave a message at (760) 262-6240 before 5:30 p.m. on the day of the meeting.
- The **live stream** of the meeting may be **viewed online** by accessing the city's website at [www.coachella.org](http://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:**

**ROLL CALL:**

**VIRTUAL PUBLIC MEETINGS:**

1. Resolution No. 2022-04, a Resolution to Continue Fully or Partially Virtual Public Meetings (AB 361)

**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”

**PLEDGE OF ALLEGIANCE:**

**APPROVAL OF MINUTES:**

2. Regular Meeting Minutes of December 8, 2021, of the City Council, Coachella Fire Protection District, Coachella Sanitary District, Coachella Financing Authority, Coachella Educational and Governmental Access Cable Corporation, Coachella Water Authority, and Successor Agency to the Coachella Redevelopment Agency.
3. Special Meeting Minutes of a Coachella City Council Study Session held on December 13, 2021.

**PROCLAMATIONS/PRESENTATIONS:**

4. Presentation on Coronavirus (COVID-19) Response Efforts
5. Recognizing former Coachella Assistant Chief of Police, Lieutenant Andres "Andy" Martinez
6. Congratulating Lee Espinoza for his Induction into the West Coast Boxing Hall of Fame
7. Presentation from Desert Interfaith Council (DIC) on their Upcoming Salton Sea Prayer Vigil
8. Landscape and Lighting Maintenance Districts (LLMD) Update
9. Presentation by Coachella Valley Public Cemetery District
10. Villa Verde Apartments Project Update Presentation
11. The Living Desert Signs of Nature Project

**WRITTEN COMMUNICATIONS:**

**CONSENT CALENDAR:**

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

- [12.](#) Voucher Listing — EFT's/Utility Billing Refunds/FY 2021-22 Expenditures as of January 26, 2022, \$4,969,620.39.
- [13.](#) Adopt Ordinance No. 1191 updating the City's Purchasing & Procurement Ordinance (*Second Reading*) and Resolution No. 2022-03 setting purchasing and competitive procurement thresholds
- [14.](#) Resolution No. 2022-02, Implementation of a Fiscal Reserve Policy
- [15.](#) Resolution No. 2022-06, Initiating the Formation of Landscaping and Lighting Maintenance District No.39 (Sevilla–Tract 38084) (“LLMD 39”); and Resolution No. 2022-07, Declaring Intention to Form, Levy and Collect Assessments Commencing in Fiscal Year 2022/2023, preliminary approval of Engineer's Report and Setting Time and Place for Public Hearing to Conduct Property Owner Protest Ballot Proceedings
- [16.](#) Adopt Resolution No. 2022-08 Authorizing the City of Coachella to be a Co-Applicant in the Grant Application Desert Recreation District will submit under the Regional Park Program to the California Department of Parks and Recreation Office of Grants and Local Services
- [17.](#) Resolution No. 2022-12, Conditional Loan Commitment for CFD 2005-1 Special Assessments for the Coachella Village Apartments Housing Development
- [18.](#) Adopt Resolution No. 2022-13 Authorizing the City Manager to Submit an Application to CalRecycle to Assist with the Implementation of Regulation Requirements Associated with SB 1383
- [19.](#) Resolution No. WA-2022-02, a Resolution of the Board of Directors of the Coachella Water Authority Authorizing the Grant Application, Acceptance, and Execution for the Groundwater Well Project
- [20.](#) Approve professional services agreement between City of Coachella and the Greater Coachella Valley Chamber of Commerce for fiscal year 2021-2022.
- [21.](#) Investment Report – October 2021
- [22.](#) Amendment to Committee Member assignment to the Imperial Irrigation District (IID) Energy Consumers Advisory Committee (ECAC) to Appoint City Engineer Andrew Simmons.
- [23.](#) Authorize facility use permit fee waiver for Coachella Valley Community Tax Services.
- [24.](#) Authorize the City Manager to execute Professional Services Agreements with RG Planning Consultants and Terra Nova Planning & Research for Professional Planning Consultant Services.
- [25.](#) Quarterly Reports - Second Quarter FY 2021-2022

**NEW BUSINESS CALENDAR (LEGISLATIVE AND ADMINISTRATIVE):**

- [26.](#) Introduce by first reading Ordinance No. 1192 Amending Chapter 8.44 of the City Municipal Code regarding Solid Waste Collection.
- [27.](#) Adopt Resolution No. 2022-01 receiving and filing the City of Coachella Development Impact Fees Annual Report 2021 pursuant to Government Code Sections 66000-66008.
- [28.](#) Adopt Resolution Nos. WA-2022-01 and 2022-05 approving the form and authorizing the execution of an official statement and other agreements for the issuance of water revenue refunding bonds and approving additional actions related thereto
- [29.](#) Construction Contract with Desert Concepts Construction Inc. in the amount of \$3,083,148.50 and 10% for contingency for the construction of the Pueblo Viejo Sustainable Transportation Project, City Project ST-130.
- [30.](#) Approve Lease Agreement with Coachella General for the City owned former Chamber of Commerce Building located at 1258 Sixth Street in the Downtown Pueblo Viejo District
- [31.](#) Authorize City Manager to execute a letter agreement with Zambelli Fireworks for a special event pyrotechnic program for the City's 2022 Fourth of July program, in the amount not to exceed \$43,000.

**PUBLIC HEARING CALENDAR (QUASI-JUDICIAL):**

- [32.](#) Resolution Nos. 2022-10 and 2022-11, Fountainhead Plaza:

Tentative Parcel Map 37940 (Revision), CUP 321 (modification), and AR 20-03 (modification) to develop 3.1 acres of an 8.25 acre property for a 2,028 sq. ft. standalone Starbucks drive thru building at the northeast corner of Cesar Chavez Street and First Street (APN# 778-020-007 and 778-010-017). Applicant: Coachella Retail Realty Associates, LP.

**SUCCESSOR AGENCY:**

- [33.](#) Resolution No. SA-2022-01, Approving the Recognized Obligation Payment Schedule (ROPS) 22-23 for the Successor Agency to the former Coachella Redevelopment Agency.

**PUBLIC COMMENTS (NON-AGENDA ITEMS):**

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.

**REPORTS AND REQUESTS:**

Council Comments/Report of Miscellaneous Committees.

City Manager's Comments.

**ADJOURNMENT:**

*Complete Agenda Packets are available for public inspection on the  
City's website [www.coachella.org](http://www.coachella.org).*

THIS MEETING IS ACCESSIBLE TO PERSONS WITH DISABILITIES



**STAFF REPORT**  
**1/26/2022**

**TO:** Honorable Mayor and City Council Members

**FROM:** Dr. Gabriel Martin, City Manager  
Best Best & Krieger, LLP, City Attorney

**SUBJECT:** Resolution No. 2022-04, a Resolution to Continue Fully or Partially Virtual Public Meetings (AB 361)

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**STAFF RECOMMENDATION:**

It is recommended that the City Council adopt Resolution No. 2022-04 to continue fully or partially virtual public meetings.

**BACKGROUND:**

The Brown Act generally allows for teleconference or virtual meetings, provided that the physical locations of the council members joining by teleconference are posted on the agenda, that those locations are open to the public and that a quorum of the council members is located within the City. Newly enacted AB 361 provides an exception to these procedures in order to allow for fully virtual meetings during proclaimed emergencies, including the COVID-19 pandemic.

In March of 2020, Governor Newsom issued Executive Order N-29-20, which suspended portions of the Brown Act relating to teleconferencing, enabling fully virtual meetings without having to post the location of the council members attending virtually. Many cities and other public agencies have been holding public meeting using virtual platforms since this time. In June of 2021, Governor Newsom issued Executive Order N-08-21, which provided that the exceptions contained in EO N-29-20 would sunset on September 30, 2021.

On September 10, 2021, the Legislature adopted AB 361, which allows public agencies to hold fully virtual meetings under certain circumstances. Governor Newsom signed the bill into law on September 16, 2021. Because it contained an urgency provision, it took immediate effect. The Governor then suspended AB 361 until October 2, allowing a transition period from the prior Executive Order.

Under AB 361, cities can hold meetings without a public meeting space and without providing notice of the council members' teleconference locations if there is a Governor-proclaimed state of emergency and either state or local officials are imposing or recommending measures to promote social distancing or the City Council determines that meeting in person will be unsafe for attendees. If the virtual meeting is due to social distancing recommendations, the City Council does not have

to make any findings at its first meeting under AB 361. However, to continue meeting virtually, the City Council must find that state or local officials still at least recommend measure to promote social distancing. The findings must be made within 30 days of the first meeting and every thirty days thereafter.

### **DISCUSSION/ANALYSIS:**

On March 4th, 2020, the Governor proclaimed a state of emergency due to the COVID-19 pandemic. The state of emergency remains in effect as of the publication of this report.

Virtual meetings are currently allowed under AB 361 because state and local officials are continuing to recommend measures to promote social distancing. In the case of the pandemic, the requisite standards for holding virtual meetings are low. The City Council would only have to find that any state or local official is recommending measures to promote social distancing. Under the plain language of the statute, there does not have to be an order requiring social distancing, and the recommendation only needs to come from a state or local official. Nothing in the bill requires that the recommendation be a formal recommendation of a local health officer or in any sort of formal guideline.

Under AB 361, the “local agency” – which the Brown Act defines as the City, not the City Council - may utilize virtual meetings if the “legislative body” makes the required findings. As defined in the Brown Act, a “legislative body” includes both the City Council and all committees and commissions. Because the City Council is the most appropriate board to make findings and policy decisions on behalf of the City, the proposed resolution contains a two-pronged approach: It provides that all commissions and committees shall be authorized to utilize virtual meeting procedures for 30 days, and authorizes each individual commission or committee to make findings in support of virtual meetings if the City Council has not renewed or terminated the resolution. Thus, the proposed resolution provides the City Council with the flexibility to allow its commissions and committees to host virtual meetings, while still maintain the City Council’s jurisdiction to require in-person meetings as warranted.

AB 361 allows the use of fully virtual meetings under the foregoing conditions, but it does not prohibit hybrid meetings. By adopting the proposed resolution, and continuing to renew it as conditions warrant, the City Council and any subordinate boards are not precluded from holding meetings that have some traditional components and some virtual or telephonic components. The City Council (and other City boards) may hold meetings where some members join in the Council Chambers and some members join virtually. The City Council may also continue to allow both live and virtual public comments, together with reduced capacity in the Chambers as conditions warrant. For any hybrid meetings, AB 361 requires that members of the public be able to make live public comments directly to the Council or other board using telephonic or electronic means and that the agenda identify the means for making public comments.

As noted above, by adopting the proposed Resolution, the City Council is not prohibited from returning to fully in-person meetings. The Resolution is intended to provide the option to utilize the AB 361 procedures in lieu of the Brown Act’s standard teleconferencing requirements. At future City Council meetings, a consent calendar item will be placed on each agenda to reconsider

and potentially renew the Resolution.

**FISCAL IMPACT:**

None.

**ATTACHMENT:**

Resolution No. 2022-04

## RESOLUTION NO. 2022-04

### A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COACHELLA, CALIFORNIA, MAKING FINDINGS AND DETERMINATIONS UNDER AB 361 FOR CONTINUED VIRTUAL MEETINGS

**WHEREAS**, the Ralph M. Brown Act (Gov. Code § 54950 et seq.) generally requires local agencies meeting via teleconference, including through other virtual or electronic means, to provide public access at each location in which members of the legislative body are teleconferencing; and

**WHEREAS**, the Legislature recently enacted Assembly Bill 361 (AB 361), which amended Government Code section 54953 to allow local agencies to meet fully virtually during a proclaimed state of emergency if state or local officials have imposed or recommended measures to promote social distancing; and

**WHEREAS**, the City Council finds that the Governor issued a proclamation declaring a state of emergency on March 4, 2020 due to the COVID-19 pandemic, pursuant to section 8625 of the California Emergency Services Act; and

**WHEREAS**, the City Council has reconsidered the circumstances of the state of emergency and finds that state or local officials continue to recommend measures to promote social distancing; and

**WHEREAS**, the City Council desires that the City of Coachella, including all commissions, committees, and other Brown Act bodies shall continue to hold virtual meetings pursuant to AB 361 and Government Code section 54953(e).

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COACHELLA DOES HEREBY RESOLVE AND FIND AS FOLLOWS:**

**Section 1.** The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

**Section 2.** The City Council and all other commissions, committees or other Brown Act bodies of the City shall be authorized to continue to meet virtually in accordance with Government Code section 54953(e) and without compliance with section 54953(b)(3).

**Section 3.** This Resolution does not prevent or prohibit the City Council or any commission, committee or other Brown Act body of the City from holding hybrid meetings (containing both virtual and in-person components) or from meeting in-person, provided such meetings comply with AB 361 and with all state and local health orders. Commissions, committees and other Brown Act bodies shall comply with all rules established by the City Council and/or City Manager for attendance at meetings.

**Section 4.** The City Council shall take action to renew this Resolution every thirty days for as long as any state or local officials continue to recommend any measures to promote social

distancing, but the City Council may terminate the Resolution at any time. In the event that more than 30 days pass between regular City Council meetings, the City Council shall take action to renew this Resolution prior to taking any action or engaging in any deliberation or discussion in a virtual meeting; renewal of this Resolution may occur either at the beginning of the next regular meeting or at a special meeting called for such purposes. In the event this Resolution has lapsed, and the City Council has not terminated it, any commission, committee or other Brown Act board of the City shall be authorized to, and shall, make any required findings in order to meet virtually under AB 361.

**Section 5.**    **Severability.** If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The City Council declares that the City Council would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

**Section 6.**    **Effective Date.** This Resolution shall take effect immediately upon its adoption.

**PASSED, APPROVED and ADOPTED** this 26<sup>th</sup> day of January 2022.

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Steven A. Hernandez  
Mayor

**ATTEST:**

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Angela M. Zepeda  
City Clerk

**APPROVED AS TO FORM:**

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Carlos Campos  
City Attorney

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

**I HEREBY CERTIFY** that the foregoing Resolution No. 2022-04 was duly adopted by the City Council of the City of Coachella at a regular meeting thereof, held on the 26<sup>th</sup> day of January 2022, by the following vote of Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Andrea J. Carranza, MMC  
Deputy City Clerk



City Hall Council Chamber  
1515 Sixth Street, Coachella, California  
(760) 398-3502 ♦ [www.coachella.org](http://www.coachella.org)

# 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, AND SUCCESSOR AGENCY TO THE COACHELLA REDEVELOPMENT AGENCY

**December 08, 2021**

5:00 PM Closed Session

6:00 PM Regular Meeting

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

The Regular Meeting of the City Council of the City of Coachella was called to order at 5:08 p.m. by Mayor Hernandez.

### **ROLL CALL:**

Present: Councilmember Beaman Jacinto (*arrived at 6:04 p.m.*), Councilmember Delgado (*arrived at 5:35 p.m.*), Councilmember Galarza, Mayor Pro Tem Gonzalez, and Mayor Hernandez

City Treasurer Aviles, and City Clerk Zepeda

Absent: None.

**Pursuant to Assembly Bill 361, along with the Governor's State of Emergency Declaration issued on March 4, 2020, this meeting was conducted both in-person and via teleconference/electronically.**

### **APPROVAL OF AGENDA:**

City Manager Martin asked Council to continue Items 9 and 25, to the City Council Meeting of January 12, 2022.

Motion: To approve the agenda as amended.

Made by: Mayor Pro Tem Gonzalez

Seconded by: Councilmember Galarza

Approved: 3-0, by a unanimous voice vote

### **PUBLIC COMMENTS (CLOSED SESSION ITEMS):**

None.

**ADJOURN TO CLOSED SESSION:**

Council adjourned into Closed Session at 5:10 p.m. to discuss the following items:

*Councilmember Delgado arrived at 5:35 p.m. during Closed Session.*

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
Significant Exposure to Litigation, Pursuant to Government Code Section 54956.9(d)(2)/(e)(1)  
One (1) potential case
2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
Initiation of Litigation, Pursuant to Government Code Section 54956.9(d)(4)  
One (1) potential case
3. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
Pursuant to Government Code Section 54956.9(d)(1)  
In re: National Prescription Opiate Litigation  
U.S. District Court, Case No. 1:17-CV-2804

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

The City Council reconvened into open session at 6:00 p.m.

**PLEDGE OF ALLEGIANCE:**

The retiring City of Coachella employees present in the Council Chamber led the Pledge of Allegiance.

**CLOSED SESSION ANNOUNCEMENTS:**

City Attorney Campos stated that Council met in Closed Session, and direction was given, but no reportable action was taken.

**APPROVAL OF MINUTES:**

4. Special Meeting Minutes of a Coachella City Council Study Session held on November 8, 2021.
5. Regular Meeting Minutes of November 10, 2021, of the City Council, Coachella Fire Protection District, Coachella Sanitary District, Coachella Financing Authority, Coachella Educational and Governmental Access Cable Corporation, Coachella Water Authority, and Successor Agency to the Coachella Redevelopment Agency.
6. Special Meeting Minutes of a Coachella City Council Study Session held on November 15, 2021.

Motion: To approve the minutes as presented.

Made by: Councilmember Delgado  
Seconded by: Mayor Pro Tem Gonzalez  
Approved: 4-0, by a unanimous voice vote

**COUNCIL REORGANIZATION:**

7. Nomination for the Position of Mayor Pro Tem:

Motion: To nominate **Josie Gonzalez** to the position of **Mayor Pro Tem**

Made by: Mayor Hernandez

Seconded by: Councilmember Galarza

Approved: 4-0, a unanimous voice vote

**PROCLAMATIONS/PRESENTATIONS:**

*Councilmember Beaman Jacinto joined the meeting at 6:04 p.m. during Presentations.*

8. Presentation on Coronavirus (COVID-19) Response Efforts

9. In place of the proclamation to congratulate Lee Espinoza for his induction into the West Coast Boxing Hall of Fame, as this item was continued to the next City Council Meeting, Mr. Espinoza presented to the City framed pictures of the recent event.

10. Recognizing Retiring Employees:

- Environmental Regulatory Program Manager Berlinda Blackburn
- Parks Senior Maintenance Worker Paul Carranza
- Sanitary Superintendent Jerry Jimenez
- Information Technology Manager Mark Walwick
- Streets Senior Maintenance Worker Margarito Bautista
- Street Superintendent/Emergency Services Coordinator George Torres

**WRITTEN COMMUNICATIONS:**

Written communication received will be read when those items come up for vote.

**CONSENT CALENDAR:**

11. Voucher Listing — EFT's/Utility Billing Refunds/FY 2021-22 Expenditures as of December 8, 2021, \$1,375,093.33.

12. Ordinance No. 1188 (Zoning Ordinance Amendment 21-04) amending the Coachella Municipal Code regarding Interim Outdoor Cannabis Cultivation. City-Initiated (*Second Reading*).

13. American Desert LLC Multi-tenant Microbusiness Project:

Ordinance No. 1189 (Change of Zone No. 21-03) to add the Industrial Park Overlay zone (IP) and change the existing zone from M-H (Heavy Industrial) to the M-S (Manufacturing Service) Zone on a 1.29 acre developed parcel located at 86695 Avenue 54. (*Second Reading*)

14. Ordinance No. 1190 (Zoning Ordinance Amendment 21-03) amending Sections 17.72.010 and 17.74.050 of Title 17 (ZONING) of the Coachella Municipal Code to regulate time extension requests for Architectural Review and Conditional Use Permits (*Second Reading*).
15. Resolution No. 2021-76, opting into Settlement Agreements with Distributors of opioids, Amerisource Bergan, Cardinal Health, and Mckesson, and Opioid Manufacturer Janssen (Owned by Johnson & Johnson)
16. Approval of the execution of a Maintenance Agreement with Yunex LLC for the Traffic Signal Maintenance Project No. 093021, in the amount not to exceed \$180,000 for a three-year term.
17. Annual Purchase/Renewal of Billboard Advertisement from Lamar Advertising
18. Approval to execute a Memorandum of Understanding for Integrated Regional Water Management Planning and Funding in the Colorado River Basin Funding Area
19. Resolution No. 2021-77, authorizing the City Manager to Accept a Proposition 56 Tobacco Grant Award from the State of California Department of Justice in the Amount of \$611,655 to hire a Community Service Officer
20. Authorization for the City Manager to enter into an Agreement in an amount not to exceed \$31,000.00 with Reliable Translations, Inc. to provide Simultaneous Interpreting and Translation Services

Motion: To approve per staff recommendation, Consent Calendar Items 11 through 20.

Made by: Mayor Pro Tem Gonzalez  
Seconded by: Councilmember Beaman Jacinto  
Approved: 5-0, by a unanimous voice vote

**NEW BUSINESS CALENDAR (LEGISLATIVE AND ADMINISTRATIVE):**

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

Motion: To approve with the modification to remove Councilmembers Delgado and Galarza from the Energy Consumers Advisory Committee and replace with Assistant to the City Manager Jacob Alvarez.

Made by: Councilmember Delgado  
Seconded by: Councilmember Galarza  
Approved: 5-0, by the following roll call vote:

AYES: Councilmember Beaman Jacinto, Councilmember Delgado, Councilmember Galarza, Mayor Pro Tem Gonzalez, and Mayor Hernandez.  
NOES: None.  
ABSTAIN: None.  
ABSENT: None.

22. Updates to the City's Purchasing & Procurement Ordinance:

- a) Ordinance No. 1191, an Ordinance of the City Council of the City of Coachella, California, Replacing the City's Purchasing Ordinance as Set Forth in Chapter 4.08 of the City of Coachella Municipal Code (*First Reading*); and
- b) Resolution No. 2021-75, a Resolution of the City Council of the City of Coachella, California, Electing to Become Subject to the Uniform Public Construction Cost Accounting Act.

*(City Attorney Campos stated Resolution No. 2021-74, will come back for vote with the ordinance's second reading.)*

Motion: To approve per staff recommendation, and to read title only and pass to second reading Ordinance No. 1191

Made by: Councilmember Delgado

Seconded by: Mayor Pro Tem Gonzalez

Approved: 5-0, by the following roll call vote:

AYES: Councilmember Beaman Jacinto, Councilmember Delgado, Councilmember Galarza, Mayor Pro Tem Gonzalez, and Mayor Hernandez.

NOES: None.

ABSTAIN: None.

ABSENT: None.

*Councilmember Galarza stepped away from the meeting at 7:17 p.m. and returned at 7:27 p.m.*

23. Appointment of One Coachella Resident to fill One Planning Commission Vacancy.

Motion: To appoint Miguel Leal to the position of Planning Commissioner

Made by: Mayor Hernandez

Seconded by: Mayor Pro Tem Gonzalez

Approved: 2-1-1-0, by the following roll call vote:

AYES: Mayor Pro Tem Gonzalez, and Mayor Hernandez.

NOES: Councilmember Beaman Jacinto.

ABSTAIN: Councilmember Delgado.

ABSENT: Councilmember Galarza.

*(The appointed Planning Commission nominee from Councilmember Beaman Jacinto remains vacant; the Alternate position remains vacant as well.)*

24. Construction Contract with Jones Bros. Construction Co. in the amount of \$2,031,522.30 and an amount of \$203,152.23 for contingency for the construction of 48<sup>th</sup> Ave and Harrison Street Sewer Improvements, City Project S-24.

Motion: To approve per staff recommendation

Made by: Mayor Pro Tem Gonzalez

Seconded by: Mayor Hernandez

Approved: 4-0, by the following roll call vote:

AYES: Councilmember Beaman Jacinto, Councilmember Delgado, Mayor Pro Tem Gonzalez, and Mayor Hernandez.

NOES: None.

ABSTAIN: None.

ABSENT: Councilmember Galarza.

25. *This item was removed during the agenda approval process.*

*Councilmember Galarza returned to the meeting at this time.*

*Mayor Hernandez recused himself from the following item and left the dais:*

26. Resolution No. 2021-78, Authorizing Staff to Advertise the Fire Station #79 Rehabilitation and Expansion Project (F-7) and Appropriate Funds for the Project

Public Comments: Bryan White, in-person, in support  
Jason Ronda, in-person, in support  
Cesar Garcia, in-person, in support  
Frankee Morales, in-person, in support  
Erik Castellanes, in-person, in support  
John Emerson, via Zoom, in support

Motion: To approve per staff recommendation

Made by: Councilmember Delgado

Seconded by: Councilmember Galarza

Approved: 4-0, by the following roll call vote:

AYES: Councilmember Beaman Jacinto, Councilmember Delgado, Councilmember Galarza, and Mayor Pro Tem Gonzalez.

NOES: None.

ABSTAIN: None.

ABSENT: Mayor Hernandez.

*Mayor Hernandez returned to the dais following the previous item's vote.*

*Public Comments were moved up to this portion of the meeting being after the 8:00 hour:*

1. James R.

*(After Public Comments, the City Council returned to the regular agenda at this point.)*

27. Resolution No. 2021-79 Prepayment and Loan Agreement Amendments for CFD 2005-1 Special Assessments – Coachella Valley I Affordable Housing Project

Public Comments: Vince Nicholas, via Zoom, in support  
James R., via Zoom

Motion: To approve per staff recommendation

Made by: Mayor Pro Tem Gonzalez

Seconded by: Mayor Hernandez

Approved: 5-0, by the following roll call vote:

AYES: Councilmember Beaman Jacinto, Councilmember Delgado, Councilmember Galarza, Mayor Pro Tem Gonzalez, and Mayor Hernandez.

NOES: None.

ABSTAIN: None.

ABSENT: None.

**PUBLIC HEARING CALENDAR (QUASI-JUDICIAL):**

*Councilmember Beaman Jacinto left the meeting at 8:28 p.m.*

28. Resolution of the Board of Directors of the Coachella Water Authority Authorizing Resolution No. WA-2021-10 Adoption of the 2022 Indio Subbasin Water Management Plan Update: SGMA Alternative Plan

Written Communication: Received from Gary Gray with Sierra Club, via email on 12/7/2021 at 4:11 PM, and forwarded to Council

Mayor Hernandez opened the Public Hearing for Item 28 at 8:31 p.m.

Public Comment: None.

Mayor Hernandez closed the Public Hearing for Item 28 at 8:31 p.m.

Motion: To approve per staff recommendation

Made by: Councilmember Galarza

Seconded by: Mayor Pro Tem Gonzalez

Approved: 4-0, by the following roll call vote:

AYES: Councilmember Delgado, Councilmember Galarza, Mayor Pro Tem Gonzalez, and Mayor Hernandez.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Councilmember Beaman Jacinto.

**SUCCESSOR AGENCY:**

29. Resolution No. SA-2021-05 Approving and Authorizing the Conveyance to the City by Grant Deed the Successor Agency's Interest in APN 763-131-001

Motion: To approve per staff recommendation

Made by: Chair Hernandez  
Seconded by: Agency Member Delgado  
Approved: 4-0, by the following roll call vote:

AYES: Agency Member Delgado, Agency Member Galarza, Chair Gonzalez, and Chair Hernandez.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Agency Member Beaman Jacinto.

30. Approving the Execution by the Successor Agency to the Coachella Redevelopment Agency of the Consent to Release and Termination of Right of First Refusal Regarding Real Property Owned by DVD Facility LLC, and Recommending to the Countywide Oversight Board for the County of Riverside the Approval of the Execution by the Successor Agency to the Coachella Redevelopment Agency of said Consent to Release and Termination of Right of First Refusal

Motion: To approve per staff recommendation

Made by: Chair Hernandez  
Seconded by: Vice Chair Gonzalez  
Approved: 4-0, by the following roll call vote:

AYES: Agency Member Delgado, Agency Member Galarza, Chair Gonzalez, and Chair Hernandez.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Agency Member Beaman Jacinto.

**PUBLIC COMMENTS (NON-AGENDA ITEMS):**

*With the time being after the 8:00 hour and per Resolution No. 2019-34, Public Comments were moved up (see page 7). There were no further comments at this time.*

**REPORTS AND REQUESTS:**

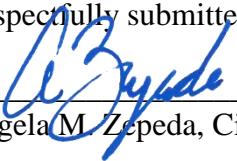
Council Comments/Report of Miscellaneous Committees.

City Manager's Comments.

**ADJOURNMENT:**

There being no further business to come before the City Council and the Agencies, Mayor Hernandez adjourned the meeting at 9:02 p.m.

Respectfully submitted,

  
\_\_\_\_\_  
Angela M. Zepeda, City Clerk



COACHELLA CITY COUNCIL  
(760) 398-3502 ♦ [www.coachella.org](http://www.coachella.org)

# MINUTES

## OF A SPECIAL MEETING COACHELLA CITY COUNCIL STUDY SESSION

**December 13, 2021**  
6:00 PM

### CALL TO ORDER:

The Study Session of the City Council of the City of Coachella began at 6:06 p.m.

### ATTENDANCE:

Present: Councilmember Beaman Jacinto, Councilmember Delgado, and Mayor Pro Tem Gonzalez.

Absent: Councilmember Galarza, and Mayor Hernandez; and  
City Treasurer Aviles, and City Clerk Angela Zepeda.

**Pursuant to Assembly Bill 361, along with the Governor's State of Emergency Declaration issued on March 4, 2020, this meeting was conducted both in-person and via teleconference/electronically.**

### STUDY SESSION ITEMS:

Said study session shall be for the purpose of discussing the following:

1. Public Safety presentations given by Stewart Gary, Gary Elliott and Richard Ward with Citygate Associates, LLC; and Adrienna Wong with ACLU Southern California.

### ADJOURNMENT:

There being no further business, the meeting concluded at 7:20 p.m.

Respectfully submitted,

Andrea J. Carranza, MMC  
Deputy City Clerk

*[Note: Study Sessions are special meetings of the City Council that are conducted informally. No action is contemplated other than familiarization of the Council on specific topics and potential referral to a future agenda.]*

# CITY OF COACHELLA CALIFORNIA

## Proclamation

**WHEREAS,** Andres “Andy” Martinez grew up in the City of Coachella, and attended Cesar Chavez Elementary, Cahuilla Desert Academy and graduated from Coachella Valley High School in 2001; and

**WHEREAS,** he chose law enforcement as his chosen profession from a very young age. At the age of 13, joined the Coachella Police Department Explorer program, and in 1999 transitioned into the Sheriff’s Indio Station Explorer program. As an explorer, he participated in hundreds of ride-alongs, youth leadership conferences and team building competitions across the United States. It was through this program that his foundation and passion for law enforcement, and public service was established; and

**WHEREAS,** Andy was hired by the Riverside County Sheriff’s Department on October 18, 2001, as a non-sworn Community Service Officer where he was tasked with issuing parking tickets, investigating traffic collisions and minor crimes; and

**WHEREAS,** in June of 2003, he attended the Basic Peace Officer Academy at the Ben Clark Training Center in Riverside and graduated in December of 2003. Andy’s first assignment was at the Indio Jail, where he worked many assignments to include floor operations, intake and transportation; and

**WHEREAS,** in June of 2005, Andy was transferred to the Sheriff’s Indio Station where he worked patrol in Coachella, La Quinta and the surrounding unincorporated areas; and

**WHEREAS,** in 2007, Andy was selected to serve as a member of the Coachella Community Action Team, where they focused on quality of life matters, crime series investigations, bicycle patrol, and community outreach; and

**WHEREAS,** in 2009, he was selected to serve on the Coachella Valley Violent Crimes Gang Task force representing the City of Coachella and was responsible for gang related investigations, coordinating with other agencies, jails, patrol and gang intervention; and

**WHEREAS,** in January of 2012, Andy was promoted to the rank of Sheriff’s Investigator and assigned to the Indio/Thermal Station, where he investigated general crimes against persons, crimes against children and fraud; and

**WHEREAS,** in August of 2013, he was promoted to the rank of Sheriff’s Sergeant and transferred to the Palm Desert Sheriff’s Station, where he worked assignments in patrol, administration, and as the supervisor of the Investigations Bureau; and

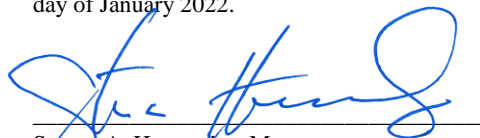
**WHEREAS,** in September of 2019, Andy was promoted to the rank of Sheriff’s Lieutenant, transferred back to the Thermal Station, and assigned to serve as Coachella’s Assistant Chief of Police. Effective December 16, 2021, he assumed the role of Assistant Chief of Police for the City of La Quinta; and

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

*Andres Martinez*

and urge all citizens of the City of Coachella to join me in honoring his achievements and congratulate him on his new assignment.

**IN WITNESS HEREOF,** I have hereunto set my hand and caused the official seal of the City of Coachella, California to be affixed this 12<sup>th</sup> day of January 2022.

  
Steven A. Hernandez, Mayor  
City of Coachella, California

# CITY OF COACHELLA CALIFORNIA

## Proclamation

**WHEREAS**, Librado “Lee” Espinoza was born in La Piedad, Michocan, Mexico; and

**WHEREAS**, at 19, he married June Moreno, who lived next door, and they raised three sons and a daughter; and

**WHEREAS**, while raising his family, Lee has dedicated most of his life to managing and training fighters battling for world titles; and

**WHEREAS**, the Coachella Valley Boxing Club had its humble beginnings in a cramped single room in Indio. It later moved to the former fire station next to Coachella City Hall in 1985, and then in 1996, moved to its current location at Bagdouma Park in Coachella; and

**WHEREAS**, Lee trains local youth in the art of boxing, while also teaching the character traits required to form the foundation of a successful career, such as discipline, determination, good health practices and mental focus. And, under Lee’s guidance, exceptional talent, such as Pancho Segura, Sandra Yard, Randy Caballero and four brothers – Joel, Jesus, Antonio and Julio Diaz – from Coachella, have been discovered; and

**WHEREAS**, in March 2005, Lee Espinoza was inducted into the California Boxing Hall of Fame; and

**WHEREAS**, following the Club’s second expansion project, on October 17, 2012, the City celebrated the renaming and unveiling of the Lee Espinoza Coachella Valley Boxing Club; and

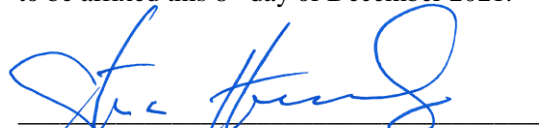
**WHEREAS**, in 2020, it was announced that Lee Espinoza was inducted into the West Coast Boxing Hall of Fame, with the event delayed due to the Coronavirus Pandemic until October 2021. The event honored him with the Cleto Reyes Boxing Glove Award and Plaque honoring years of dedicated service as a trainer and mentor along with his impact to the sport of boxing.

**NOW THEREFORE**, I, Steven A. Hernandez, Mayor of the City of Coachella, by the power vested in me, do hereby congratulate

*Lee Espinoza*

For his induction into the West Coast Boxing Hall of Fame and further urge all citizen of the City of Coachella to join me in honoring him for his dedication to this 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 8<sup>th</sup> day of December 2021.



Steven A. Hernandez, Mayor  
City of Coachella, California





## Board of Trustees

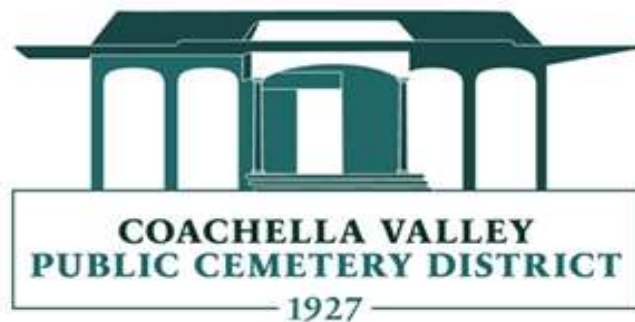
Ernesto Rosales, Chair

Judy Vossler, Vice-Chair

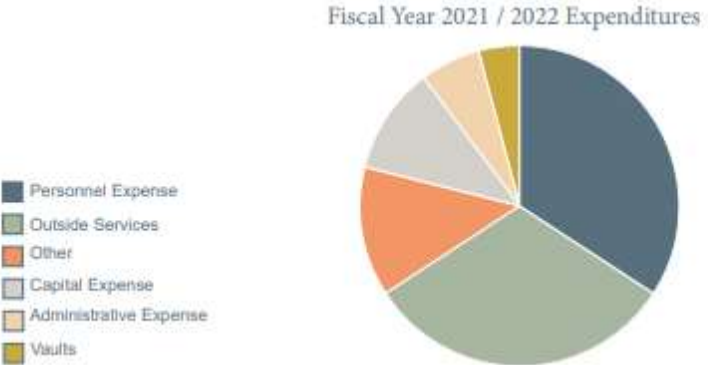
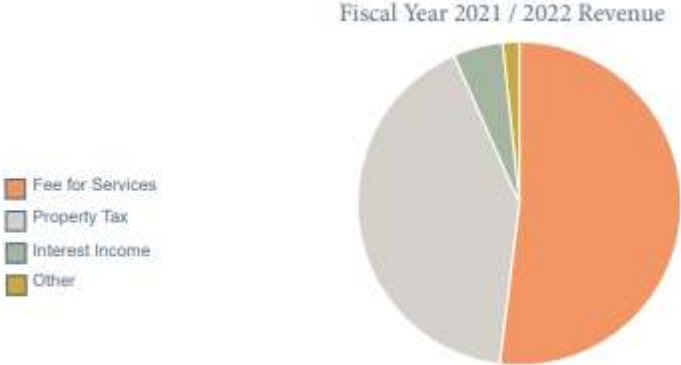
Marcos Coronel, Jr.

Dr. Bruce Underwood

John Rios



The Fiscal Year (FY) 2021/2022 Budget is comprised of total revenues of \$2,300,850, total expenditures of \$2,847,842, and the use of \$546,992 in general fund reserves.



# Capital Investments

- The District has made significant investments this fiscal year to enhance the service we provide our families.
- \$23,000 on funeral service equipment, including new portable chapels and lowering devices.
- \$30,000 on enhanced board room features including dedicated audio and visual equipment in our new administrative building.
- \$79,000 on support equipment for maintenance operations.



# Cemetery Investment



\$105,000 Automated  
Irrigation System



\$110,000 Increased  
Surveillance and  
Security Presence



\$31,000 Landscape  
Improvements



\$20,000 Additional  
Restrooms on Site



\$400/P Enhanced  
Double Vaults



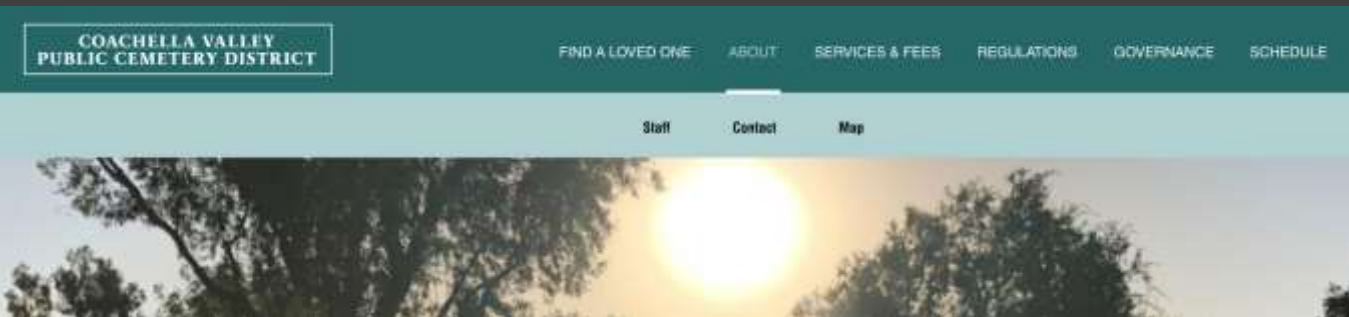
Item 9.





## Upcoming 2022 Improvements

- New Website with E-Commerce and Electronic Appointment Setting
- Additional \$150,000 in Landscape and Design Improvements
- Road and Curb Improvements/Repaving





Item 9.



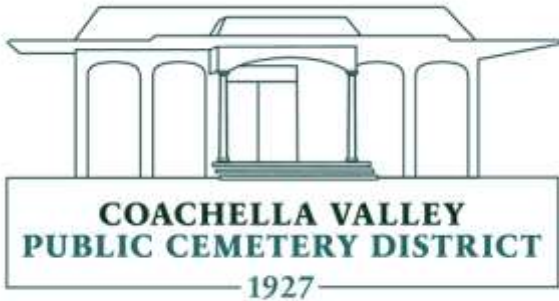
# Supporting Our Community

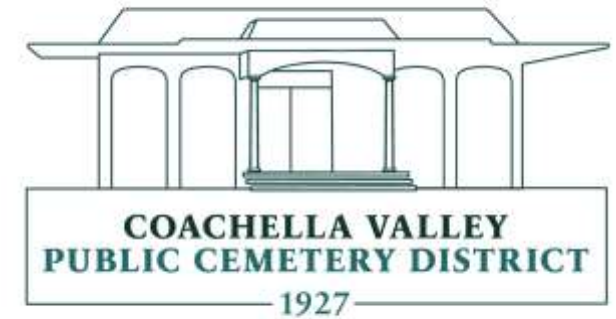
- Memorial Day
- Veterans Day
- Day of the Dead
- Mother's Day
- Fathers Day



# Future Development

The Coachella Valley Public Cemetery District has approximately 29 acres of land set aside for future development (red box). We anticipate we can meet the needs of our community for the next 40+ years.





*The Coachella Valley Public Cemetery as seen at night after closing. A peaceful and dignified resting place that honors the legacy and memory of our community.*

apChkLst  
12/08/2021 1:44:15PM

Check List  
City of Coachella

Bank : ewfb EFT FOR WELLS FARGO BANK -

| Check #                                 | Date       | Vendor        | Invoice     | Inv Date  | Description              | Amount Paid | Check Total |
|---|------------|---------------|-------------|-----------|--------------------------|-------------|-------------|
| 495                                     | 10/22/2021 | 48066 US BANK | Sta 9/27/21 | 9/27/2021 | ACC XXXX-XXXX-XXXX-0925, | 15,050.78   | 15,050.78   |
| T FOR WELLS FARGO BANK -SEPARATE CHECK: |            |               |             |           |                          |             | 15,050.78   |

apChkLst  
12/08/2021 1:44:15PM

Check List  
City of Coachella

Page: 2  
Item 12.

1 checks in this report.

Grand Total All Checks: 15,050.78

Date: October 22, 2021

  
Finance Director: Nathan Statham

apChkLst  
01/17/2022 10:28:31AM

Check List  
City of Coachella

Bank : ewfb EFT FOR WELLS FARGO BANK -

| Check #                                 | Date       | Vendor        | Invoice      | Inv Date   | Description              | Amount Paid | Check Total |
|---|------------|---------------|--------------|------------|--------------------------|-------------|-------------|
| 537                                     | 11/23/2021 | 48066 US BANK | Sta 10/25/21 | 10/25/2021 | ACC XXXX-XXXX-XXXX-0925, | 9,872.42    | 9,872.42    |
| T FOR WELLS FARGO BANK -SEPARATE CHECK: |            |               |              |            |                          |             | 9,872.42    |

apChkLst  
01/17/2022 10:28:31AM

Check List  
City of Coachella

Page: 2

Item 12.

1 checks in this report.

Grand Total All Checks: 9,872.42

Date: November 23, 2021

  
Finance Director: Nathan Statham

apChkLst  
12/01/2021 3:05:54PM

Check List  
City of Coachella

Page: 1

Bank : wfb WELLS FARGO BANK

| Check #                         | Date      | Vendor | Invoice             | Inv Date     | Description | Amount Paid             | Check Total |       |
|---------------------------------|-----------|--------|---------------------|--------------|-------------|-------------------------|-------------|-------|
| 112316                          | 12/2/2021 | 54451  | ARREDONDO, ALBERTO  | Ref000222818 | 12/1/2021   | UB Refund Cst #00053581 | 88.36       | 88.36 |
| 112317                          | 12/2/2021 | 54453  | DR HORTON           | Ref000222820 | 12/1/2021   | UB Refund Cst #00053708 | 25.48       | 25.48 |
| 112318                          | 12/2/2021 | 54454  | DR HORTON           | Ref000222821 | 12/1/2021   | UB Refund Cst #00053715 | 47.89       | 47.89 |
| 112319                          | 12/2/2021 | 54455  | DR HORTON           | Ref000222822 | 12/1/2021   | UB Refund Cst #00053716 | 80.50       | 80.50 |
| 112320                          | 12/2/2021 | 54448  | FLORES, GERALDINE   | Ref000222815 | 12/1/2021   | UB Refund Cst #00048024 | 43.71       | 43.71 |
| 112321                          | 12/2/2021 | 54449  | GARCIA, MANUEL      | Ref000222816 | 12/1/2021   | UB Refund Cst #00050096 | 91.59       | 91.59 |
| 112322                          | 12/2/2021 | 54457  | GRACE REAL ESTATE   | Ref000222824 | 12/1/2021   | UB Refund Cst #00053784 | 75.96       | 75.96 |
| 112323                          | 12/2/2021 | 54456  | LOPEZ, ALEJANDRO    | Ref000222823 | 12/1/2021   | UB Refund Cst #00053738 | 3.28        | 3.28  |
| 112324                          | 12/2/2021 | 54450  | PARENT, JESSICA     | Ref000222817 | 12/1/2021   | UB Refund Cst #00053447 | 27.13       | 27.13 |
| 112325                          | 12/2/2021 | 54458  | PENTASUGLIA, ERICKA | Ref000222825 | 12/1/2021   | UB Refund Cst #00049160 | 47.98       | 47.98 |
| 112326                          | 12/2/2021 | 54447  | REYES, EUGENIA      | Ref000222814 | 12/1/2021   | UB Refund Cst #00002077 | 83.13       | 83.13 |
| 112327                          | 12/2/2021 | 54452  | YNIGUEZ, SILVIANO   | Ref000222819 | 12/1/2021   | UB Refund Cst #00053629 | 80.11       | 80.11 |
| Sub total for WELLS FARGO BANK: |           |        |                     |              |             |                         | 695.12      |       |


apChkLst  
12/01/2021 3:05:54PM

Check List  
City of Coachella

12 checks in this report.

Grand Total All Checks: 695.12

Date: December 2, 2021



Finance Director: Nathan Statham

apChkLst  
12/08/2021 8:54:12AM

Check List  
City of Coachella

Page: 1

Bank : wfb WELLS FARGO BANK

| Check #                         | Date      | Vendor | Invoice      | Inv Date     | Description | Amount Paid             | Check Total |
|---------------------------------|-----------|--------|--------------|--------------|-------------|-------------------------|-------------|
| 112328                          | 12/9/2021 | 54459  | LIFT TO RISE | Ref000222827 | 12/2/2021   | UB Refund Cst #00050664 | 550.12      |
| Sub total for WELLS FARGO BANK: |           |        |              |              |             |                         | 550.12      |

apChkLst  
12/08/2021 8:54:12AM

Check List  
City of Coachella

Item 12.  
Page: 2

1 checks in this report.

Grand Total All Checks: 550.12

Date: December 9, 2021



Finance Director: Nathan Statham

apChkLst  
12/08/2021 10:16:29AM

Check List  
City of Coachella

Page: 1

Bank : ewfb EFT FOR WELLS FARGO BANK -

| Check #                                 | Date      | Vendor | Invoice                 | Inv Date | Description                           | Amount Paid | Check Total |
|---|-----------|--------|-------------------------|----------|---------------------------------------|-------------|-------------|
| 493                                     | 12/9/2021 | 44160  | LEWIS BRISBOIS BISGAARD | 3037257  | 7/28/2021 PE6/30, #41691-2, MORALES ' | 1,239.00    |             |
|   |           |        |                         | 3046498  | 8/10/2021 PE7/31, #41691-2, MORALES ' | 944.00      | 2,183.00    |
| 494                                     | 12/9/2021 | 53800  | WILMINGTON TRUST N. A.  | Jan 2022 | 11/30/2021 JA2022 PENSION OBLIGATION  | 196,626.13  | 196,626.13  |
| T FOR WELLS FARGO BANK -SEPARATE CHECK: |           |        |                         |          |                                       |             | 198,809.13  |

Bank : wfb WELLS FARGO BANK

| Check # | Date      | Vendor | Invoice                  | Inv Date       | Description                            | Amount Paid | Check Total |
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| 112329  | 12/9/2021 | 51894  | ALPHA MEDIA LLC          | 594773-1       | 11/30/2021 11/23-12/1 AD SPOT: TREE LI | 660.00      |             |
|         |           |        |                          | 594774-1       | 11/30/2021 11/23-12/1 AD SPOT: TREE LI | 660.00      |             |
|         |           |        |                          | 594775-1       | 11/30/2021 11/23-12/1 AD SPOT: TREE LI | 660.00      |             |
|         |           |        |                          | 594774-2       | 12/5/2021 11/23-12/1 AD SPOT: TREE LI  | 180.00      |             |
|         |           |        |                          | 594775-2       | 12/5/2021 11/23-12/1 AD SPOT: TREE LI  | 180.00      |             |
|         |           |        |                          | 594773-2       | 12/5/2021 11/23-12/1 AD SPOT: TREE LI  | 180.00      | 2,520.00    |
| 112330  | 12/9/2021 | 42251  | ARCOS, MARIA             | Ck 12/9/21     | 11/29/2021 VOUCHER 79, 11/4-15         | 293.63      | 293.63      |
| 112331  | 12/9/2021 | 50867  | ARCTIC GLACIER USA, INC. | M530006913     | 11/22/2021 12/10 SNOW EVENT: XMAS P    | 10,813.23   | 10,813.23   |
| 112332  | 12/9/2021 | 00836  | BIO-TOX LABORATORIES     | 42030          | 11/12/2021 10/12+25 LAB SERVICES       | 781.00      |             |
|         |           |        |                          | 42077          | 11/12/2021 10/4+12 LAB SERVICES        | 187.00      |             |
|         |           |        |                          | 42029          | 11/12/2021 9/27 LAB SERVICES           | 154.00      | 1,122.00    |
| 112333  | 12/9/2021 | 52723  | BRIGHT EVENT RENTALS, LL | 613261         | 10/28/2021 10/22-23 TENT+SIDEWALL RM   | 2,460.17    |             |
|         |           |        |                          | 613931         | 10/28/2021 10/23 GENERATOR+CABLE R     | 2,301.35    |             |
|         |           |        |                          | 613262         | 10/28/2021 10/22-23 SIDEWALL+LIGHT R   | 2,279.02    |             |
|         |           |        |                          | 613928         | 10/28/2021 10/23 BAR 8' RNTL           | 2,170.74    |             |
|         |           |        |                          | 613929         | 10/28/2021 10/23 BAR 8'+COCKTAIL TBL+  | 2,120.25    |             |
|         |           |        |                          | 613930         | 10/28/2021 10/23 UMBRELLA+BASE PLAT    | 2,045.18    |             |
|         |           |        |                          | 613264         | 10/28/2021 10/22-23 CONCRETE BLOCK+    | 2,021.98    |             |
|         |           |        |                          | 613265         | 10/28/2021 10/22-23 TENT+POLE+LIGHT+   | 1,777.83    |             |
|         |           |        |                          | 613263         | 10/28/2021 10/22-23 TENT RNTLS         | 1,603.01    |             |
|         |           |        |                          | 613266         | 10/28/2021 10/22-23 TENT+SIDEWALL RM   | 1,224.73    | 20,004.26   |
| 112334  | 12/9/2021 | 02048  | CDW GOVERNMENT, INC.     | 1C6L0GF        | 12/6/2021 ADOBE ACROBAT STNDRD/P       | 6,515.00    |             |
|         |           |        |                          | 1C6L0LH        | 12/6/2021 WINDOWS SERVER 2019 LIC      | 5,630.40    |             |
|         |           |        |                          | 1C6KTBT        | 12/6/2021 MICROSOFT EXCHNG SRVR        | 4,639.30    |             |
|         |           |        |                          | N624497        | 11/15/2021 XEROX XHI CAPACITY TONEI    | 1,120.20    |             |
|         |           |        |                          | N602592        | 11/15/2021 XEROX HI CAPACITY TONER     | 160.33      | 18,065.23   |
| 112335  | 12/9/2021 | 07950  | CITY OF COACHELLA        | Oct 2021       | 10/31/2021 OCT2021 WATER- ST, PARKS    | 36,446.69   |             |
|         |           |        |                          | Oct 2021-LLD's | 10/31/2021 OCT2021 WATER- LLD'S        | 24,083.89   | 60,530.58   |
| 112336  | 12/9/2021 | 44959  | COMPUTER CONSULTANTS, I  | 6145           | 11/24/2021 DEPOSIT- HOST & REPLICAT    | 25,600.00   |             |
|         |           |        |                          | 33590          | 10/16/2021 SEP-OCT2021 SVC CALLS       | 2,815.91    | 28,415.91   |
| 112337  | 12/9/2021 | 00749  | COUNTY OF RIVERSIDE      | SH0000039936   | 11/19/2021 9/23-10/20 LAW ENFORCEME    | 663,785.24  | 663,785.24  |
| 112338  | 12/9/2021 | 54233  | DJ2A ENTERTAINMENT       | 12/3 Event     | 12/8/2021 12/3 DJ @ EMPLOYEE RECO      | 375.00      | 375.00      |
| 112339  | 12/9/2021 | 52568  | EGAN CIVIL, INC.         | 21302          | 11/19/2021 PE10/31 PUEBLO VIEJO TRAI   | 2,349.50    | 2,349.50    |
| 112340  | 12/9/2021 | 42831  | ELMS EQUIPMENT RENTAL, I | 1152573-4      | 10/18/2021 10/13 WHEEL LOADER RNTL     | 1,265.74    | 1,265.74    |
| 112341  | 12/9/2021 | 51401  | ENCHANTED MEMORIES PAR   | 4682           | 11/29/2021 12/1+10 MR & MRS CLAUS+EI   | 1,142.50    | 1,142.50    |

Bank : wfb WELLS FARGO BANK

(Continued)

| Check # | Date      | Vendor | Invoice                    | Inv Date      | Description | Amount Paid                 | Check Total |           |
|---------|-----------|--------|----------------------------|---------------|-------------|-----------------------------|-------------|-----------|
| 112342  | 12/9/2021 | 44713  | FARMER BROTHERS CO.        | 95670223      | 12/6/2021   | COFFEE & CREAMER            | 430.53      | 430.53    |
| 112343  | 12/9/2021 | 51494  | GARDA CL WEST, INC.        | 10668276      | 12/1/2021   | DEC2021 CASHLINK MAINTEN    | 1,099.22    |           |
|         |           |        |                            | 10668262      | 12/1/2021   | DEC2021 ARMORED TRANSP      | 869.39      | 1,968.61  |
| 112344  | 12/9/2021 | 20450  | IMPERIAL IRRIGATION DISTRI | 50387122-OT21 | 11/8/2021   | AC50387122, 10/5-11/2, SEWE | 36,481.03   | 36,481.03 |
| 112345  | 12/9/2021 | 53151  | KLOB-FM                    | 617321-1      | 11/30/2021  | 11/25-30 AD SPOT: TREE LIGH | 1,300.00    | 1,300.00  |
| 112346  | 12/9/2021 | 48293  | KOA CORPORATION            | JB72075x26    | 11/30/2021  | PE10/31 AVE 50 PS&E         | 3,270.00    |           |
|         |           |        |                            | JB92071-18    | 11/30/2021  | PE10/31 PS&E/RIGHT-OF-WA    | 1,909.60    | 5,179.60  |
| 112347  | 12/9/2021 | 44047  | KONICA MINOLTA BUSINESS    | 9008203681    | 11/22/2021  | BIZHUB 282, FIRE DEPT, 10/2 | 2.00        | 2.00      |
| 112348  | 12/9/2021 | 53152  | KPST-FM                    | 617320-1      | 11/30/2021  | 11/25-30 AD SPOT: TREE LIGH | 1,200.00    | 1,200.00  |
| 112349  | 12/9/2021 | 45051  | LAMAR OF PALM SPRINGS      | 113110794     | 11/29/2021  | 11/29-12/26 POSTER ADVERT   | 1,000.00    | 1,000.00  |
| 112350  | 12/9/2021 | 48220  | MARTINEZ, MARITZA          | Expns         | 12/1/2021   | THANKSGIVING LUNCHEON,      | 760.85      | 760.85    |
| 112351  | 12/9/2021 | 53042  | NCA ENTERTAINMENT          | 12/10 Event   | 11/29/2021  | 12/10 CARNIVAL RIDES        | 9,500.00    | 9,500.00  |
| 112352  | 12/9/2021 | 52757  | OLLIN STRATEGIES           | 251           | 11/18/2021  | SEPT2021 CONSULTING SVC     | 5,000.00    | 5,000.00  |
| 112353  | 12/9/2021 | 01395  | PJ'S DESERT TROPHIES & GII | 24407         | 11/26/2021  | HELMET DISPLAY CASE W/ E    | 193.58      |           |
|         |           |        |                            | 24345         | 11/4/2021   | 2X10 NAME PLATES            | 104.67      | 298.25    |
| 112354  | 12/9/2021 | 42759  | PROPER SOLUTIONS, INC.     | 12097         | 6/25/2021   | WE 6/25: S. LORENZANA       | 630.00      | 630.00    |
| 112355  | 12/9/2021 | 53736  | RG2 MANAGEMENT LLC         | 2830          | 12/7/2021   | WE 12/5: K. MEDINA          | 1,080.00    | 1,080.00  |
| 112356  | 12/9/2021 | 54446  | RICKY'S PARTY RENTALS      | 190123        | 11/18/2021  | 12/10 THRONE CHAIRS @ XV    | 1,350.00    | 1,350.00  |
| 112357  | 12/9/2021 | 50827  | SDC SOUND COMPANY LLC      | 1067          | 11/29/2021  | 4 CHNL ANALOG MIC/LINE INI  | 6,954.02    |           |
|         |           |        |                            | 1065          | 10/25/2021  | 12/10 PA SYSTEM, STAND, ET  | 700.00      | 7,654.02  |
| 112358  | 12/9/2021 | 52503  | SILVA, CARLOS              | Nov 2021      | 11/30/2021  | NOV2021 CERAMIC CLASS       | 320.00      | 320.00    |
| 112359  | 12/9/2021 | 54460  | THE CHRISTMAS KINGS        | 21-201-2      | 11/27/2021  | DECOR & HOLIDAY LIGHTING    | 35,000.00   | 35,000.00 |
| 112360  | 12/9/2021 | 51918  | THE GREATER COACHELLA V    | 20249         | 10/14/2021  | STATE OF THE CITY & BUSIN   | 725.00      |           |
|         |           |        |                            | 20250         | 10/14/2021  | STATE OF THE CITY & BUSIN   | 725.00      | 1,450.00  |

Sub total for WELLS FARGO BANK: 921,287.71

34 checks in this report.

Grand Total All Checks: 1,120,096.84

Date: December 9, 2021



Finance Director: Nathan Statham

apChkLst  
12/15/2021 9:18:15AM

Check List  
City of Coachella

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| Check # | Date       | Vendor | Invoice                           | Inv Date      | Description               | Amount Paid                 | Check Total |
|---------|------------|--------|-----------------------------------|---------------|---------------------------|-----------------------------|-------------|
| 496     | 12/16/2021 | 52366  | ALTA LANGUAGE SERVICES, IIS564199 | 11/30/2021    | NOV SVCS: SPANISH LISTENI | 55.00                       | 55.00       |
| 497     | 12/16/2021 | 45929  | BECK OIL, INC.                    | 49123CL       | 11/15/2021                | PE11/15 ENG DEPT FUEL       | 42.72       |
|         |            |        |                                   | 49128CL       | 11/15/2021                | PE11/15 STREETS DEPT FUE    | 1,043.00    |
|         |            |        |                                   | 49130CL       | 11/15/2021                | PE11/15 WATER DEPT FUEL     | 497.20      |
|         |            |        |                                   | 49133CL       | 11/15/2021                | PE11/15 PARKS DEPT FUEL     | 1,227.01    |
|         |            |        |                                   | 49152CL       | 11/15/2021                | PE11/15 VEHICLE MAINT DEP   | 422.63      |
|         |            |        |                                   | 49175CL       | 11/15/2021                | PE11/15 SANITARY DEPT FUE   | 879.53      |
|         |            |        |                                   | 49181CL       | 11/15/2021                | PE11/15 BLDG MAINT DEPT F   | 91.84       |
|         |            |        |                                   | 49182CL       | 11/15/2021                | PE11/15 ADMIN DEPT FUEL     | 115.67      |
|         |            |        |                                   | 480636        | 11/5/2021                 | DYED CARB ULS DIESEL        | 905.64      |
|         |            |        |                                   | 49163CL       | 11/15/2021                | PE11/15 CODE ENF DEPT FUI   | 42.76       |
| 498     | 12/16/2021 | 49486  | BRC CONSTRUCTION                  | 2021273       | 11/24/2021                | RPR'D FENCING @ DIST 31     | 5,450.00    |
|         |            |        |                                   | 2021274       | 11/24/2021                | RPR'D ENTRANCE STUCCO/T     | 3,350.00    |
| 499     | 12/16/2021 | 53391  | BSK ASSOCIATES                    | RE00968       | 11/3/2021                 | OCT2021 WASTEWATER SAM      | 2,336.00    |
| 500     | 12/16/2021 | 01856  | CARROT-TOP INDUSTRIES IN          | INV100278     | 11/16/2021                | POLE- 7'X1 1/4" OAK JOINTED | 706.76      |
| 501     | 12/16/2021 | 00207  | GRAINGER INC                      | 9110300234    | 11/4/2021                 | INJECTION CHECK/BACK PRI    | 817.80      |
| 502     | 12/16/2021 | 51892  | HERC RENTALS, INC.                | 32488662-004  | 11/23/2021                | 11/6-13 LIGHT TOWER RNTL    | 256.39      |
|         |            |        |                                   | 32488663-004  | 11/18/2021                | 11/6-13 LIGHT TOWER RNTL    | 256.39      |
|         |            |        |                                   | 32488663-005  | 11/23/2021                | 11/6-13 LIGHT TOWER RNTLS   | 769.17      |
| 503     | 12/16/2021 | 00996  | HOME DEPOT                        | 0065621       | 11/18/2021                | 7IN RAFTER, 18FT LADDER, E  | 264.64      |
|         |            |        |                                   | 1013382       | 11/17/2021                | 5/8"X50' BLK RUBBER HOSE,   | 98.84       |
|         |            |        |                                   | 3011036       | 10/26/2021                | RIDGID 6G PORT ELEC PANC    | 136.76      |
|         |            |        |                                   | 9014588       | 11/29/2021                | 2IN1 UTILITY PUMP, REPL CL  | 208.55      |
| 504     | 12/16/2021 | 24600  | LOPES HARDWARE                    | 010085        | 10/20/2021                | GLOVES, ALLEN WRENCH, B     | 352.19      |
|         |            |        |                                   | 010142        | 10/21/2021                | PADLOCKS, BLADES, ELECTF    | 435.09      |
|         |            |        |                                   | 010296        | 11/23/2021                | NAILS & RUST O LOOM         | 8.13        |
| 505     | 12/16/2021 | 53552  | QUENCH USA, INC.                  | INV03579426   | 12/1/2021                 | AC D347648, DEC2021 RNTL,   | 35.89       |
| 506     | 12/16/2021 | 52802  | RED WING BUSINESS ADVAN           | 2021120200343 | 12/2/2021                 | 11/24 EMPLOYEE WORK BOC     | 431.58      |
| 507     | 12/16/2021 | 31705  | RIVERSIDE COUNTY FIRE DE          | 234646        | 12/7/2021                 | FY21/22- 1ST QTR FIRE PRO   | 754,750.12  |
| 508     | 12/16/2021 | 52924  | SIEMENS MOBILITY, INC.            | 5610278919    | 11/15/2021                | OCT2021 TRAFFIC SIGNAL M    | 1,812.80    |
|         |            |        |                                   | 5620038074    | 11/15/2021                | OCT2021 TRAFFIC SIGNAL C    | 1,521.37    |
| 509     | 12/16/2021 | 48436  | UNIVAR SOLUTIONS USA INC          | 49626877      | 11/18/2021                | SODIUM HYPOCHLORITE         | 5,553.99    |
| 510     | 12/16/2021 | 54400  | US BANK                           | 6307830       | 10/25/2021                | COA SAN DISTRICT CUSTOD     | 1,000.00    |
|         |            |        |                                   | 6307924       | 10/25/2021                | RDVLPMT AGENCY SUBORI       | 2,540.00    |

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

| Check #                                 | Date       | Vendor | Invoice                 | Inv Date   | Description                         | Amount Paid | Check Total |
|---|------------|--------|-------------------------|------------|-------------------------------------|-------------|-------------|
| 511                                     | 12/16/2021 | 53455  | VORTEX INDUSTRIES, INC. | 05-1541105 | 10/21/2021 RPR'D ROOF HATCH @ SENI  | 1,718.00    |             |
|   |            |        |                         | 05-1548307 | 11/3/2021 RPR'D ROLLING STEEL DOOR  | 888.00      |             |
|   |            |        |                         | 05-1553000 | 11/23/2021 RPR'D STEEL SECTIONAL DC | 1,105.53    | 3,711.53    |
| 512                                     | 12/16/2021 | 51697  | WESTERN WATER WORKS SI  | 1403226-00 | 10/15/2021 FLG RW GATE VLV OL STEM  | 1,153.18    |             |
|   |            |        |                         | 1403244-00 | 10/13/2021 ADAPTER FIPXQJ 110 COMP  | 749.07      |             |
|   |            |        |                         | 1403413-00 | 11/3/2021 SCH40 PVC CPLG, ETC       | 54.38       |             |
|   |            |        |                         | 1402595-01 | 10/29/2021 POLYMER READ LID "WATER  | 987.45      |             |
|   |            |        |                         | 1403214-00 | 10/8/2021 SOFT COPPER TUBING 100F   | 1,196.25    | 4,140.33    |
| 513                                     | 12/16/2021 | 53596  | XTREME HEATING AND AIR  | 2208       | 11/8/2021 RPLC'D CONDENSER FAN MC   | 754.00      |             |
|   |            |        |                         | 2209       | 11/10/2021 RPLC'D CONDENSER FAN MC  | 649.00      | 1,403.00    |
| T FOR WELLS FARGO BANK -SEPARATE CHECK: |            |        |                         |            |                                     |             | 797,670.32  |

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| Check # | Date       | Vendor | Invoice                          | Inv Date   | Description                 | Amount Paid | Check Total |
|---------|------------|--------|----------------------------------|------------|-----------------------------|-------------|-------------|
| 112361  | 12/16/2021 | 44502  | ALDCO AIR CONDITIONING & 17004   | 11/18/2021 | SVC'D A/C UNIT @ SANITARY   | 85.00       | 85.00       |
| 112362  | 12/16/2021 | 02200  | AMERICAN WATER WORKS 7001946142  | 11/16/2021 | MBRSHR RNWL #03584125- N    | 2,289.00    | 2,289.00    |
| 112363  | 12/16/2021 | 02187  | BENLO R.V. II 13134              | 11/9/2021  | 8GAL PROPANE                | 34.36       | 34.36       |
| 112364  | 12/16/2021 | 43714  | BL WILSON BACKHOE SERVICE202144  | 10/4/2021  | RPR'D FIRE HYDRANT @ AVE    | 2,910.00    |             |
|         |            |        | 202145                           | 10/9/2021  | RPR'D 4' BACKFLOW @ PETE    | 1,560.00    | 4,470.00    |
| 112365  | 12/16/2021 | 54157  | BRAX COMPANY, INC. 36884         | 10/18/2021 | RPLC'D CAP & CABLE ASSY @   | 500.00      | 500.00      |
| 112366  | 12/16/2021 | 43862  | BRENNTAG PACIFIC, INC BPI190737  | 10/25/2021 | CHEMCHLOR SODIUM HYPO       | 2,409.41    |             |
|         |            |        | BPI190738                        | 10/25/2021 | CHEMCHLOR SODIUM HYPO       | 2,409.41    |             |
|         |            |        | BPI333955                        | 11/3/2021  | 11/2 DRUM RETURN            | -600.00     | 4,218.82    |
| 112367  | 12/16/2021 | 44905  | C.S. LEGACY CONSTRUCTION9        | 12/1/2021  | PE9/30 GRAPEFRUIT URBAN     | 101,169.02  |             |
|         |            |        | 10                               | 12/1/2021  | PE10/31 GRAPEFRUIT URBAN    | 17,778.22   | 118,947.24  |
| 112368  | 12/16/2021 | 46356  | C.V. CONSERVATION COMMISJuly2021 | 12/14/2021 | JULY2021 LDMF MULTI-SPEC    | 19,260.45   |             |
|         |            |        | Aug2021                          | 12/14/2021 | AUG2021 LDMF MULTI-SPECI    | 28,503.09   | 47,763.54   |
| 112369  | 12/16/2021 | 43634  | CACEO 300014943                  | 11/1/2021  | 2022 MBRSHR DUES: R. ROS.   | 95.00       | 95.00       |
| 112370  | 12/16/2021 | 53423  | CBE OFFICE SOLUTIONS IN2448508   | 12/5/2021  | ACC #CC3502, COLOR COPIE    | 221.28      |             |
|         |            |        | IN2446835                        | 11/29/2021 | FREIGHT CHRGS               | 32.00       | 253.28      |
| 112371  | 12/16/2021 | 02048  | CDW GOVERNMENT, INC. P175096     | 11/30/2021 | LVO NET BO ESSENTIAL FHD    | 161.82      | 161.82      |
| 112372  | 12/16/2021 | 44725  | CLEANSTREET 101560CS             | 11/15/2021 | 11/4+5 SPECIAL SWEEP SVC:   | 1,031.10    | 1,031.10    |
| 112373  | 12/16/2021 | 53220  | COACHELLAACE HARDWARE2620/1      | 10/14/2021 | RAID ANT KILLER, ETC        | 26.28       |             |
|         |            |        | 2811/1                           | 11/17/2021 | KEYKRAFTER RUBBER HD        | 4.34        |             |
|         |            |        | 2818/1                           | 11/18/2021 | DIEHARD BOOSTER CABLE 1     | 120.86      |             |
|         |            |        | 2836/1                           | 11/23/2021 | HOOK CEIL ZNC & BLK OXIDE   | 5.84        |             |
|         |            |        | 2839/1                           | 11/23/2021 | LOCK ENTRY TYLO US3 VPC     | 16.30       |             |
|         |            |        | 2686/1                           | 10/26/2021 | CM BLOW GUN KIT             | 21.74       |             |
|         |            |        | 2687/1                           | 10/26/2021 | TABLE FOLD IN HALF 6', ETC  | 244.20      |             |
|         |            |        | 2717/1                           | 11/2/2021  | CEMENT ALL PURPOSE, ETC     | 22.81       |             |
|         |            |        | 2718/1                           | 11/2/2021  | HWH SELF DRILL & FENDER     | 31.06       |             |
|         |            |        | 2793/1                           | 11/15/2021 | INSULATED SCRWDVR           | 50.00       |             |
|         |            |        | 2809/1                           | 11/16/2021 | FUSE MINI HD                | 2.71        |             |
|         |            |        | 2872/1                           | 12/1/2021  | GARBAGE DISPOSAL, MOUN      | 139.78      |             |
|         |            |        | 2675/1                           | 10/25/2021 | LNG NOSE PLIER, THERMOM     | 110.84      |             |
|         |            |        | 2676/1                           | 10/25/2021 | BULB FL T12 48" & MOUSE GI  | 55.42       |             |
|         |            |        | 2871/1                           | 11/30/2021 | TABLE FOLD IN HALF 6', TABL | 251.09      |             |
|         |            |        | 2859/1                           | 11/28/2021 | TORCH SAWZALL BLD, BIT IN   | 26.29       |             |
|         |            |        | 2879/1                           | 12/2/2021  | AIR FLTR & MISC FASTENER:   | 22.82       | 1,152.38    |

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|---------|------------|--------|--------------------------|---------------|---------------------------------------|-------------|-------------|
| 112374  | 12/16/2021 | 01924  | CONSOLIDATED ELECTRICAL  | 3298-1005167  | 10/18/2021 120V LED FLOOD, STEALTH S  | 757.26      | 757.26      |
| 112375  | 12/16/2021 | 49858  | CV PIPELINE CORP.        | S2724         | 10/28/2021 10/27 VIDEO PIPE INSPECTIC | 530.00      |             |
|         |            |        |                          | S2735         | 11/15/2021 11/8 HYDRO-WASH & VIDEO I  | 1,020.00    | 1,550.00    |
| 112376  | 12/16/2021 | 09650  | CVAG                     | July2021      | 12/14/2021 JULY2021 TUMF FEES         | 32,340.00   |             |
|         |            |        |                          | Aug2021       | 12/14/2021 AUG2021 TUMF FEES          | 48,510.00   | 80,850.00   |
| 112377  | 12/16/2021 | 09950  | CVWD                     | Sep 2021      | 10/1/2021 CN 332543, SEP2021 WELL R   | 49,924.11   |             |
|         |            |        |                          | Oct 2021      | 11/1/2021 CN 332543, OCT2021 WELL R   | 46,375.65   | 96,299.76   |
| 112378  | 12/16/2021 | 09950  | CVWD                     | 17410         | 11/2/2021 FY2022 SNMP DEVELOPMEN      | 673.88      | 673.88      |
| 112379  | 12/16/2021 | 50103  | D&H WATER SYSTEMS        | I 2021-1221   | 10/26/2021 10/19 SVC'D/RPR'D DEOX 200 | 1,287.67    | 1,287.67    |
| 112380  | 12/16/2021 | 12870  | DEPARTMENT OF JUSTICE    | 552825        | 12/3/2021 NOV2021 BLOOD ALCOHOL A     | 35.00       |             |
|         |            |        |                          | 552879        | 12/3/2021 JULY/SEPT2021 BLOOD ALCC    | 385.00      | 420.00      |
| 112381  | 12/16/2021 | 54461  | DESERT GROWERS NURSER    | 07945         | 11/9/2021 CHORISIA TREE, LANTANA M    | 2,359.87    |             |
|         |            |        |                          | 07968         | 11/15/2021 CALLIANDRA VINE            | 28.28       |             |
|         |            |        |                          | 08035         | 12/1/2021 RED YUCCA, ETC              | 76.12       | 2,464.27    |
| 112382  | 12/16/2021 | 54275  | DESERT HOSE AND SUPPLY   | 13703         | 11/9/2021 1/4" MPT X 25 DEGREE SPRA   | 69.11       | 69.11       |
| 112383  | 12/16/2021 | 49776  | DESERT SEWER SUPPLY, INC | 22883         | 11/4/2021 MANHOLE RISERS, 6" GRADE    | 234.52      |             |
|         |            |        |                          | 23032         | 11/17/2021 6" GRADE RING & MORTAR M   | 71.39       | 305.91      |
| 112384  | 12/16/2021 | 54465  | DESERT URGENT CARE COA   | 34810         | 11/11/2021 OCT2021 SVCS: ROSETTE+S    | 50.00       |             |
|         |            |        |                          | 34880         | 11/11/2021 OCT2021 SVCS: ROSETTE+S    | 150.00      | 200.00      |
| 112385  | 12/16/2021 | 42442  | DIRECTV                  | 076184020X211 | 12/3/2021 DEC2021 BUSINESS XTRA PK    | 205.23      |             |
|         |            |        |                          | 076184020X211 | 11/3/2021 NOV2021 BUSINESS XTRA PK    | 205.23      | 410.46      |
| 112386  | 12/16/2021 | 54233  | DJ2A ENTERTAINMENT       | 12/10 Event   | 12/9/2021 12/10 DJ @ XMAS PARADE      | 600.00      | 600.00      |
| 112387  | 12/16/2021 | 14860  | E. K. WOOD LUMBER COMPAN | 499197        | 9/8/2021 SAFE GLASSES/TINT LENS       | 22.82       | 22.82       |
| 112388  | 12/16/2021 | 44713  | FARMER BROTHERS CO.      | 95670046      | 11/18/2021 COFFEE & CREAMER           | 584.88      | 584.88      |
| 112389  | 12/16/2021 | 51604  | FRONTIER                 | 3982369-NV21  | 11/25/2021 760/398-2369, 11/25/21     | 61.81       | 61.81       |

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| Check # | Date       | Vendor | Invoice                          | Inv Date   | Description                | Amount Paid | Check Total |
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| 112390  | 12/16/2021 | 43672  | FULTON DISTRIBUTING COMF550764   | 10/26/2021 | TISSUE TOILET, NITRILE GLC | 443.15      |             |
|         |            |        | 550796                           | 10/26/2021 | DISP SOAP                  | -32.57      |             |
|         |            |        | 551635                           | 11/3/2021  | TOWEL ROLL                 | 260.54      |             |
|         |            |        | 551636                           | 11/3/2021  | TOWEL MULTIFOLD            | 205.86      |             |
|         |            |        | 552850                           | 11/15/2021 | S/O TOWEL KITCHEN          | 58.18       |             |
|         |            |        | 553191                           | 11/17/2021 | FOAM HAND SOAP             | 66.89       |             |
|         |            |        | 553192                           | 11/17/2021 | FOAM HAND SOAP             | 90.06       |             |
|         |            |        | 553193                           | 11/17/2021 | FOAM HAND SOAP             | 90.06       |             |
|         |            |        | 553346                           | 11/18/2021 | TOWEL ROLL & DISP ROLL     | 115.47      |             |
|         |            |        | 553911                           | 11/24/2021 | GLOVES NV BLEND, HAND S    | 794.56      |             |
|         |            |        | 554405                           | 11/30/2021 | TISSUE TOILET              | 1,234.64    |             |
|         |            |        | 550766                           | 10/26/2021 | HAND SOAP                  | 24.72       |             |
|         |            |        | 550769                           | 10/26/2021 | FOAM HAND SANITIZER        | 73.62       |             |
|         |            |        | 550770                           | 10/26/2021 | FOAM HAND SOAP             | -57.17      | 3,368.01    |
| 112391  | 12/16/2021 | 25500  | GRANITE CONSTRUCTION CC2093413   | 9/9/2021   | PE9/6 AVE 50 STORM DRAIN   | 725.00      | 725.00      |
| 112392  | 12/16/2021 | 53854  | GRANITE TELECOMMUNICATI543149215 | 12/1/2021  | AC 04418223, DEC2021 SVCS  | 809.66      | 809.66      |

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| Check # | Date       | Vendor | Invoice                    | Inv Date    | Description                   | Amount Paid                | Check Total |            |
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| 112393  | 12/16/2021 | 20450  | IMPERIAL IRRIGATION DISTRI | MdOT-MdNV   | 11/15/2021                    | MID OCTOBER-MID NOVEMB     | 64,892.48   |            |
|         |            |        | 50035836-NV21              | 12/7/2021   | AC50035836, 11/3-12/1, WELL   | 44.76                      |             |            |
|         |            |        | 50217597-NV21              | 12/7/2021   | AC50217597, 11/3-12/1         | 49.46                      |             |            |
|         |            |        | 50387122-NV21              | 12/8/2021   | AC50387122, 11/3-12/1, SEWE   | 36,643.11                  |             |            |
|         |            |        | 50404153-NV21              | 12/7/2021   | AC50404153, 11/3-12/2         | 117.38                     |             |            |
|         |            |        | 50404154-NV21              | 12/7/2021   | AC50404154, 11/3-12/2         | 13.31                      |             |            |
|         |            |        | 50404155-NV21              | 12/7/2021   | AC50404155, 11/3-12/2         | 108.31                     |             |            |
|         |            |        | 50416425-NV21              | 12/7/2021   | AC50416425, 11/3-12/2         | 188.36                     |             |            |
|         |            |        | 50487676-NV21              | 12/7/2021   | AC50487676, 11/3-12/1, LIFT S | 14.29                      |             |            |
|         |            |        | 50509172-NV21              | 12/6/2021   | AC50509172, 11/3-12/1, CORP   | 4,998.02                   |             |            |
|         |            |        | 50516108-NV21              | 12/7/2021   | AC50516108, 11/3-12/2         | 13.64                      |             |            |
|         |            |        | 50737896-OT/NV             | 11/29/2021  | AC50737896, 10/12-11/9        | 11.29                      |             |            |
|         |            |        | 50527782-NV21              | 12/7/2021   | AC50527782, 11/3-12/2         | 12.34                      |             |            |
|         |            |        | 50705542-NV21              | 12/7/2021   | AC50705542, 11/3-12/1, PERM   | 1,010.78                   |             |            |
|         |            |        | 50705544-NV21              | 12/7/2021   | AC50705544, 11/3-12/1, PERM   | 146.54                     |             |            |
|         |            |        | 50733502-NV21              | 12/8/2021   | AC50733502, 11/3-12/2         | 35.03                      |             |            |
|         |            |        | 50734422-NV21              | 12/7/2021   | AC50734422, 11/3-12/2         | 60.48                      |             |            |
|         |            |        | 50035734-NV21              | 12/7/2021   | AC50035734, 11/2-12/2, CVHS   | 105.36                     |             |            |
|         |            |        | 50035755-NV21              | 11/30/2021  | AC50035755, 10/27-11/23, PUM  | 38.28                      |             |            |
|         |            |        | 50371785-NV21              | 11/30/2021  | AC50371785, 10/27-11/23, LIFT | 2,549.09                   |             |            |
|         |            |        | 50408460-NV21              | 11/30/2021  | AC50408460, 10/27-11/23, WE   | 13,627.32                  |             |            |
|         |            |        | 50434217-NV21              | 11/30/2021  | AC50434217, 10/27-11/23       | 60.97                      |             |            |
|         |            |        | 50459795-NV21              | 11/30/2021  | AC50459795, 10/27-11/23       | 52.20                      |             |            |
|         |            |        | 50459796-NV21              | 11/30/2021  | AC50459796, 10/27-11/23       | 98.90                      |             |            |
|         |            |        | 50459819-NV21              | 11/30/2021  | AC50459819, 10/27-11/23       | 84.30                      |             |            |
|         |            |        | 50522793-NV21              | 11/30/2021  | AC50522793, 10/27-11/23, SC/  | 13.96                      | 124,989.96  |            |
| 112394  | 12/16/2021 | 45757  | IMPERIAL IRRIGATION DISTRI | 4031275     | 12/8/2021                     | ENERGIZE ST LIGHTS @ AVE   | 679.72      | 679.72     |
| 112395  | 12/16/2021 | 45108  | IMPERIAL SPRINKLER SUPPL   | 4844460-00  | 9/30/2021                     | 48" SHOVELS                | 23.59       |            |
|         |            |        | 4887177-00                 | 11/3/2021   | 32" PROF HIGH PERFORM OF      | 54.12                      |             |            |
|         |            |        | 4901746-00                 | 11/15/2021  | 10" MEASURING WHEEL           | 57.62                      |             |            |
|         |            |        | 4909709-00                 | 11/19/2021  | 1" CONDUIT PIPE, GLOVES, E    | 144.25                     |             |            |
|         |            |        | 4909976-00                 | 11/19/2021  | DRIPNETA TECHLINE INSERT      | 122.64                     | 402.22      |            |
| 112396  | 12/16/2021 | 47328  | KONICA MINOLTA             | 38937966    | 11/25/2021                    | BIZHUB C454E, 1515 6TH ST, | 212.07      |            |
|         |            |        | 38994395                   | 12/2/2021   | ACC 061-0042081-000, DEC20    | 67.43                      | 279.50      |            |
| 112397  | 12/16/2021 | 50331  | LENNAR HOMES OF CALIFOR    | 2012 Agrmnt | 12/14/2021                    | REIMBURSEMENT OF PARKS     | 240,000.00  | 240,000.00 |

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| Check # | Date       | Vendor | Invoice                              | Inv Date   | Description                | Amount Paid | Check Total |
|---------|------------|--------|--------------------------------------|------------|----------------------------|-------------|-------------|
| 112398  | 12/16/2021 | 02162  | LOWE'S COMPANIES, INC. 27475         | 11/9/2021  | 10IN GROOVE PLIER, PVC CL  | 348.69      | 348.69      |
| 112399  | 12/16/2021 | 54462  | MARINE INDUSTRIAL TANK IN3802        | 10/21/2021 | WATER TANK CLEANING @ V    | 7,175.00    | 7,175.00    |
| 112400  | 12/16/2021 | 51579  | METLIFE- GROUP BENEFITS Dec2021      | 11/15/2021 | DEC2021 DENTAL/VISION/LIF  | 11,730.06   | 11,730.06   |
| 112401  | 12/16/2021 | 45197  | MSA CONSULTING, INC. 2625.001-10     | 9/30/2021  | PE10/2 HOUSING RE-ZONING   | 387.50      | 387.50      |
| 112402  | 12/16/2021 | 49482  | NAPAAUTO PARTS 210158                | 9/27/2021  | LENS RESTORATION, ETC      | 57.62       |             |
|         |            |        | 216352                               | 11/9/2021  | SUPER HC IND V-BELT, ETC   | 68.31       |             |
|         |            |        | 216912                               | 11/13/2021 | CERAMIC CAR WASH           | 16.30       | 142.23      |
| 112403  | 12/16/2021 | 01882  | NORTHERN TOOL & EQUIPME48914677      | 10/28/2021 | JUMBO WRENCH SET, PIPE \   | 644.81      |             |
|         |            |        | 49080855                             | 11/20/2021 | 1YR ADVANT RENEWED         | 39.99       | 684.80      |
| 112404  | 12/16/2021 | 47192  | O'REILLY AUTO PARTS 2855-384024      | 11/4/2021  | PIN & CLIP                 | 39.11       |             |
|         |            |        | 2855-384080                          | 11/4/2021  | ADAPTER, CONNECTOR KIT,    | 30.42       |             |
|         |            |        | 2855-385717                          | 11/10/2021 | CABIN FILTER               | 16.44       |             |
|         |            |        | 2855-344762                          | 6/28/2021  | WIN REG ASSY               | 92.43       |             |
|         |            |        | 2855-360514                          | 8/18/2021  | SHIFT TUBE                 | 48.60       |             |
|         |            |        | 2855-360758                          | 8/18/2021  | DIFF GASKET & DIFF GSKT K  | -109.67     |             |
|         |            |        | 2855-374802                          | 10/4/2021  | FLOOR MATS & STR WHL CV    | 593.49      |             |
|         |            |        | 2855-381843                          | 10/27/2021 | TOOL BOX                   | 395.56      |             |
|         |            |        | 2855-381844                          | 10/27/2021 | TOOL BOX                   | 873.88      |             |
|         |            |        | 2855-385718                          | 11/10/2021 | STARTER                    | 172.91      |             |
|         |            |        | 2855-385752                          | 11/10/2021 | BATTERY                    | 77.82       |             |
|         |            |        | 2855-385864                          | 11/10/2021 | BATTERIES                  | 351.35      |             |
|         |            |        | 2855-387208                          | 11/15/2021 | OIL FILTER                 | 4.14        |             |
|         |            |        | 2855-387556                          | 11/16/2021 | CABIN FILTER               | 20.51       |             |
|         |            |        | 2855-388111                          | 11/18/2021 | HVAC ACTUATOR              | 44.65       |             |
|         |            |        | 2855-388245                          | 11/18/2021 | AIR PURIFIER               | 64.15       | 2,715.79    |
| 112405  | 12/16/2021 | 01736  | PALM SPRINGS PUMP, INC. 21-3938      | 10/7/2021  | 7/19 SVC CALL @ WELL #11   | 375.00      |             |
|         |            |        | 21-3994                              | 11/29/2021 | 11/18 SVC CALL @ WELL #11  | 567.00      | 942.00      |
| 112406  | 12/16/2021 | 02028  | PETE'S ROAD SERVICE, INC. 546022-00  | 11/23/2021 | FLAT REPAIR                | 29.11       | 29.11       |
| 112407  | 12/16/2021 | 01395  | PJ'S DESERT TROPHIES & GII24454      | 12/7/2021  | XMAS PARADE TROPHIES, PI   | 3,674.55    | 3,674.55    |
| 112408  | 12/16/2021 | 42759  | PROPER SOLUTIONS, INC. 12685         | 12/3/2021  | WE 12/3: T. PRICE          | 324.00      | 324.00      |
| 112409  | 12/16/2021 | 52344  | QUADIENT FINANCE USA, INCCD 12/12/21 | 12/12/2021 | NOV2021 POSTAGE BY PHON    | 1,000.00    | 1,000.00    |
| 112410  | 12/16/2021 | 52306  | QUINN COMPANY 19358401               | 10/28/2021 | 10/27 BACKHOE & 24" BUCKE  | 814.88      |             |
|         |            |        | 20039901                             | 11/29/2021 | 11/2-30 STRAIGHT BOOM RN   | 6,632.04    | 7,446.92    |
| 112411  | 12/16/2021 | 52470  | R & R TOWING 55277                   | 11/14/2021 | 11/14 TOWING: AV48/VAN BUI | 425.00      |             |
|         |            |        | 55556                                | 11/29/2021 | 11/29 TOWING: AV58/JEFFER  | 297.00      | 722.00      |

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| Check # | Date       | Vendor | Invoice                   | Inv Date       | Description                            | Amount Paid | Check Total |
|---------|------------|--------|---------------------------|----------------|--|-------------|-------------|
| 112412  | 12/16/2021 | 53736  | RG2 MANAGEMENT LLC        | 2797           | 11/8/2021 WE 11/7: REYES+SILVA         | 456.00      |             |
|         |            |        |                           | 2798           | 11/8/2021 WE 11/7: F. HERNANDEZ        | 1,215.00    |             |
|         |            |        |                           | 2804           | 11/15/2021 WE 11/14: A. REYES          | 216.00      |             |
|         |            |        |                           | 2813           | 11/23/2021 WE 11/21: L. VALENZUELA     | 622.35      |             |
|         |            |        |                           | 2817           | 11/23/2021 WE 11/21: A. REYES          | 216.00      |             |
|         |            |        |                           | 2821           | 11/29/2021 WE 11/28: A. REYES          | 904.50      |             |
|         |            |        |                           | 2825           | 11/29/2021 WE 11/28: L. VALENZUELA     | 360.18      |             |
|         |            |        |                           | 2826           | 11/29/2021 WE 11/28: M. RAMIREZ        | 513.00      |             |
|         |            |        |                           | 2762           | 10/19/2021 WE 10/17: HERNANDEZ+ROS     | 1,849.50    |             |
|         |            |        |                           | 2763           | 10/19/2021 WE 10/17: F. HERNANDEZ      | 216.00      |             |
|         |            |        |                           | 2776           | 10/26/2021 WE 10/24: REYES+SILVA       | 768.00      |             |
|         |            |        |                           | 2778           | 10/26/2021 WE 10/24: HERNANDEZ+ROS     | 1,917.00    |             |
|         |            |        |                           | 2784           | 11/2/2021 WE 10/31: HERNANDEZ+ROS      | 2,187.00    |             |
|         |            |        |                           | 2785           | 11/2/2021 WE 10/31: REYES+SILVA        | 768.00      |             |
|         |            |        |                           | 2764           | 10/19/2021 WE 10/17: REYES+SILVA       | 768.00      |             |
|         |            |        |                           | 2851           | 12/14/2021 WE 12/12: K. MEDINA         | 1,058.40    | 14,034.93   |
| 112413  | 12/16/2021 | 50340  | ROYAL GYM SERVICES        | 6321           | 11/19/2021 11/18 SVC'D TREADMILL @ SI  | 120.00      | 120.00      |
| 112414  | 12/16/2021 | 48154  | ROYAL INDUSTRIAL SOLUTIO  | 6441-1036646   | 10/28/2021 INDUSTRIAL ETHERNET SWI     | 835.73      | 835.73      |
| 112415  | 12/16/2021 | 47658  | RUIZVA L. PEST CONTROL    | 115            | 11/24/2021 NOV2021 SVCS @ FIRE STAT    | 65.00       | 65.00       |
| 112416  | 12/16/2021 | 00382  | SAFEGUARD BUSINESS SYST   | 034784168      | 12/6/2021 W-2 BLANK FORMS & ENVEL      | 184.18      | 184.18      |
| 112417  | 12/16/2021 | 01830  | SAM'S FENCE INC.          | 19233          | 10/19/2021 CHAIN LINK GATE PANEL, ET   | 540.04      | 540.04      |
| 112418  | 12/16/2021 | 54463  | SANITATION-COLLECTION SY1 |                | 10/11/2021 PE10/11 COLLECTION SYSTE    | 5,000.00    | 5,000.00    |
| 112419  | 12/16/2021 | 46733  | SIMPLOT TURF & HORTICULT  | 208129905      | 11/17/2021 TRIPLE PRO SIMPLO & BEST    | 555.46      | 555.46      |
| 112420  | 12/16/2021 | 47319  | SPARKLETTS                | 9467308        | 10/24/2021 OCT2021 WATER @ SANITAR     | 305.60      | 305.60      |
| 112421  | 12/16/2021 | 52595  | STAPLES BUSINESS CREDIT   | 7342848623-0-1 | 11/1/2021 BPA FREE THERMA & MS SCI     | 272.61      |             |
|         |            |        |                           | 7343018178-0-1 | 11/3/2021 ADDRESS LABELS, MANILA F     | 601.12      |             |
|         |            |        |                           | 7343462651-0-1 | 11/9/2021 BOX FILE LTR/LGL, ADJST ST   | 155.00      |             |
|         |            |        |                           | 7344468241-0-1 | 11/23/2021 3X3 POST-IT, PENTEL ENERC   | 170.59      |             |
|         |            |        |                           | 7344468241-2-1 | 11/29/2021 3X3 POST-IT, PENTEL ENERC   | 170.59      |             |
|         |            |        |                           | 7344915987-0-1 | 12/1/2021 MS SCULPT ERGO MOUSE, S      | 144.68      |             |
|         |            |        |                           | 7345088926-0-1 | 12/3/2021 HP 62XL HY TRI-COLOR INK,    | 74.98       |             |
|         |            |        |                           | 7343588478-0-1 | 11/12/2021 3X3 POST-IT, HP 63XL HY BL  | 174.33      | 1,763.90    |
| 112422  | 12/16/2021 | 36300  | SWRCB FEES                | WD-0192310     | 12/8/2021 #7SSO10520, FY21/22 WDR F    | 3,326.00    | 3,326.00    |
| 112423  | 12/16/2021 | 51918  | THE GREATER COACHELLA V   | 31858          | 11/1/2021 JULY-SEP2021 QTRLY DISBUI    | 6,500.00    | 6,500.00    |
| 112424  | 12/16/2021 | 42289  | TIME WARNER CABLE         | 0037022112821  | 11/28/2021 AC 8448 20 899 0037022, DEC | 2,220.98    | 2,220.98    |

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| Check # | Date       | Vendor | Invoice                   | Inv Date       | Description                             | Amount Paid | Check Total |
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| 112425  | 12/16/2021 | 38250  | TOPS N BARRICADES         | 1090631        | 10/28/2021 JACKET FLEECE LIME, MESH     | 212.88      |             |
|         |            |        |                           | 1090784        | 11/4/2021 TEMP NO PARKING & JKT LIM     | 263.18      |             |
|         |            |        |                           | 1090798        | 11/4/2021 JKT BOMBER LIME               | 52.07       |             |
|         |            |        |                           | 1090842        | 11/8/2021 11/4-8 BARRICADE & TEMP N     | 992.13      |             |
|         |            |        |                           | 1090850        | 11/8/2021 10/29-11/7 CHNGBLE MSG SIC    | 3,870.00    | 5,390.26    |
| 112426  | 12/16/2021 | 50590  | TOUCHTONE COMMUNICATIO    | 1450916        | 12/1/2021 AC 1100006871, DEC2021        | 6.79        | 6.79        |
| 112427  | 12/16/2021 | 38800  | UNDERGROUND SERVICE AL    | 1020210108     | 11/1/2021 OCT2021- 50 NEW TICKETS+      | 92.50       |             |
|         |            |        |                           | dsb20205261    | 11/1/2021 CA STATE FEE FOR REGULA       | 55.23       | 147.73      |
| 112428  | 12/16/2021 | 02097  | UNION PACIFIC RAILROAD CC | 316503557      | 11/1/2021 YR-LY LSE, FLDR 0248086, 49   | 6,608.40    | 6,608.40    |
| 112429  | 12/16/2021 | 43751  | USA BLUEBOOK              | 752691         | 10/7/2021 FALCON FLEX RAIN 48" COAT     | 53.62       |             |
|         |            |        |                           | 786777         | 11/9/2021 GLASS FIBER FILTER, STIRRI    | 1,234.38    |             |
|         |            |        |                           | 795460         | 11/17/2021 18' WATER PIPE HEAT CABLE    | 59.53       | 1,347.53    |
| 112430  | 12/16/2021 | 39640  | VALLEY LOCK & SAFE        | 169747         | 9/8/2021 SVC'D CYBER LOCKS/RPR'D        | 870.00      | 870.00      |
| 112431  | 12/16/2021 | 44966  | VERIZON WIRELESS          | 9893432808     | 11/22/2021 AC571164685-00001, 10/23-11  | 45.89       |             |
|         |            |        |                           | 9894024027     | 12/1/2021 AC371867190-00002, 11/2-12/   | 269.42      | 315.31      |
| 112432  | 12/16/2021 | 44428  | VISTA AIR CONDITIONING    | 6544           | 10/28/2021 REPAIRS TO A/C UNIT @ WEI    | 469.20      | 469.20      |
| 112433  | 12/16/2021 | 44775  | VISTA PAINT CORPORATION   | 2021-328497-00 | 12/13/2021 ACRIBOND FLAT WHITE, ACF     | 770.66      | 770.66      |
| 112434  | 12/16/2021 | 01732  | WAXIE SANITARY SUPPLY     | 80408378       | 10/27/2021 CLEAR LINER, ANTIMICROBI     | 885.18      | 885.18      |
| 112435  | 12/16/2021 | 49778  | WEST COAST ARBORIST, INC  | 179203         | 10/17/2021 PE10/17 TREE MAINT @ LLMI    | 600.00      |             |
|         |            |        |                           | 179206         | 10/31/2021 PE10/31 TREE MAINT @ LLMI    | 600.00      |             |
|         |            |        |                           | 177529         | 9/30/2021 PE9/30 TREE MAINT @ PARK      | 2,025.00    |             |
|         |            |        |                           | 179204         | 10/18/2021 PE10/18 TREE MAINT @ LLMI    | 1,908.00    |             |
|         |            |        |                           | 179205         | 10/24/2021 PE10/24 TREE MAINT @ LLMI    | 1,334.00    | 6,467.00    |
| 112436  | 12/16/2021 | 54433  | WEX ENTERPRISE EXXONMC    | 75994120       | 11/23/2021 ACC 0496-00-726338-7, 10/24- | 2,270.83    | 2,270.83    |
| 112437  | 12/16/2021 | 54464  | WHITE CAP, L.P.           | 50017349314    | 11/17/2021 48" HVY WALL COLUMN FORI     | 161.56      | 161.56      |
| 112438  | 12/16/2021 | 00384  | WILLDAN FINANCIAL SERVICE | 010-49381      | 10/29/2021 FY21/22 SEWER DISTRICT AC    | 2,500.00    | 2,500.00    |
| 112439  | 12/16/2021 | 48971  | XPRESS GRAPHICS & PRINTI  | 021-44574      | 11/29/2021 HOLIDAY SWEEPING POSTC,      | 212.36      | 212.36      |

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12/15/2021 9:18:15AM

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| Check #                         | Date       | Vendor | Invoice              | Inv Date | Description | Amount Paid                | Check Total |           |
|---------------------------------|------------|--------|----------------------|----------|-------------|----------------------------|-------------|-----------|
| 112440                          | 12/16/2021 | 42100  | ZUMAR INDUSTRIES INC | 94987    | 11/15/2021  | SNS- COACHELLA SPEC        | 1,491.52    |           |
|                                 |            |        |                      | 94940    | 11/4/2021   | SOLAR CONTROLLER W/ SCI    | 1,498.65    |           |
|                                 |            |        |                      | 94941    | 11/4/2021   | SOLAR CONTROLLER W/ SCI    | 1,666.65    |           |
|                                 |            |        |                      | 94988    | 11/15/2021  | SNS- COACHELLA SPEC        | 1,777.53    |           |
|                                 |            |        |                      | 94989    | 11/15/2021  | SNS- COACHELLA SPEC        | 633.91      |           |
|                                 |            |        |                      | 94990    | 11/15/2021  | SNS- COACHELLA SPEC & SN   | 1,745.17    |           |
|                                 |            |        |                      | 95055    | 11/22/2021  | TYPE 2 36" FLAT TOP DELINE | 1,962.94    |           |
|                                 |            |        |                      | 95056    | 11/22/2021  | TYPE 2 36" FLAT TOP DELINE | 1,962.94    |           |
|                                 |            |        |                      | 95057    | 11/22/2021  | TYPE 2 36" FLAT TOP DELINE | 2,186.71    | 14,926.02 |
| Sub total for WELLS FARGO BANK: |            |        |                      |          |             |                            | 854,936.74  |           |

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City of Coachella

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98 checks in this report.

Grand Total All Checks: 1,652,607.06

Date: December 16, 2021

  
Finance Director: Nathan Statham

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01/06/2022 8:46:40AM

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| Check #                                 | Date     | Vendor | Invoice                 | Inv Date      | Description                           | Amount Paid | Check Total |
|---|----------|--------|-------------------------|---------------|---------------------------------------|-------------|-------------|
| 514                                     | 1/6/2022 | 53291  | ANGENIOUS ENGINEERING   | 19-07A-013    | 11/30/2021 AMENDMENT NO.2- AVE 50 B   | 64,638.05   | 64,638.05   |
| 515                                     | 1/6/2022 | 53391  | BSK ASSOCIATES          | RE01046       | 11/30/2021 NOV2021 WASTEWATER SAM     | 12,158.50   |             |
|   |          |        |                         | RE01047       | 11/30/2021 NOV2021 WATER SAMPLES      | 1,398.00    | 13,556.50   |
| 516                                     | 1/6/2022 | 02320  | CALPERS                 | 1000000166520 | 12/14/2021 #6373819375, JAN2022 HEALT | 96,248.82   |             |
|   |          |        |                         | 1000000166520 | 12/14/2021 #6373819375, JAN2022 HEALT | 12,378.86   | 108,627.68  |
| 517                                     | 1/6/2022 | 00207  | GRAINGER INC            | 9134437970    | 11/30/2021 DIAPHRAGM PUMP 1/5 HP      | 998.85      |             |
|   |          |        |                         | 9135148964    | 11/30/2021 RUBBER BOOTS & RUBBING     | 364.33      | 1,363.18    |
| 518                                     | 1/6/2022 | 00996  | HOME DEPOT              | 7085395       | 12/1/2021 RYOBI ELECTRIC 18V BLOWE    | 344.74      |             |
|   |          |        |                         | 0172961       | 12/8/2021 STEELTAMPER,HOSE,& BUCH     | 236.55      | 581.29      |
| 519                                     | 1/6/2022 | 00101  | MUNISERVICES/AVENU      | INV06-013230  | 12/16/2021 OCT-DEC2021 SVCS: UTILITY  | 4,571.23    | 4,571.23    |
| 520                                     | 1/6/2022 | 52802  | RED WING BUSINESS ADVAN | 2021121600343 | 12/16/2021 12/2021 EMPLOYEE WORK B    | 1,196.46    | 1,196.46    |
| 521                                     | 1/6/2022 | 54495  | US BANK N.A.            | 02-2022-COACH | 12/28/2021 02-2022-COACHELLAW12       | 138,887.26  | 138,887.26  |
| 522                                     | 1/6/2022 | 51697  | WESTERN WATER WORKS SI  | 1403335-00    | 10/25/2021 FIRE HYDRANT REPAIR MATE   | 4,764.56    |             |
|   |          |        |                         | 1403076-00    | 9/23/2021 HYDRANT BURY & MAIL REP/    | 4,527.70    |             |
|   |          |        |                         | 1403244-01    | 10/12/2021 COPPER SERVICE INSTALL M   | 1,829.72    |             |
|   |          |        |                         | 1403075-00    | 10/27/2021 PIPE REMOVAL TOOL          | 11.09       |             |
|   |          |        |                         | 1403075-01    | 9/23/2021 PIPE REMOVAL TOOL           | 11.09       | 11,144.16   |
| T FOR WELLS FARGO BANK -SEPARATE CHECK: |          |        |                         |               |                                       | 344,565.81  |             |

Bank : wfb WELLS FARGO BANK

| Check # | Date     | Vendor | Invoice                  | Inv Date       | Description                          | Amount Paid | Check Total |
|---------|----------|--------|--------------------------|----------------|--------------------------------------|-------------|-------------|
| 112446  | 1/6/2022 | 51894  | ALPHA MEDIA LLC          | 582550-1       | 9/30/2021 9/27-9/30 AD SPOT: TEQUILA | 300.00      |             |
|         |          |        |                          | 582551-1       | 9/30/2021 9/27-9/30 AD SPOT:TEQUILA  | 300.00      | 600.00      |
| 112447  | 1/6/2022 | 01436  | AMERICAN FORENSIC NURSE  | 75346          | 12/21/2021 DEC 2021 BLOOD DRAW       | 122.44      |             |
|         |          |        |                          | 75305          | 12/6/2021 12/2/21 BLOOD DRAW         | 61.22       | 183.66      |
| 112448  | 1/6/2022 | 42837  | ARAMARK UNIFORM SERVICE  | NOV2021        | 11/30/2021 PE11/30 UNIFORMS, MATS &  | 2,858.62    |             |
|         |          |        |                          | NOV2021 SAN    | 11/30/2021 PE11/30 UNIFORMS, MATS &  | 891.64      |             |
|         |          |        |                          | SEPT2021 CC    | 9/30/2021 PE9/30 MATS & MOPS         | 474.15      |             |
|         |          |        |                          | NOV2021 CC     | 11/30/2021 PE11/30 MATS. MASKS & MOF | 409.64      | 4,634.05    |
| 112449  | 1/6/2022 | 42251  | ARCOS, MARIA             | Ck 1/5/22      | 11/29/2021 VOUCHER 80, 11/15-12/13   | 251.33      | 251.33      |
| 112450  | 1/6/2022 | 03650  | BARBARA SINATRA CHILDREN | NOV 2021       | 12/7/2021 11/8 SVCS: LAW ENFORCEME   | 231.00      | 231.00      |
| 112451  | 1/6/2022 | 43862  | BRENTAG PACIFIC, INC     | BPI188638      | 10/18/2021 CHEMCHLOR SODIUM HYPO     | 2,362.17    |             |
|         |          |        |                          | BPI200766      | 12/1/2021 CHEMCHLOR SODIUM HYPO      | 2,362.17    |             |
|         |          |        |                          | BPI203514      | 12/14/2021 CHEMCHLOR SODIUM HYPO     | 2,362.17    |             |
|         |          |        |                          | BPI200765      | 12/1/2021 CHEMCHLOR SODIUM HYPO      | 2,362.17    | 9,448.68    |
| 112452  | 1/6/2022 | 02048  | CDW GOVERNMENT, INC.     | 1C6NSYK        | 12/16/2021 MICROSOFT OFFICE LICENS   | 14,870.10   |             |
|         |          |        |                          | 1C6NSZ5        | 12/16/2021 MICROSOFT OFFICE LICENS   | 12,946.40   | 27,816.50   |
| 112453  | 1/6/2022 | 53220  | COACHELLAACE HARDWARE    | 2861/1         | 11/29/2021 CORD EXTN 10', NEBO INSPC | 43.48       | 43.48       |
| 112454  | 1/6/2022 | 44959  | COMPUTER CONSULTANTS, I  | 33977          | 1/1/2022 JAN-JUN2022 OFFSITE CLOU    | 3,300.00    | 3,300.00    |
| 112455  | 1/6/2022 | 00749  | COUNTY OF RIVERSIDE      | SH0000040076   | 12/21/2021 10/21-11/17 LAW ENFORCEMI | 637,851.43  | 637,851.43  |
| 112456  | 1/6/2022 | 49858  | CV PIPELINE CORP.        | S2740          | 11/24/2021 11/18 VIDEO INSPECTIONS M | 795.00      | 795.00      |
| 112457  | 1/6/2022 | 44718  | DAMARA'S FLOWERS         | 8174           | 12/6/2021 FLORAL ARRANGEMENT: MA     | 81.56       | 81.56       |
| 112458  | 1/6/2022 | 12870  | DEPARTMENT OF JUSTICE    | 550531         | 12/3/2021 NOV2021 FINGERPRINTS       | 49.00       | 49.00       |
| 112459  | 1/6/2022 | 53007  | DESERT PROMOTIONAL &     | 82608          | 12/1/2021 6-AWARDS CLEAR W/ LOGO     | 462.19      |             |
|         |          |        |                          | 82502          | 11/23/2021 SHIRTS+JACKETS W/ EMBRC   | 304.50      | 766.69      |
| 112460  | 1/6/2022 | 49776  | DESERT SEWER SUPPLY, INC | 23090          | 11/23/2021 MANHOLE RISERS & MORTAI   | 109.07      | 109.07      |
| 112461  | 1/6/2022 | 14860  | E. K. WOOD LUMBER COMPA  | 500729         | 11/29/2021 COVERALLS & DUST MASKS    | 218.70      | 218.70      |
| 112462  | 1/6/2022 | 49635  | EISENHOWER MEDICAL CEN   | Nov 2021       | 12/16/2021 AC #700000133, OCT/NOV202 | 3,600.00    | 3,600.00    |
| 112463  | 1/6/2022 | 44713  | FARMER BROTHERS CO.      | 85672866       | 11/2/2021 COFFEE, CREAMER, CUPS, &   | 562.90      |             |
|         |          |        |                          | 95670222       | 12/6/2021 COFFEE, CREAMER & JAVA J   | 416.00      | 978.90      |
| 112464  | 1/6/2022 | 15750  | FEDEX                    | 7-609-43294    | 12/24/2021 DEC 2021 FEDEX SVCS       | 138.00      |             |
|         |          |        |                          | 7-601-45622    | 12/17/2021 DEC2021 FEDEX SVCS        | 7.19        | 145.19      |
| 112465  | 1/6/2022 | 51604  | FRONTIER                 | 3982887-OT/NV  | 11/16/2021 760/398-2887, OCT/NOV     | 123.62      |             |
|         |          |        |                          | 3984760-OT/NO  | 11/16/2021 760/398-4760, OCT/NOV     | 123.62      |             |
|         |          |        |                          | 3986515- OT/NV | 11/16/2021 760/398-6515, OCT/NOV     | 123.62      | 370.86      |
| 112466  | 1/6/2022 | 01864  | HAAKER EQUIPMENT COMPAC  | 76142          | 11/22/2021 CONTROL VALVE VA 45301    | 3,344.69    | 3,344.69    |

Bank : wfb WELLS FARGO BANK

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| Check #                         | Date     | Vendor | Invoice                                | Inv Date   | Description                   | Amount Paid | Check Total |
|---------------------------------|----------|--------|--|------------|-------------------------------|-------------|-------------|
| 112467                          | 1/6/2022 | 20450  | IMPERIAL IRRIGATION DISTRINOV 2021     | 11/30/2021 | AC50035560, 10/28-11/29, ST I | 23,795.34   | 23,795.34   |
| 112468                          | 1/6/2022 | 51022  | INTERNATIONAL ECONOMIC 101760          | 12/3/2021  | LEADERSHIP SUMMIT SPNRS       | 10,000.00   | 10,000.00   |
| 112469                          | 1/6/2022 | 51600  | IRC, INC. 202100041                    | 12/1/2021  | NOV 2021 PRE-EMPLOYMEN        | 216.80      | 216.80      |
| 112470                          | 1/6/2022 | 54123  | LISA WISE CONSULTING, INC.4036         | 10/18/2021 | SEP 2021 HOUSING ELEMEN       | 11,776.73   |             |
|                                 |          |        | 4086                                   | 12/9/2021  | NOV 2021 HOUSING ELEMEN       | 5,015.00    | 16,791.73   |
| 112471                          | 1/6/2022 | 01882  | NORTHERN TOOL & EQUIPME48140651        | 6/22/2021  | 3 PC JUMBO ADJUSTABLE         | 96.07       | 96.07       |
| 112472                          | 1/6/2022 | 52757  | OLLIN STRATEGIES 255                   | 12/16/2021 | DEC2021 CONSULTING SVCS       | 5,000.00    | 5,000.00    |
| 112473                          | 1/6/2022 | 52650  | PALMS TO PINES PRINTING A 1118CVSSB-FA | 12/1/2021  | CASCADE STAINLESS STEEL       | 3,017.17    |             |
|                                 |          |        | 1118CVDSB-FA                           | 12/1/2021  | DRAWSTRING BACKPACK W/        | 877.54      |             |
|                                 |          |        | 1118CVMAG-FA                           | 12/1/2021  | 2.5" MAGNETIC CLIPS           | 384.79      |             |
|                                 |          |        | 1118CVHDS-FA                           | 12/1/2021  | ANTIBACTERIAL SANITIZER C     | 326.56      | 4,606.06    |
| 112474                          | 1/6/2022 | 09800  | PERMA WC 2021-22/3                     | 12/15/2021 | 2021-22 WORKERS' COMP DE      | 96,855.00   | 96,855.00   |
| 112475                          | 1/6/2022 | 28000  | POWERS AWARDS 150156                   | 12/3/2021  | ROSEWOOD CLOCK W/ BLK         | 197.86      | 197.86      |
| 112476                          | 1/6/2022 | 49253  | QUICK CRETE PRODUCTS CC122807          | 10/14/2021 | REPLACEMENT OF CITY HAL       | 21,697.80   | 21,697.80   |
| 112477                          | 1/6/2022 | 53736  | RG2 MANAGEMENT LLC 2816                | 11/23/2021 | WE 11/21: F. HERNANDEZ        | 1,269.00    |             |
|                                 |          |        | 2805                                   | 11/15/2021 | WE 11/14: F. HERNANDEZ        | 810.00      |             |
|                                 |          |        | 2815                                   | 11/23/2021 | WE 11/21: F. SILVA + A. REYE  | 768.00      |             |
|                                 |          |        | 2806                                   | 11/15/2021 | WE 11/14: F. SILVA + A. REYE  | 576.00      |             |
|                                 |          |        | 2823                                   | 11/29/2021 | WE 11/28: F. SILVA + A. REYE  | 492.00      |             |
|                                 |          |        | 2808                                   | 11/15/2021 | WE 11/14: L. VALENZUELA       | 471.42      | 4,386.42    |
| 112478                          | 1/6/2022 | 51785  | RMC WATER AND ENVIRONM 27938           | 11/30/2021 | PE10/29 AMEZCUA/SHADY LN      | 887.25      | 887.25      |
| 112479                          | 1/6/2022 | 52503  | SILVA, CARLOS DEC 2021                 | 12/15/2021 | DEC 2021 CERAMIC CLASS        | 200.00      | 200.00      |
| 112480                          | 1/6/2022 | 47319  | SPARKLETTS 9467308-112421              | 11/24/2021 | NOV2021 WATER @ SANITAR       | 253.65      | 253.65      |
| 112481                          | 1/6/2022 | 01178  | SPOTLIGHT 29 CASINO C012032021         | 12/3/2021  | 12/3 RETIREMENT/APPRECIA      | 5,439.69    | 5,439.69    |
| 112482                          | 1/6/2022 | 52595  | STAPLES BUSINESS CREDIT 7344035155-0-1 | 11/17/2021 | ALMN FORM HOLDER+PENS         | 115.12      |             |
|                                 |          |        | 7344035155-0-2                         | 12/1/2021  | FILE, TOTE, HANG, W/RODS I    | 41.31       | 156.43      |
| 112483                          | 1/6/2022 | 38250  | TOPS N BARRICADES 1091002              | 11/17/2021 | ROLOTAPE,PAINT,MESH, PAC      | 254.48      | 254.48      |
| 112484                          | 1/6/2022 | 45053  | TYLER TECHNOLOGIES, INC. 045-362011    | 11/26/2021 | 12/1/21-11/30/22 HARDWARE     | 5,248.75    | 5,248.75    |
| 112485                          | 1/6/2022 | 54354  | US FLEET TRACKING 399088               | 12/20/2021 | 1Z9X075W0341674311 SHIPPI     | 12.95       | 12.95       |
| 112486                          | 1/6/2022 | 43751  | USA BLUEBOOK 783053                    | 11/4/2021  | CHEMICAL & DRUM 48 IN PUI     | 923.74      | 923.74      |
| 112487                          | 1/6/2022 | 44966  | VERIZON WIRELESS 9894024026            | 12/1/2021  | AC371867190-00001, 11/2-12/   | 10,769.70   | 10,769.70   |
| Sub total for WELLS FARGO BANK: |          |        |  |            |                               |             | 902,609.51  |

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01/06/2022 8:46:40AM

Check List  
City of Coachella

Page: Item 12.

51 checks in this report.

Grand Total All Checks: 1,247,175.32

Date: January 6, 2022



Finance Director: Nathan Statham

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01/06/2022 9:39:30AM

Check List  
City of Coachella

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Bank : ewfb EFT FOR WELLS FARGO BANK -

| Check #                                 | Date     | Vendor | Invoice                      | Inv Date | Description               | Amount Paid | Check Total |
|---|----------|--------|------------------------------|----------|---------------------------|-------------|-------------|
| 523                                     | 1/6/2022 | 51949  | THE H.N. & FRANCES C. BER(62 | 1/1/2022 | JAN2022- CIVIC CENTER LOA | 8,876.26    | 8,876.26    |
| T FOR WELLS FARGO BANK -SEPARATE CHECK: |          |        |                              |          |                           |             | 8,876.26    |

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01/06/2022 9:39:30AM

Check List  
City of Coachella

Item 12.  
Page: 2

1 checks in this report.

Grand Total All Checks: 8,876.26

Date: January 6, 2022

  
Finance Director: Nathan Statham

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01/12/2022

3:21:08PM

Check List  
City of Coachella

Page: 1

Bank : ewfb EFT FOR WELLS FARGO BANK -SEPAR

| Check # | Date      | Vendor | Invoice                             | Inv Date   | Description                     | Amount Paid | Check Total |
|---------|-----------|--------|-------------------------------------|------------|---------------------------------|-------------|-------------|
| 523     | 1/6/2022  | 51949  | THE H.N. & FRANCES C. BERGEF62      | 1/1/2022   | JAN2022- CIVIC CENTER LOAN F    | 8,876.26    | 8,876.26    |
| 524     | 1/13/2022 | 53291  | ANGENIOUS ENGINEERING 19-07B-009    | 11/30/2021 | PO#16749 PE11/30 SR-86/AVE50    | 1,155.00    |             |
|         |           |        | 19-03-031                           | 11/30/2021 | PO#16685 PE 11/30 PROVIDE EN    | 36,994.52   | 38,149.52   |
| 525     | 1/13/2022 | 45929  | BECK OIL, INC. 482090               | 11/18/2021 | 11/18 SANITARY DEPT FUEL        | 1,027.28    |             |
|         |           |        | 49517CL                             | 11/30/2021 | PE11/30 SANITARY DEPT FUEL      | 1,249.54    |             |
|         |           |        | 49471CL                             | 11/30/2021 | PE11/30 STREETS DEPT FUEL       | 1,102.18    |             |
|         |           |        | 49466CL                             | 11/30/2021 | PE11/30 ENG DEPT FUEL           | 152.89      |             |
|         |           |        | 49526CL                             | 11/30/2021 | PE11/30 ADMIN DEPT FUEL         | 39.43       |             |
|         |           |        | 49525CL                             | 11/30/2021 | PE11/30 BLDG MAINT DEPT FUEI    | 186.93      |             |
|         |           |        | 49496CL                             | 11/30/2021 | PE11/30 VEHICLE MAINT DEPT F    | 627.90      |             |
|         |           |        | 49476CL                             | 11/30/2021 | PE11/30 PARKS DEPT FUEL         | 962.05      |             |
|         |           |        | 49473CL                             | 11/30/2021 | PE11/30 WATER DEPT FUEL         | 730.94      | 6,079.14    |
| 526     | 1/13/2022 | 46730  | CALPERS 100000016655427             | 12/17/2021 | 2022 RPLCMNT BENEFIT CNTRB      | 8,549.35    | 8,549.35    |
| 527     | 1/13/2022 | 01856  | CARROT-TOP INDUSTRIES INC. 51839800 | 10/12/2021 | 8-POLYESTER US FLAGS            | 607.29      |             |
|         |           |        | CM146                               | 12/20/2021 | CREDIT MEMO 146 / 1691199       | -67.26      |             |
|         |           |        | INV100154                           | 11/11/2021 | US / CALIF FLAG POLE HEM & FI   | 939.65      | 1,479.68    |
| 528     | 1/13/2022 | 53799  | ENTERPRISE FM TRUST FBN4332242      | 1/11/2022  | NOV2021 LEASE CHRGS ('20 &2     | 10,987.10   | 10,987.10   |
| 529     | 1/13/2022 | 51892  | HERC RENTALS, INC. 32488663-006     | 12/6/2021  | 11/6-12/6 LIGHT TOWER RENTAL    | 1,331.25    |             |
|         |           |        | 32488662-005                        | 12/6/2021  | 11/6-12/6 LIGHT TOWER RENTAL    | 887.50      | 2,218.75    |
| 530     | 1/13/2022 | 24600  | LOPES HARDWARE 010335               | 12/15/2021 | TAPE 25FT, C BATTERIES          | 47.81       |             |
|         |           |        | 010327                              | 12/13/2021 | 6 PADLOCKS                      | 91.28       |             |
|         |           |        | 010285                              | 11/16/2021 | EXT CORDS, DUCK TAPE, SUPPI     | 270.12      |             |
|         |           |        | 010099                              | 12/15/2021 | BATTERIES, HOOKS, KNIFE, TES    | 192.98      | 602.19      |
| 531     | 1/13/2022 | 49901  | MARRON, LOURDES EDU REIMB FA21      | 12/13/2021 | FY21/22 EDUCATION REIMBURS      | 2,501.82    | 2,501.82    |
| 532     | 1/13/2022 | 00101  | MUNISERVICES/AVENU INV06-013401     | 1/5/2022   | UTILITY USERS TAX-OCT-DEC 20    | 2,500.00    | 2,500.00    |
| 533     | 1/13/2022 | 53552  | QUENCH USA, INC. INV03601225        | 12/1/2021  | AC D347651, DEC2021 RNTL, SEI   | 35.89       |             |
|         |           |        | INV03623868                         | 11/23/2021 | AC D347652, 11/23-12/22 RNTL, V | 35.89       | 71.78       |

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Check List  
City of Coachella

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

| Check #                                       | Date      | Vendor | Invoice                 | Inv Date | Description                             | Amount Paid | Check Total |
|---|-----------|--------|-------------------------|----------|---|-------------|-------------|
| 534   | 1/13/2022 | 53475  | RUDYS ELECTRIC          | 20150    | 11/3/2021 #16 EMPOWERMENT OF WOMEN      | 2,375.00    |             |
|   |           |        |                         | 20149    | 11/3/2021 #16 EMPOWERMENT OF WOMEN      | 2,500.00    |             |
|   |           |        |                         | 20148    | 11/2/2021 INSTL NEW SUBPANEL TO SVC S   | 1,727.50    |             |
|   |           |        |                         | 20155    | 11/3/2021 REWIRE SECURITY LIGHTS & PH   | 338.25      |             |
|   |           |        |                         | 20154    | 11/3/2021 INSTLL FLY REPLLNT & RUN ELC  | 1,031.25    |             |
|   |           |        |                         | 20153    | 11/3/2021 BGDMA COMM CNTR RECPTCL I     | 447.50      |             |
|   |           |        |                         | 20152    | 11/3/2021 #17 SWAN @DATELAND PRK 5 L    | 2,375.00    |             |
|   |           |        |                         | 20151    | 11/3/2021 #17 SWAN @DATELAND PRK 5 L    | 2,500.00    | 13,294.50   |
| 535   | 1/13/2022 | 52784  | THE PUN GROUP LLP       | 113189   | 12/1/2021 FY20/21 AUDIT SVCS BILLING #2 | 20,000.00   | 20,000.00   |
| 536   | 1/13/2022 | 50629  | VINTAGE ASSOCIATES, INC | 222848   | 11/30/2021 INSTALL FLOWERS BY LIBRARY   | 704.00      |             |
|   |           |        |                         | 222849   | 11/30/2021 PALNT MATERIAL 6TH BY LIBRAI | 884.00      |             |
|   |           |        |                         | 222893   | 11/30/2021 INSTALL PLANTS SHADY LN & 67 | 1,482.00    |             |
|   |           |        |                         | 223030   | 12/7/2021 TURF REMOVAL BGDMA IRRIGA     | 26,700.00   |             |
|   |           |        |                         | 222696   | 11/12/2021 INSTL TREES AREAS BY VETERA  | 770.00      |             |
|   |           |        |                         | 222697   | 11/12/2021 INSTL TIPU TREES @LAS FLORE  | 1,540.00    |             |
|   |           |        |                         | 222699   | 11/12/2021 INSTALL PLANTS @ AVE 51      | 1,064.00    |             |
|   |           |        |                         | 222698   | 11/12/2021 INSTL PLANTS BY EXPNSN SOC   | 1,512.00    | 34,656.00   |
| for EFT FOR WELLS FARGO BANK -SEPARATE CHECK: |           |        |                         |          |   |             | 149,966.09  |

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Check List  
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Bank : wfb WELLS FARGO BANK

| Check # | Date      | Vendor | Invoice                       | Inv Date     | Description | Amount Paid                     | Check Total |           |
|---------|-----------|--------|-------------------------------|--------------|-------------|---------------------------------|-------------|-----------|
| 112488  | 1/13/2022 | 52086  | ABUNDANT LIFE CHURCH          | 12/7 Deposit | 1/4/2022    | DEPOSIT REIMB- BGDMA PRK SI     | 300.00      | 300.00    |
| 112489  | 1/13/2022 | 53088  | ALL SMOG CENTER               | 005207       | 12/8/2021   | SMOG CK, '06 FORD F-150 XL, 12  | 40.00       |           |
|         |           |        |                               | 005215       | 12/14/2021  | SMOG CK, '04 CHEVY SILVERAD     | 40.00       |           |
|         |           |        |                               | 005222       | 12/9/2021   | SMOG CK, '01 FORD F-250, 1274   | 40.00       |           |
|         |           |        |                               | 005148       | 12/2/2021   | SMOG CK, '07 HONDA CIVIC GX,    | 40.00       |           |
|         |           |        |                               | 005150       | 12/2/2021   | SMOG CK, 2004 CRN VICTORIA,     | 40.00       |           |
|         |           |        |                               | 005156       | 12/2/2021   | SMOG CK, 2009 FORD ESC HYB      | 40.00       |           |
|         |           |        |                               | 005159       | 12/2/2021   | SMOG CK, '05 FORD RANGER XL     | 40.00       |           |
|         |           |        |                               | 005160       | 12/2/2021   | SMOG CK, '06 CHRYSLER 300, 1    | 40.00       |           |
|         |           |        |                               | 005173       | 12/6/2021   | SMOG CK, '08 FORD RANGER, 1     | 40.00       |           |
|         |           |        |                               | 005176       | 12/6/2021   | SMOG CK, '07 FORD RANGER XL     | 40.00       |           |
|         |           |        |                               | 005180       | 12/6/2021   | SMOG CK, '08 FORD RANGER XL     | 40.00       |           |
|         |           |        |                               | 005183       | 12/6/2021   | SMOG CK, '04 FORD RANGER XL     | 40.00       |           |
|         |           |        |                               | 005184       | 12/6/2021   | SMOG CK, '08 FORD RNGR XL, 1    | 40.00       |           |
|         |           |        |                               | 005191       | 12/7/2021   | SMOG CK, '04 FORD E-350 CLUB    | 40.00       |           |
|         |           |        |                               | 005197       | 12/7/2021   | SMOG CK, '06 FORD RANGER XL     | 40.00       | 600.00    |
| 112490  | 1/13/2022 | 42837  | ARAMARK UNIFORM SERVICES,     | SEP2021 GRFT | 9/30/2021   | PE9/30 UNIFORMS                 | 98.55       |           |
|         |           |        |                               | OCT2021 GRFT | 10/31/2021  | PE10/31 UNIFORMS                | 78.84       |           |
|         |           |        |                               | NOV2021 GRFT | 11/30/2021  | PE11/30 UNIFORMS                | 78.84       |           |
|         |           |        |                               | DEC2021 GRFT | 12/31/2021  | PE12/31 UNIFORMS                | 98.55       | 354.78    |
| 112491  | 1/13/2022 | 42459  | BRUDVIK, INC.                 | 55490        | 11/19/2021  | 11/12-13 GENERATORS RNTL        | 2,212.00    | 2,212.00  |
| 112492  | 1/13/2022 | 44494  | BURRTEC WASTE & RECYCLING     | BD 10/3/21   | 10/31/2021  | OCT2021 SWEEPER BOXES, ETC      | 3,063.84    |           |
|         |           |        |                               | BL 11/30/21  | 11/30/2021  | NOV2021 SWEEPER BOXES, ETC      | 958.82      |           |
|         |           |        |                               | BD 12/1/21   | 12/1/2021   | AC 44-BS 405340, 85075 AVE 54,  | 89.98       | 4,112.64  |
| 112493  | 1/13/2022 | 44905  | C.S. LEGACY CONSTRUCTION, INC | 111          | 1/3/2022    | PO# 16811/PE12/31 GRAPEFRUIT    | 54,996.41   | 54,996.41 |
| 112494  | 1/13/2022 | 53220  | COACHELLA ACE HARDWARE        | 2919/1       | 12/8/2021   | CABLETIE 100PK                  | 22.80       |           |
|         |           |        |                               | 29101/1      | 12/7/2021   | TABLE FOLD IN 1/2 6" & PATCH ST | 337.08      |           |
|         |           |        |                               | 2864/1       | 11/30/2021  | DOOR STOP WEDGE GRAY 6" &       | 20.85       | 380.73    |
| 112495  | 1/13/2022 | 44959  | COMPUTER CONSULTANTS, INC     | 34003        | 1/8/2021    | MARK'S EMAIL RESTORE, PERM      | 2,047.50    |           |
|         |           |        |                               | 33858        | 12/9/2021   | THREE HOST AND TWO REPLIC       | 25,527.89   | 27,575.39 |

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| 112496  | 1/13/2022  | 54137                | CONSERVE LANDCARE LLC        | 34541        | 10/1/2021   | OCT2021 LNDSCPE MAINT @ LLI   | 41,600.00   |        |
|         |            |                      |                              | 40090        | 10/31/2021  | ENHANCEMENT LA PALOMA #23     | 3,192.00    |        |
|         |            |                      |                              | 22514        | 6/21/2021   | ADDTL ROSES INSTALLED LLMD    | 91.00       |        |
|         |            |                      |                              | 32404        | 9/17/2021   | AFTER HRS IRRIGATION CALL     | 116.00      |        |
|         |            |                      |                              | 32405        | 9/17/2021   | EXTRA IRRIGATION REPAIRS LA   | 702.25      |        |
|         |            |                      |                              | 32406        | 9/17/2021   | XTRA IRRIGATION REPAIRS BUE   | 290.39      |        |
|         |            |                      |                              | 32407        | 9/17/2021   | XTRA IRRIGATION REPAIRS TIEF  | 1,033.39    |        |
|         |            |                      |                              | 32408        | 9/17/2021   | XTRA IRRIGATION REPAIRS LEV   | 282.86      |        |
|         |            |                      |                              | 32409        | 9/17/2021   | XTRA IRRIGATION REPAIRS LOS   | 290.99      |        |
|         |            |                      |                              | 32410        | 9/17/2021   | XTRA IRRIGATION REPAIRS TIEF  | 693.23      |        |
|         |            |                      |                              | 34316        | 9/30/2021   | ENHANCEMENT PROJ LAS PLUM     | 604.00      |        |
|         |            |                      |                              | 34317        | 9/30/2021   | ENHANCEMENT PROJ BELLA CA     | 3,104.00    |        |
|         |            |                      |                              | 34318        | 9/30/2021   | ENHANCEMENT PROJ AVENTINE     | 3,154.00    |        |
|         |            |                      |                              | 41824        | 11/1/2021   | NOV2021 LNDSCPE MAINT @ LL    | 43,000.00   |        |
|         |            |                      |                              | 34483        | 9/30/2021   | IRRIGATION QUICK TICKET #16 / | 65.00       |        |
|         |            |                      |                              | 34803        | 9/30/2021   | IRRIGATION REPAIRS AFTER HR   | 116.00      |        |
|         |            |                      |                              | 34804        | 9/30/2021   | AFTER HRS IRRIGATION TIERRA   | 130.00      |        |
|         |            |                      |                              | 34475        | 9/30/2021   | IRRIGATION VALVE REPAIR VIST. | 477.87      |        |
|         |            |                      |                              | 34476        | 9/30/2021   | IRRIGATION QUICK TICKET #16   | 116.00      |        |
|         |            |                      |                              | 34477        | 9/30/2021   | IRRIGATION QUICK TICKET #28   | 116.00      |        |
|         |            |                      |                              | 34478        | 9/30/2021   | IRRIGATION AFTER HRS QUICK    | 35.75       |        |
|         |            |                      |                              | 34480        | 9/30/2021   | XTRA IRRIGATION REPAIRS #19   | 278.45      |        |
|         |            |                      |                              | 34481        | 9/30/2021   | ENHANCEMENT PROJ LA PALOM     | 1,106.21    |        |
| 40091   | 10/31/2021 | ENHANCEMENT PROJ #27 | 735.00                       | 101,330.39   |             |                               |             |        |
| 112497  | 1/13/2022  | 01924                | CONSOLIDATED ELECTRICAL      | 3298-1008034 | 11/24/2021  | LED WHT RND CANOPY TRICOLI    | 230.55      |        |
|         |            |                      |                              | 3298-1007354 | 10/29/2021  | DAYLIGHT FLUOR LAMP T8        | 497.07      | 727.62 |
| 112498  | 1/13/2022  | 54496                | DESERT HEALTH CARE DISTRICT  | Refund       | 1/4/2022    | DEPOSIT REIMB- USE @ VETER.   | 100.00      | 100.00 |
| 112499  | 1/13/2022  | 47952                | DESERT LIVE SCAN             | 6987         | 12/27/2021  | DEC2021                       | 25.00       | 25.00  |
| 112500  | 1/13/2022  | 52970                | DESERT POOL SPECIALISTS, INC | 125935       | 11/1/2021   | NOV2021 FOUNTAIN SVCS         | 400.00      |        |
|         |            |                      |                              | 126023       | 12/1/2021   | DEC2021 FOUNTAIN SVCS         | 400.00      | 800.00 |
| 112501  | 1/13/2022  | 53007                | DESERT PROMOTIONAL &         | 82942        | 12/16/2021  | LONG/SHORT SLEEVE POLOS-S     | 143.55      | 143.55 |

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| Check # | Date      | Vendor | Invoice                      | Inv Date     | Description | Amount Paid                   | Check Total |
|---------|-----------|--------|------------------------------|--------------|-------------|-------------------------------|-------------|
| 112502  | 1/13/2022 | 13700  | DEWEY PEST CONTROL INC.      | 14665718     | 11/1/2021   | AC1450610, NOV2021, DE ORO F  | 160.00      |
|         |           |        |                              | 14672310     | 11/1/2021   | AC1281215, NOV2021, SIERRA V  | 301.00      |
|         |           |        |                              | 14665705     | 11/1/2021   | AC1434611, NOV2021, DIST 33 R | 60.00       |
|         |           |        |                              | 14672311     | 11/1/2021   | AC1281218, NOV2021, 51251 DOI | 900.00      |
|         |           |        |                              | 14733873     | 12/1/2021   | AC1434611, DEC2021, DIST 33 R | 60.00       |
|         |           |        |                              | 14733885     | 12/1/2021   | AC1450610, DEC2021, DE ORO P  | 160.00      |
|         |           |        |                              | 14740537     | 12/1/2021   | AC1281218, DEC2021, 51251 DOI | 900.00      |
|         |           |        |                              | 14740536     | 12/1/2021   | AC1281215, DEC2021, SIERRA VI | 301.00      |
|         |           |        |                              | 14729010     | 12/1/2021   | AC103361, DEC2021, SENIOR CN  | 80.00       |
|         |           |        |                              |              |             |                               | 2,922.00    |
| 112503  | 1/13/2022 | 52568  | EGAN CIVIL, INC.             | 21317        | 12/9/2021   | PO#16816 PE11/30 PUEBLO VIE.  | 2,935.00    |
| 112504  | 1/13/2022 | 51401  | ENCHANTED MEMORIES PARTIE    | 4654         | 12/1/2021   | 12/1 MR & MRS CLAUS+ELF       | 470.00      |
| 112505  | 1/13/2022 | 54497  | ESQUIVEL, FRANK              | Refund       | 1/4/2022    | DEPOSIT REIMB- USE @ LIBRAR   | 300.00      |
| 112506  | 1/13/2022 | 51141  | FENCEWORKS RENTAL SYSTEM     | 130196       | 11/26/2021  | INSTALL & REMOVE RENTAL FEN   | 2,993.84    |
|         |           |        |                              | 130195       | 11/26/2021  | INSTALL & REMOVE FENCE PAN    | 2,894.06    |
|         |           |        |                              |              |             |                               | 5,887.90    |
| 112507  | 1/13/2022 | 44088  | FERGUSON ENTERPRISES, INC    | 0781927      | 11/18/2021  | NP SERV SINK FCT TOP BRACE    | 95.00       |
| 112508  | 1/13/2022 | 15900  | FIESTA FORD, INC.            | 5067001      | 12/14/2021  | STREETS DEPT AB COVER JL3Z    | 23.75       |
| 112509  | 1/13/2022 | 52145  | FLORES, JESSE                | 0321         | 12/13/2021  | COACHELLA 11-12 MARIACHI DC   | 500.00      |
| 112510  | 1/13/2022 | 02272  | FRANKLIN TRUCK PARTS, INC.   | IN329307     | 12/2/2021   | AIR PRESSURE SWITCH- SANIT/   | 54.77       |
| 112511  | 1/13/2022 | 43672  | FULTON DISTRIBUTING COMPAN   | 555271       | 12/7/2021   | PAPER DISPOSABLES BAG POLY    | 29.68       |
| 112512  | 1/13/2022 | 01850  | GAME TIME                    | PJI-0174394  | 11/23/2021  | BAGDOUMA WILDER SLIDE SUP     | 1,173.71    |
| 112513  | 1/13/2022 | 45757  | IMPERIAL IRRIGATION DISTRICT | 4031386      | 1/10/2022   | SUNLINE TRANSIT RESTROOM M    | 2,145.00    |
| 112514  | 1/13/2022 | 45757  | IMPERIAL IRRIGATION DISTRICT | 4031278      | 1/10/2022   | PUEBLO VIEJO VILLAS & COC TF  | 1,515.00    |
| 112515  | 1/13/2022 | 45108  | IMPERIAL SPRINKLER SUPPLY    | 4914510-00   | 11/24/2021  | CINCH TIES & LODGE PEELER P   | 224.29      |
|         |           |        |                              | 4862118-00   | 11/23/2021  | INTELLIGENT BLUETOOTH 300 V   | 315.36      |
|         |           |        |                              | 4915297-00   | 11/24/2021  | DRIPNETA TCHLN 12" SPACING    | 82.70       |
|         |           |        |                              | 4722273-01   | 12/3/2021   | 10" ROUND VLV BOX COVER ON    | 72.73       |
|         |           |        |                              | 4923776-00   | 12/3/2021   | BRASS KEY, BENT NOSE GARDE    | 151.28      |
|         |           |        |                              | 4923780-00   | 12/2/2021   | BRASS KEY, BENT NOSE GARDE    | 31.31       |
|         |           |        |                              | 4922993-00   | 12/3/2021   | COUPLNG, VALVES, TEFLON TAF   | 216.45      |
|         |           |        |                              |              |             |                               | 1,094.12    |
| 112516  | 1/13/2022 | 53801  | INFOSEND, INC.               | 204455       | 12/31/2021  | DEC2021 UTILITY BILLING       | 8,806.01    |
| 112517  | 1/13/2022 | 52906  | JOHNSON CONTROLS SECURITY    | 36614881     | 11/6/2021   | 12/1-2/28 ALARM @ 1515 6TH ST | 1,370.22    |
| 112518  | 1/13/2022 | 50501  | LIVESCAN MGMT GROUP, INC.    | 01032022COC  | 1/3/2022    | HOLIDAY PARADE BANNER & M/    | 959.18      |
| 112519  | 1/13/2022 | 48220  | MARTINEZ, MARITZA            | Expn 12/9/21 | 1/5/2022    | HOLIDAY PARADE FOR STAFF      | 390.68      |
| 112520  | 1/13/2022 | 51579  | METLIFE- GROUP BENEFITS      | Jan2022      | 12/15/2021  | JAN2022 DENTAL/VISION/LIFE &  | 12,023.14   |
| 112521  | 1/13/2022 | 54160  | N CONSTRUCTION INC.          | 1051         | 11/12/2021  | INSTALLATION OF SHOWER DOC    | 9,260.00    |
|         |           |        |                              |              |             |                               | 9,260.00    |

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|---------|-----------|--------|------------------------------|------------------|-------------|--------------------------------|-------------|----------|
| 112522  | 1/13/2022 | 53050  | OCHOA, JOSE                  | Refund           | 1/4/2022    | DEPOSIT REIMB- USE @ BGDMA/    | 200.00      | 200.00   |
| 112523  | 1/13/2022 | 54498  | OCHOA, VICTOR                | Refund           | 1/4/2022    | DEPOSIT REIMB- USE @ DATEL/    | 200.00      | 200.00   |
| 112524  | 1/13/2022 | 47192  | O'REILLY AUTO PARTS          | 2855-391717      | 11/30/2021  | COPPER PLUG                    | 10.85       |          |
|         |           |        |                              | EB10564952       | 5/22/2020   | CREDIT MEMO EARN BACK CRE      | -5.69       |          |
|         |           |        |                              | EB10803152       | 6/24/2020   | EARN BACK CREDIT               | -6.21       |          |
|         |           |        |                              | EB11932732       | 10/23/2020  | EARN BACK CREDIT               | -10.59      |          |
|         |           |        |                              | 2855-352063      | 7/21/2021   | CORE RETURN CREDIT ISSUED      | -30.45      |          |
|         |           |        |                              | EB148413582      | 8/24/2021   | EARN BACK CREDIT               | -6.81       |          |
|         |           |        |                              | 2855-365391      | 9/2/2021    | CORE RETURN - CREDIT ISSUEI    | -30.45      |          |
|         |           |        |                              | 2855-365387      | 9/2/2021    | CORE RETURN - CREDIT ISSUEI    | -32.63      |          |
|         |           |        |                              | 2855-378845      | 10/18/2021  | OIL FILTER                     | 14.32       |          |
|         |           |        |                              | 2855-389652      | 11/23/2021  | HVAC ACTUATR                   | 44.65       |          |
|         |           |        |                              | 2855-390103      | 11/24/2021  | BATTERY & FEE. DEFER CORE      | 235.05      |          |
|         |           |        |                              | 2855-391824      | 11/30/2021  | OIL FILTER & AIR FILTER        | 19.12       |          |
|         |           |        |                              | 2855-392019      | 12/1/2021   | BRAKE CLEAN 14OZ,BALL MOUN     | 112.90      |          |
|         |           |        |                              | 2855-392051      | 12/1/2021   | ABSORBER                       | 28.25       |          |
|         |           |        |                              | 2855-393705      | 12/6/2021   | BATTERY, DEFER CORE            | 108.23      |          |
|         |           |        |                              | 2855-393922      | 12/7/2021   | BALL MOUNT                     | 80.45       |          |
|         |           |        |                              | 2855-394409      | 12/8/2021   | HITCH BALLS                    | 32.60       |          |
|         |           |        |                              | 2855-394715      | 12/9/2021   | BALL MOUNT                     | 65.24       |          |
|         |           |        |                              | EB15476222       | 10/22/2021  | EARN BACK CREDIT               | -7.98       | 620.85   |
| 112525  | 1/13/2022 | 09800  | PERMA                        | Ibarra Expn      | 12/21/2021  | LIABILITY CLAIM EXPN: CH2105-  | 851.54      |          |
|         |           |        |                              | RdrgzSanchez Exp | 12/21/2021  | LIABILITY CLAIM EXPN: CH2110-I | 1,977.50    | 2,829.04 |
| 112526  | 1/13/2022 | 02028  | PETE'S ROAD SERVICE, INC.    | 539394-00        | 10/27/2021  | MOUNT & BALANCE NEW REAR       | 216.88      |          |
|         |           |        |                              | 543527-00        | 11/12/2021  | DEKA 850 CCA BATTERY & LABO    | 181.13      |          |
|         |           |        |                              | 546300-00        | 11/24/2021  | FLAT REPAIR RIGHT REAR TIRE    | 29.11       |          |
|         |           |        |                              | 549324-00        | 12/8/2021   | 2 TIRES, VALVE SYSTEM, ALIGNI  | 1,145.52    |          |
|         |           |        |                              | 549477-00        | 12/9/2021   | TIREM MOUNT/BALANCE, VLV S     | 143.54      |          |
|         |           |        |                              | 549542-00        | 12/9/2021   | FLAT REPAIR                    | 29.11       | 1,745.29 |
| 112527  | 1/13/2022 | 01395  | PJ'S DESERT TROPHIES & GIFTS | 24479            | 12/14/2021  | 4 PALQUES ENGRAVED LOGO        | 249.49      |          |
|         |           |        |                              | 24427            | 12/1/2021   | DESK PLATE                     | 80.20       | 329.69   |
| 112528  | 1/13/2022 | 54500  | RELIABLE TRANSLATIONS, CORP  | 20841            | 1/5/2022    | 1/5/22 PLANNIGN COMM-SPANIS    | 539.00      | 539.00   |
| 112529  | 1/13/2022 | 48608  | REYES COCA-COLA BOTTLING, L  | 11022210864      | 12/8/2021   | DASANI & DIET COKE             | 577.80      | 577.80   |
| 112530  | 1/13/2022 | 53736  | RG2 MANAGEMENT LLC           | 2833             | 12/7/2021   | WE 12/05: A. REYES             | 1,323.00    |          |
|         |           |        |                              | 2829             | 12/7/2021   | WE 12/05: L. VALENZUELA        | 607.50      | 1,930.50 |

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|---------------------------------|-----------|--------|-------------------------------------|-----------------|---------------------------|---------------------------------|-------------|----------|
| 112531                          | 1/13/2022 | 52203  | RUIZ, XITLALY                       | 2               | 11/21/2021                | 12/2021 MC FOR TREE LIGHTING    | 500.00      | 500.00   |
| 112532                          | 1/13/2022 | 52991  | S & D CAR WASH MANAGEMENT,ARB128766 | 10/31/2021      | OCT2021 CAR WASH SERVICES | 286.59                          |             |          |
|                                 |           |        | ARB130184                           | 11/30/2021      | NOV2021 CAR WASH SERVICES | 314.55                          | 601.14      |          |
| 112533                          | 1/13/2022 | 51849  | SANTA ROSA DEL VALLE                | 35230           | 12/14/2021                | NOV2021 SVCS: LORA L            | 75.00       |          |
|                                 |           |        | 35190                               | 12/14/2021      | NOV2021 SVCS: LORA L      | 25.00                           | 100.00      |          |
| 112534                          | 1/13/2022 | 50827  | SDC SOUND COMPANY LLC               | 1068            | 12/14/2021                | PA SYSTEM MURAL PRESENTAT       | 650.00      | 650.00   |
| 112535                          | 1/13/2022 | 54499  | SENTINEL ENVIRONMENTAL, SOI         | Refund 11/22/21 | 1/11/2022                 | DUPLICATE PAYMENT FOR BUS       | 124.00      | 124.00   |
| 112536                          | 1/13/2022 | 48602  | SOMERS, MARIEL                      | 015             | 12/28/2021                | 10/14+25 INTERP/TRNSLTN SVC     | 443.76      | 443.76   |
| 112537                          | 1/13/2022 | 00102  | SUNLINE TRANSIT AGENCY              | INV05526        | 11/30/2021                | NOV2021 CNG FUEL                | 808.07      | 808.07   |
| 112538                          | 1/13/2022 | 38250  | TOPS N BARRICADES                   | 1091406         | 12/10/2021                | MESH CLASS II                   | 255.02      |          |
|                                 |           |        | 1091236                             | 11/30/2021      | JACKET FLEECE LIME 3XLG   | 41.87                           | 296.89      |          |
| 112539                          | 1/13/2022 | 44978  | TRI-STATE MATERIALS, INC..          | 98503           | 11/5/2021                 | 3/8 PALM SPRINGS GOLD           | 343.25      | 343.25   |
| 112540                          | 1/13/2022 | 39640  | VALLEY LOCK & SAFE                  | 171752          | 12/7/2021                 | CYBER KEYPORTS, PANIC BAR 1     | 2,341.26    | 2,341.26 |
| 112541                          | 1/13/2022 | 53173  | VERIZON CONNECT NWF, INC.           | OSV00000262205  | 12/1/2021                 | NOV2021 GPS MONITORING SVC      | 1,262.82    | 1,262.82 |
| 112542                          | 1/13/2022 | 44775  | VISTA PAINT CORPORATION             | 2021-345898-00  | 12/30/2021                | CITRUS CLEANER SUPER 1G         | 991.97      | 991.97   |
| 112543                          | 1/13/2022 | 48364  | WEST COAST TURF                     | INV984171       | 12/18/2021                | INSTALLATION OF TIFWAY STOL     | 3,267.95    | 3,267.95 |
| 112544                          | 1/13/2022 | 54433  | WEX ENTERPRISE EXXONMOBIL           | 76931639        | 12/23/2021                | ACC 0496-00-726338-7, 11/24-12/ | 3,471.30    | 3,471.30 |
| Sub total for WELLS FARGO BANK: |           |        |                                     |                 |                           |                                 | 269,788.25  |          |

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71 checks in this report.

Grand Total All Checks: 419,754.34

Date: January 13, 2022

  
Finance Director: Nathan Statham

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|---------|-----------|--------|-------------------------|--------------|------------------------------------|-------------|-------------|
| 112602  | 1/13/2022 | 54477  | ALVIDREZ, CARMEN        | Ref000223181 | 12/16/2021 UB Refund Cst #00053735 | 97.31       | 97.31       |
| 112603  | 1/13/2022 | 54485  | ANDRADE, JOANNA         | Ref000223279 | 1/4/2022 UB Refund Cst #00039259   | 18.11       | 18.11       |
| 112604  | 1/13/2022 | 54472  | ANGULO, MARIELA         | Ref000223176 | 12/16/2021 UB Refund Cst #00052397 | 72.58       | 72.58       |
| 112605  | 1/13/2022 | 54483  | CARDENAS, DELFINO R.    | Ref000223277 | 1/4/2022 UB Refund Cst #00030323   | 1,862.80    | 1,862.80    |
| 112606  | 1/13/2022 | 54487  | CASTRO, BRENDA          | Ref000223281 | 1/4/2022 UB Refund Cst #00047064   | 137.77      | 137.77      |
| 112607  | 1/13/2022 | 54471  | CASTRO, JOSE            | Ref000223175 | 12/16/2021 UB Refund Cst #00052287 | 9.51        | 9.51        |
| 112608  | 1/13/2022 | 54486  | CEJA, JOSE              | Ref000223280 | 1/4/2022 UB Refund Cst #00045961   | 35.73       | 35.73       |
| 112609  | 1/13/2022 | 54382  | COACHELLA VALLEY HOUSIN | Ref000223287 | 1/4/2022 UB Refund Cst #00053419   | 25.32       | 25.32       |
| 112610  | 1/13/2022 | 54488  | DESERT CONCEPTS         | Ref000223283 | 1/4/2022 UB Refund Cst #00052214   | 825.42      | 825.42      |
| 112611  | 1/13/2022 | 54478  | DR HORTON               | Ref000223182 | 12/16/2021 UB Refund Cst #00053834 | 93.82       | 93.82       |
| 112612  | 1/13/2022 | 54479  | DR HORTON               | Ref000223183 | 12/16/2021 UB Refund Cst #00053836 | 93.82       | 93.82       |
| 112613  | 1/13/2022 | 54480  | DR HORTON               | Ref000223184 | 12/16/2021 UB Refund Cst #00053837 | 91.11       | 91.11       |
| 112614  | 1/13/2022 | 54481  | DR HORTON               | Ref000223185 | 12/16/2021 UB Refund Cst #00053838 | 76.04       | 76.04       |
| 112615  | 1/13/2022 | 54482  | DR HORTON               | Ref000223186 | 12/16/2021 UB Refund Cst #00053842 | 82.21       | 82.21       |
| 112616  | 1/13/2022 | 54492  | DR HORTON               | Ref000223289 | 1/4/2022 UB Refund Cst #00053886   | 56.28       | 56.28       |
| 112617  | 1/13/2022 | 54493  | DR HORTON               | Ref000223290 | 1/4/2022 UB Refund Cst #00053888   | 64.45       | 64.45       |
| 112618  | 1/13/2022 | 54494  | DR HORTON               | Ref000223291 | 1/4/2022 UB Refund Cst #00053890   | 55.56       | 55.56       |
| 112619  | 1/13/2022 | 54468  | ESPINOZA, FRANCEN       | Ref000223172 | 12/16/2021 UB Refund Cst #00041226 | 51.73       | 51.73       |
| 112620  | 1/13/2022 | 54476  | ESPINOZA, JOSE          | Ref000223180 | 12/16/2021 UB Refund Cst #00053728 | 69.32       | 69.32       |
| 112621  | 1/13/2022 | 54489  | JIMENEZ, GABRIEL        | Ref000223284 | 1/4/2022 UB Refund Cst #00052284   | 137.47      | 137.47      |
| 112622  | 1/13/2022 | 54484  | LISBON, JOSEPH          | Ref000223278 | 1/4/2022 UB Refund Cst #00037974   | 1.05        | 1.05        |
| 112623  | 1/13/2022 | 54467  | MARTINEZ, ESMERALDA     | Ref000223171 | 12/16/2021 UB Refund Cst #00035117 | 93.92       | 93.92       |
| 112624  | 1/13/2022 | 54466  | MENDOZA, RAFAEL         | Ref000223170 | 12/16/2021 UB Refund Cst #00034760 | 49.48       | 49.48       |
| 112625  | 1/13/2022 | 54469  | MUJICA, GABRIELA        | Ref000223173 | 12/16/2021 UB Refund Cst #00043035 | 36.69       | 36.69       |
| 112626  | 1/13/2022 | 54491  | PROCOM INVESTMENTS, INC | Ref000223288 | 1/4/2022 UB Refund Cst #00053442   | 83.99       | 83.99       |
| 112627  | 1/13/2022 | 54373  | PULTE GROUP INC         | Ref000223285 | 1/4/2022 UB Refund Cst #00052505   | 81.58       | 81.58       |
| 112628  | 1/13/2022 | 54473  | PULTE GROUP INC         | Ref000223177 | 12/16/2021 UB Refund Cst #00052669 | 5.26        | 5.26        |
| 112629  | 1/13/2022 | 54490  | PULTE GROUP INC         | Ref000223286 | 1/4/2022 UB Refund Cst #00052507   | 19.47       | 19.47       |
| 112630  | 1/13/2022 | 54475  | PULTE HOMES             | Ref000223179 | 12/16/2021 UB Refund Cst #00053637 | 978.58      | 978.58      |
| 112631  | 1/13/2022 | 54343  | RIOS, MICHELLE          | Ref000223282 | 1/4/2022 UB Refund Cst #00049249   | 27.41       | 27.41       |
| 112632  | 1/13/2022 | 54470  | TORRES, LAURA           | Ref000223174 | 12/16/2021 UB Refund Cst #00048487 | 34.55       | 34.55       |
| 112633  | 1/13/2022 | 54474  | VARGAS, RAUL            | Ref000223178 | 12/16/2021 UB Refund Cst #00053578 | 75.58       | 75.58       |

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01/13/2022 11:16:16AM

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City of Coachella

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Sub total for WELLS FARGO BANK: 5,443.92

32 checks in this report.

Grand Total All Checks: 5,443.92

Date: January 13, 2022



Finance Director: Nathan Statham

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01/19/2022 11:01:53AM

Check List  
City of Coachella

Bank : ewfb EFT FOR WELLS FARGO BANK -

| Check #                                 | Date      | Vendor | Invoice                         | Inv Date  | Description              | Amount Paid | Check Total |
|---|-----------|--------|---------------------------------|-----------|--------------------------|-------------|-------------|
| 541                                     | 1/18/2022 | 53858  | USDA RURAL DEVELOPMENT 01182022 | 1/18/2022 | JAN2022- 2008 USDA WATER | 91,448.65   | 91,448.65   |
| F FOR WELLS FARGO BANK -SEPARATE CHECK: |           |        |                                 |           |                          |             | 91,448.65   |

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01/19/2022 11:01:53AM

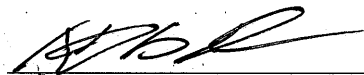
Check List  
City of Coachella

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1 checks in this report.

Grand Total All Checks: 91,448.65

Date: January 18, 2022



Finance Director: Nathan Statham

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01/18/2022 2:50:56PM

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City of Coachella

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Bank : wfb WELLS FARGO BANK

| Check #                         | Date      | Vendor | Invoice            | Inv Date     | Description | Amount Paid             | Check Total |
|---------------------------------|-----------|--------|--------------------|--------------|-------------|-------------------------|-------------|
| 112634                          | 1/20/2022 | 54507  | DR HORTON          | Ref000223811 | 1/18/2022   | UB Refund Cst #00053925 | 73.29       |
| 112635                          | 1/20/2022 | 54508  | DR HORTON          | Ref000223812 | 1/18/2022   | UB Refund Cst #00053927 | 72.42       |
| 112636                          | 1/20/2022 | 54509  | DR HORTON          | Ref000223813 | 1/18/2022   | UB Refund Cst #00053928 | 59.48       |
| 112637                          | 1/20/2022 | 54505  | MILLS, ROSEANNA    | Ref000223809 | 1/18/2022   | UB Refund Cst #00053659 | 96.46       |
| 112638                          | 1/20/2022 | 54506  | VALDIOSERA, MARTHA | Ref000223810 | 1/18/2022   | UB Refund Cst #00053917 | 93.09       |
| 112639                          | 1/20/2022 | 54504  | VEGA, MARIA        | Ref000223808 | 1/18/2022   | UB Refund Cst #00047074 | 34.92       |
| Sub total for WELLS FARGO BANK: |           |        |                    |              |             |                         | 429.66      |

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01/18/2022 2:50:56PM

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City of Coachella

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6 checks in this report.

Grand Total All Checks: 429.66

Date: January 20, 2022



Finance Director: Nathan Statham

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01/18/2022 4:48:26PM

Check List  
City of Coachella

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Bank : ewfb EFT FOR WELLS FARGO BANK -

| Check #                                 | Date      | Vendor | Invoice                   | Inv Date  | Description | Amount Paid               | Check Total |          |
|---|-----------|--------|---------------------------|-----------|-------------|---------------------------|-------------|----------|
| 538                                     | 1/20/2022 | 24600  | LOPES HARDWARE            | 010226    | 1/3/2022    | SLEDGE HAMMER, BUCKET,    | 359.07      | 359.07   |
| 539                                     | 1/20/2022 | 54400  | US BANK                   | 6374810   | 12/28/2021  | WATER REV REFUNDING BO    | 2,000.00    |          |
|   |           |        |                           | 6374796   | 12/28/2021  | WASTEWATER REV RFNDNG     | 3,310.00    | 5,310.00 |
| 540                                     | 1/20/2022 | 00384  | WILLDAN FINANCIAL SERVICE | 010-50017 | 12/27/2021  | JAN-MAR2022 ADMIN SVCS, ( | 2,743.03    | 2,743.03 |
| T FOR WELLS FARGO BANK -SEPARATE CHECK: |           |        |                           |           |             |                           | 8,412.10    |          |

Bank : wfb WELLS FARGO BANK

| Check # | Date      | Vendor | Invoice                  | Inv Date  | Description                             | Amount Paid | Check Total |
|---------|-----------|--------|--------------------------|-----------|---|-------------|-------------|
| 112640  | 1/20/2022 | 48977  | ADT COMMERCIAL           | 142558400 | 11/2/2021 DC-FB2022 CELL BACKUP/FIF     | 238.25      |             |
|         |           |        |                          | 142558407 | 11/2/2021 DC-FB2022 ALARM/PRIME CE      | 201.00      |             |
|         |           |        |                          | 142558408 | 11/2/2021 DC-FB2022 ALARM, BGDMA S      | 145.55      |             |
|         |           |        |                          | 142558409 | 11/2/2021 DC-FB2022 ALARM/ESUITE/C      | 221.85      |             |
|         |           |        |                          | 142558410 | 11/2/2021 DC-FB2022 EQUIP LSE/EXT S     | 459.68      |             |
|         |           |        |                          | 142558411 | 11/2/2021 DC-FB2022 EQUIP LSE/EXT S     | 1,497.75    |             |
|         |           |        |                          | 142558404 | 11/2/2021 DC-FB2022 ALARM/EXT SVC       | 196.30      |             |
|         |           |        |                          | 142558405 | 11/2/2021 DC-FB2022 ALARM/EXT SVC       | 208.56      |             |
|         |           |        |                          | 142558406 | 11/2/2021 DC-FB2022 ALARM/EXT SVC       | 196.30      |             |
|         |           |        |                          | 142558403 | 11/2/2021 DC-FB2022 ALARM/EXT SVC       | 215.10      |             |
|         |           |        |                          | 142558402 | 11/2/2021 DC-FB2022 ALARM/EXT SVC       | 205.13      |             |
|         |           |        |                          | 142558401 | 11/2/2021 DEC2021 CELL/EXT SVC PRC      | 119.91      |             |
|         |           |        |                          | 142558389 | 11/2/2021 DC-FB2022 ALARM/EXT SVC       | 193.29      |             |
|         |           |        |                          | 142558390 | 11/2/2021 DC-FB2022 ALARM/EXT SVC       | 228.89      |             |
|         |           |        |                          | 142558391 | 11/2/2021 DEC2021 ALARM/EXT SVC PF      | 1,091.89    |             |
|         |           |        |                          | 142558392 | 11/2/2021 DC-FB2022 EQUIP LSE/EXT S     | 472.13      |             |
|         |           |        |                          | 142558393 | 11/2/2021 DC-FB2022 FIRE, 87101 AVE     | 148.26      |             |
|         |           |        |                          | 142558394 | 11/2/2021 DC-FB2022 ALARM, 87101 AV     | 92.67       |             |
|         |           |        |                          | 142558395 | 11/2/2021 DC-FB2022 EQUIP LSE/EXT S     | 254.06      |             |
|         |           |        |                          | 142558396 | 11/2/2021 DC-FB2022 ALARM, 87075 AV     | 145.55      |             |
|         |           |        |                          | 142558397 | 11/2/2021 DC-FB2022 FIRE/ALARM, 870     | 203.88      |             |
|         |           |        |                          | 142558398 | 11/2/2021 DC-FB2022 FIRE, COMMUNIT      | 236.52      |             |
|         |           |        |                          | 142558399 | 11/2/2021 DEC2021 CELL/ESUITE/ALAR      | 67.58       | 7,040.10    |
| 112641  | 1/20/2022 | 54503  | AVI TECH                 | 1924      | 1/10/2022 INSTLL'D TV/SPEAKERS @ C      | 4,301.14    | 4,301.14    |
| 112642  | 1/20/2022 | 00836  | BIO-TOX LABORATORIES     | 42170     | 12/17/2021 11/22 LAB SERVICES           | 1,258.00    | 1,258.00    |
| 112643  | 1/20/2022 | 46356  | C.V. CONSERVATION COMMIS | Dec2021   | 1/11/2022 DEC2021 LDMF MULTI-SPECI      | 19,404.00   | 19,404.00   |
| 112644  | 1/20/2022 | 53423  | CBE OFFICE SOLUTIONS     | IN2453235 | 12/20/2021 ACC #CC3502, COLOR COPIE     | 964.09      |             |
|         |           |        |                          | IN2456824 | 1/5/2022 ACC #CC3502, COLOR COPIE       | 173.17      |             |
|         |           |        |                          | IN2459694 | 1/6/2022 FREIGHT CHRGS                  | 27.00       | 1,164.26    |
| 112645  | 1/20/2022 | 02048  | CDW GOVERNMENT, INC.     | P488485   | 12/7/2021 EDGE 32GB C3 USB FLASH D      | 43.00       |             |
|         |           |        |                          | P560415   | 12/9/2021 DURACELL 12PK 9V              | 118.43      |             |
|         |           |        |                          | P746686   | 12/14/2021 ACROBAT STANDARD DC L9,      | 6,515.00    |             |
|         |           |        |                          | P777326   | 12/14/2021 AXIOM 65W AC ADAPTER         | 80.38       |             |
|         |           |        |                          | P551689   | 12/8/2021 C2G 3M USB AM-BM CAB BLK      | 41.47       | 6,798.28    |
| 112646  | 1/20/2022 | 53426  | CELL BUSINESS EQUIPMENT  | 74911271  | 12/25/2021 ACC 1338330, 12/15-1/14, SH/ | 581.50      | 581.50      |

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01/18/2022 4:48:26PM

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| Check # | Date      | Vendor | Invoice               | Inv Date       | Description                          | Amount Paid | Check Total |
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| 112647  | 1/20/2022 | 07950  | CITY OF COACHELLA     | Nov 2021       | 11/30/2021 NOV2021 WATER- ST, PARKS  | 37,550.33   |             |
|         |           |        |                       | Nov 2021-LLD's | 11/30/2021 NOV2021 WATER- LLD'S      | 13,794.14   | 51,344.47   |
| 112648  | 1/20/2022 | 53220  | COACHELLAACE HARDWARE | 2913/1         | 12/7/2021 IMPACT PWRBT, DRILL BIT SI | 83.69       | 83.69       |
| 112649  | 1/20/2022 | 44959  | COMPUTER CONSULTANTS, | 133877         | 12/11/2021 NOV-DEC2021 SVC CALLS     | 2,520.00    |             |
|         |           |        |                       | 34003          | 1/8/2022 DEC-JAN2022 SVC CALLS       | 2,047.50    |             |
|         |           |        |                       | 34090          | 1/11/2022 INSTLL'D INNERDUCT CONDI   | 498.84      | 5,066.34    |

Bank : wfb WELLS FARGO BANK (Continued)

| Check # | Date      | Vendor | Invoice               | Inv Date | Description                           | Amount Paid | Check Total |
|---------|-----------|--------|-----------------------|----------|---------------------------------------|-------------|-------------|
| 112650  | 1/20/2022 | 54137  | CONSERVE LANDCARE LLC | 40092    | 10/31/2021 10/29 LNDSCPE ENHANCEME    | 2,500.00    |             |
|         |           |        |                       | 40093    | 10/31/2021 10/29 LNDSCPE ENHANCEME    | 2,060.00    |             |
|         |           |        |                       | 40094    | 10/31/2021 10/29 LNDSCPE ENHANCEME    | 2,450.00    |             |
|         |           |        |                       | 40095    | 10/31/2021 10/29 LNDSCPE ENHANCEME    | 2,375.00    |             |
|         |           |        |                       | 40096    | 10/31/2021 10/29 LNDSCPE ENHANCEME    | 1,075.00    |             |
|         |           |        |                       | 40266    | 11/1/2021 10/25 LNDSCPE ENHANCEME     | 2,500.00    |             |
|         |           |        |                       | 40710    | 10/31/2021 10/31 LNDSCPE ENHANCEME    | 315.00      |             |
|         |           |        |                       | 40720    | 10/31/2021 10/31 RPR'D IRRGTN @ DIST  | 449.98      |             |
|         |           |        |                       | 40721    | 10/31/2021 10/31 RPR'D IRRGTN @ DIST  | 737.33      |             |
|         |           |        |                       | 40741    | 10/31/2021 10/31 RPR'D IRRGTN @ DIST  | 261.95      |             |
|         |           |        |                       | 42852    | 11/15/2021 11/12 RPR'D IRRGTN @ DIST  | 347.87      |             |
|         |           |        |                       | 42853    | 11/15/2021 11/12 RPR'D IRRGTN @ DIST  | 407.67      |             |
|         |           |        |                       | 46263    | 11/30/2021 11/30 RPR'D IRRGTN @ DIST  | 287.18      |             |
|         |           |        |                       | 46264    | 11/30/2021 11/30 RPR'D IRRGTN @ DIST  | 265.06      |             |
|         |           |        |                       | 46265    | 11/30/2021 11/29 RPR'D IRRGTN @ DIST  | 733.73      |             |
|         |           |        |                       | 46266    | 11/30/2021 11/29 RPR'D IRRGTN @ DIST  | 407.67      |             |
|         |           |        |                       | 46267    | 11/30/2021 11/30 LNDSCPE ENHANCEME    | 1,666.00    |             |
|         |           |        |                       | 46268    | 11/30/2021 11/30 LNDSCPE ENHANCEME    | 3,250.00    |             |
|         |           |        |                       | 46269    | 11/30/2021 11/29 LNDSCPE ENHANCEME    | 4,170.00    |             |
|         |           |        |                       | 46270    | 11/30/2021 11/30 LNDSCPE ENHANCEME    | 2,500.00    |             |
|         |           |        |                       | 46271    | 11/30/2021 11/30 LNDSCPE ENHANCEME    | 2,500.00    |             |
|         |           |        |                       | 46477    | 11/30/2021 11/30 LNDSCPE ENHANCEME    | 3,165.00    |             |
|         |           |        |                       | 46478    | 11/30/2021 11/30 LNDSCPE ENHANCEME    | 1,615.00    |             |
|         |           |        |                       | 46479    | 11/30/2021 11/30 LNDSCPE ENHANCEME    | 140.00      |             |
|         |           |        |                       | 46480    | 11/30/2021 11/30 LNDSCPE ENHANCEME    | 2,355.00    |             |
|         |           |        |                       | 46481    | 11/30/2021 11/30 LNDSCPE ENHANCEME    | 2,476.16    |             |
|         |           |        |                       | 46482    | 11/30/2021 11/30 LNDSCPE ENHANCEME    | 1,416.00    |             |
|         |           |        |                       | 46483    | 11/30/2021 11/30 LNDSCPE ENHANCEME    | 2,470.00    |             |
|         |           |        |                       | 46484    | 11/30/2021 11/29 LNDSCPE ENHANCEME    | 2,450.00    |             |
|         |           |        |                       | 46486    | 11/30/2021 11/29 RPR'D IRRGTN @ DIST  | 101.89      |             |
|         |           |        |                       | 46988    | 11/30/2021 11/30 AFTER HRS IRRGTN RF  | 116.00      |             |
|         |           |        |                       | 40718    | 10/31/2021 10/31 RPR'D IRRGTN @ DIST  | 241.88      |             |
|         |           |        |                       | 40719    | 10/31/2021 10/31 RPR'D IRRGTN @ DIST  | 531.80      |             |
|         |           |        |                       | 40742    | 10/31/2021 10/31 AFTER HRS IRRGTN RF  | 116.00      |             |
|         |           |        |                       | 41792    | 10/31/2021 10/29 TREE SVC @ DIST 16+1 | 464.00      | 48,918.17   |

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| Check # | Date      | Vendor | Invoice                    | Inv Date      | Description                             | Amount Paid | Check Total |
|---------|-----------|--------|----------------------------|---------------|---|-------------|-------------|
| 112651  | 1/20/2022 | 11800  | COUNTY OF RIVERSIDE        | AN0000002364  | 12/16/2021 NOV2021 ANL SHLTR+FIELD+     | 28,822.58   | 28,822.58   |
| 112652  | 1/20/2022 | 09650  | CVAG                       | Dec2021       | 1/11/2022 DEC2021 TUMF FEES             | 32,340.00   | 32,340.00   |
| 112653  | 1/20/2022 | 44036  | DE LAGE LANDEN PUBLIC      | 74795978      | 12/13/2021 ACC #1338330, COLOR COPII    | 216.41      | 216.41      |
| 112654  | 1/20/2022 | 51604  | FRONTIER                   | 3982369-DC21  | 12/25/2021 760/398-2369, 12/25/21       | 61.81       |             |
|         |           |        |                            | 3986515-DC21  | 12/16/2021 760/398-6515, 12/16/21       | 61.81       | 123.62      |
| 112655  | 1/20/2022 | 51494  | GARDA CL WEST, INC.        | 20507326      | 11/30/2021 NOV2021 EXCESS PREMISE       | 6.05        |             |
|         |           |        |                            | 10673231      | 1/1/2022 JAN2022 CASHLINK MAINTEN       | 1,099.22    |             |
|         |           |        |                            | 10673216      | 1/1/2022 JAN2022 ARMORED TRANSP         | 869.39      |             |
|         |           |        |                            | 20507333      | 11/30/2021 NOV2021 EXCESS PREMISE       | 23.74       | 1,998.40    |
| 112656  | 1/20/2022 | 20450  | IMPERIAL IRRIGATION DISTRI | MdNV-MdDC     | 12/15/2021 MID NOVEMBER-MID DECEM       | 66,574.88   |             |
|         |           |        |                            | 50522793-DC21 | 12/31/2021 AC50522793, 11/24-12/27, SC/ | 14.29       |             |
|         |           |        |                            | 50459819-DC21 | 12/31/2021 AC50459819, 11/24-12/28      | 109.44      |             |
|         |           |        |                            | 50434217-DC21 | 12/31/2021 AC50434217, 11/24-12/28      | 69.39       |             |
|         |           |        |                            | 50035755-DC21 | 12/31/2021 AC50035755, 11/24-12/28, PUM | 64.22       |             |
|         |           |        |                            | 50459796-DC21 | 12/31/2021 AC50459796, 11/24-12/28      | 126.12      |             |
|         |           |        |                            | 50371785-DC21 | 12/31/2021 AC50371785, 11/24-12/28, LIF | 1,227.96    |             |
|         |           |        |                            | 50459795-DC21 | 12/31/2021 AC50459795, 11/24-12/28      | 60.65       |             |
|         |           |        |                            | 50408460-DC21 | 12/31/2021 AC50408460, 11/24-12/28, WE  | 9,088.99    | 77,335.94   |
| 112657  | 1/20/2022 | 42409  | IMPERIAL PIPE SERVICES, LL | PL28442-1     | 11/17/2021 30' LIGHT POLE W/ 15' ARM-F  | 2,107.50    | 2,107.50    |
| 112658  | 1/20/2022 | 51600  | IRC, INC.                  | 2021120048    | 1/1/2022 DEC2021 PRE-EMPLOYMENT         | 176.80      | 176.80      |
| 112659  | 1/20/2022 | 47328  | KONICA MINOLTA             | 39121085      | 12/26/2021 BIZHUB C454E, 1515 6TH ST,   | 212.07      |             |
|         |           |        |                            | 39156480      | 1/2/2022 ACC 061-0042081-000, JAN20     | 67.43       | 279.50      |
| 112660  | 1/20/2022 | 44047  | KONICA MINOLTA BUSINESS    | 9008252454    | 12/13/2021 BIZHUB C454E, 1515 6TH ST,   | 28.49       |             |
|         |           |        |                            | 9008271441    | 12/22/2021 BIZHUB 282, FIRE DEPT, 11/2  | 0.16        | 28.65       |
| 112661  | 1/20/2022 | 45257  | LIEBERT CASSIDY WHITMORI   | 208631        | 11/30/2021 PE 11/30: CO015-00008        | 1,148.00    | 1,148.00    |
| 112662  | 1/20/2022 | 02028  | PETE'S ROAD SERVICE, INC.  | 541469-00     | 11/4/2021 MOUNT/BALANCE NEW TIRE        | 343.88      |             |
|         |           |        |                            | 539394-00     | 11/1/2021 MOUNT/BALANCE NEW TIRE        | 216.88      | 560.76      |
| 112663  | 1/20/2022 | 52596  | PLANIT PRINTWORKS          | 904367        | 10/4/2021 LRG/SMALL FORMAT PLANS-       | 33.24       |             |
|         |           |        |                            | 905565        | 11/8/2021 LRG FORMAT PLANS- PUEBL       | 737.49      | 770.73      |

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| Check # | Date      | Vendor | Invoice                                | Inv Date   | Description                   | Amount Paid | Check Total |
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| 112664  | 1/20/2022 | 52389  | POWER SECURITY GROUP IN5051            | 9/30/2021  | SEPT2021 SECURITY GRD SV\     | 3,424.00    |             |
|         |           |        | 5052                                   | 9/30/2021  | SEPT2021 SECURITY GRD SV\     | 3,060.20    |             |
|         |           |        | 5053                                   | 9/30/2021  | SEPT2021 SECURITY GRD SV\     | 10,528.80   |             |
|         |           |        | 5078                                   | 10/21/2021 | OCT2021 SECURITY GRD SV\      | 1,284.00    |             |
|         |           |        | 5121                                   | 11/1/2021  | OCT2021 PATROL SVCS           | 5,136.00    |             |
|         |           |        | 5122                                   | 11/1/2021  | OCT2021 SECURITY GRD SV\      | 4,718.70    |             |
|         |           |        | 4887                                   | 7/6/2021   | JUNE2021 PATROL SVCS          | 5,136.00    |             |
|         |           |        | 4888                                   | 7/6/2021   | JUNE2021 SECURITY GRD SV\     | 3,424.00    |             |
|         |           |        | 4889                                   | 7/6/2021   | JUNE2021 SECURITY GRD SV\     | 1,947.40    |             |
|         |           |        | 5123                                   | 11/1/2021  | OCT2021 SECURITY GRD SV\      | 4,066.00    |             |
|         |           |        | 5124                                   | 11/1/2021  | OCT2021 SECURITY GRD SV\      | 2,921.10    |             |
|         |           |        | 5161                                   | 12/2/2021  | NOV2021 PATROL SVCS           | 5,856.00    |             |
|         |           |        | 5162                                   | 12/2/2021  | NOV2021 SECURITY GRD SV\      | 3,960.00    |             |
|         |           |        | 5163                                   | 12/2/2021  | NOV2021 SECURITY GRD SV\      | 3,120.00    |             |
|         |           |        | 5049                                   | 9/30/2021  | SEPT2021 PATROL SVCS          | 5,221.60    |             |
|         |           |        | 5050                                   | 9/30/2021  | SEPT2021 SECURITY GRD SV\     | 4,943.40    | 68,747.20   |
| 112665  | 1/20/2022 | 42759  | PROPER SOLUTIONS, INC. 12799           | 1/7/2022   | WE 1/7: S. CARLOS RAMIREZ     | 306.00      | 306.00      |
| 112666  | 1/20/2022 | 52344  | QUADIENT FINANCE USA, INCCD 1/12/22    | 1/12/2022  | DEC2021 POSTAGE BY PHON       | 1,000.00    | 1,000.00    |
| 112667  | 1/20/2022 | 52327  | QUADIENT LEASING USA, INCN9187420      | 12/20/2021 | JA-AP2022, LSE #N17071771-    | 787.14      | 787.14      |
| 112668  | 1/20/2022 | 53736  | RG2 MANAGEMENT LLC 2865                | 12/20/2021 | WE 12/19: K. MEDINA           | 972.00      | 972.00      |
| 112669  | 1/20/2022 | 11080  | RIVERSIDE COUNTY RECORA21-387485       | 8/11/2021  | AUG2021- FISH DOC             | 50.00       |             |
|         |           |        | 21-422070                              | 8/31/2021  | AUG2021- REC COPY             | 18.00       | 68.00       |
| 112670  | 1/20/2022 | 44581  | SIGNARAMA INV-109554                   | 1/12/2022  | INSTLL'D ACRYLIC SIGNS @ I    | 3,503.26    |             |
|         |           |        | INV-109800                             | 1/12/2022  | INSTLL'D ACRYLIC SIGN @ LI    | 288.90      | 3,792.16    |
| 112671  | 1/20/2022 | 35450  | SOCALGAS 1377 6th-NV21                 | 11/29/2021 | AC 012 623 3701 5, 10/25-11/2 | 71.01       |             |
|         |           |        | 1500 6th-NV21                          | 11/29/2021 | AC 020 678 1257 4, 10/25-11/2 | 20.91       |             |
|         |           |        | 1515 6th-NV21                          | 11/29/2021 | AC 031 523 3700 6, 10/25-11/2 | 19.91       |             |
|         |           |        | 1540 7th-NV21                          | 11/29/2021 | AC 008 423 3900 4, 10/25-11/2 | 96.58       |             |
|         |           |        | 87075Av54-NV2                          | 11/29/2021 | AC 123 573 5834 5, 10/25-11/2 | 64.20       |             |
|         |           |        | BagPool-NV21                           | 11/30/2021 | AC 069 323 6500 7, 10/25-11/2 | 14.79       |             |
|         |           |        | 84626Bag-NV21                          | 11/30/2021 | AC 153 323 6215 9, 10/25-11/2 | 14.79       | 302.19      |
| 112672  | 1/20/2022 | 48602  | SOMERS, MARIEL 014                     | 12/28/2021 | JL-DC2021 INTERP/TRNSLTN      | 2,313.00    | 2,313.00    |
| 112673  | 1/20/2022 | 52595  | STAPLES BUSINESS CREDIT 7342778347-0-1 | 11/1/2021  | FRAME LEATHERET 2PK           | 15.21       |             |
|         |           |        | 7342778347-0-2                         | 11/1/2021  | DOCUMENT FRAME                | 38.69       |             |
|         |           |        | 7345535310-0-1                         | 12/9/2021  | BOWLS AND PLATES              | 89.25       | 143.15      |

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| Check #                         | Date      | Vendor | Invoice                  | Inv Date      | Description | Amount Paid                  | Check Total |            |
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| 112674                          | 1/20/2022 | 52651  | STENO SOLUTIONS          | 43522         | 1/1/2022    | DEC2021 TRANSCRIPTION S'     | 58.66       | 58.66      |
| 112675                          | 1/20/2022 | 36300  | SWRCB FEES               | BA122421-01   | 12/27/2021  | DISHONORED CHECK FEE         | 25.00       | 25.00      |
| 112676                          | 1/20/2022 | 42289  | TIME WARNER CABLE        | 0037022122821 | 12/28/2021  | AC 8448 20 899 0037022, JAN: | 2,220.98    | 2,220.98   |
| 112677                          | 1/20/2022 | 38250  | TOPS N BARRICADES        | 1091230       | 11/30/2021  | JKT PARKA LIME ZIP OFF SLV   | 147.79      |            |
|                                 |           |        |                          | 1091306       | 12/6/2021   | JKT RACE LIME WINDBRKR V     | 365.94      |            |
|                                 |           |        |                          | 1091358       | 12/8/2021   | JKT BOMBER LIME              | 52.07       | 565.80     |
| 112678                          | 1/20/2022 | 52204  | TPX COMMUNICATIONS       | 151249739-0   | 12/16/2021  | AC33325, 12/16-1/15          | 4,134.22    | 4,134.22   |
| 112679                          | 1/20/2022 | 44966  | VERIZON WIRELESS         | 9895671775    | 12/22/2021  | AC571164685-00001, 11/23-12, | 45.89       |            |
|                                 |           |        |                          | 9896266015    | 1/1/2022    | AC371867190-00001, 12/2-1/1  | 11,138.67   |            |
|                                 |           |        |                          | 9896266016    | 1/1/2022    | AC371867190-00002, 12/2-1/1  | 267.30      | 11,451.86  |
| 112680                          | 1/20/2022 | 48971  | XPRESS GRAPHICS & PRINTI | 21-44824      | 12/15/2021  | POLE BANNER                  | 151.60      | 151.60     |
| 112681                          | 1/20/2022 | 54502  | ZAMORA, MANNY            | Refund        | 1/4/2022    | DEPOSIT REFUND- LIBRARY      | 300.00      | 300.00     |
| Sub total for WELLS FARGO BANK: |           |        |                          |               |             |                              |             | 389,207.80 |

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Check List  
City of Coachella

Item 12.  
Page: 8

45 checks in this report.

Grand Total All Checks: 397,619.90

Date: January 20, 2022

  
Finance Director: Nathan Statham



## STAFF REPORT 1/26/2022

**To:** Honorable Mayor and City Council Members

**FROM:** Nathan Statham, Finance Director &  
Carlos Campos, City Attorney

**SUBJECT:** Adopt Ordinance 1191 updating the City's Purchasing & Procurement Ordinance (2nd Reading) and resolution 2022-03 setting purchasing and competitive procurement thresholds

### **STAFF RECOMMENDATION:**

Staff recommends that City Council adopt the proposed changes to the City's Purchasing and Procurement Ordinance (2<sup>nd</sup> reading) along with the related resolution 2022-03 setting purchasing and competitive procurement thresholds.

### **EXECUTIVE SUMMARY**

The City's current purchasing and procurement ordinances are inconsistent with current service and materials costs and are out of date with purchasing practices and regulations. The City Attorney's office conducted a survey of valley cities for purchasing authority thresholds and increases to the City's purchasing authority thresholds are recommended based on the survey results. City finance and legal evaluated state and federal purchasing regulations and are recommending the City adopt regulatory limits for public works contracts and federal expenditures. Additionally, there are a significant number of proposed changes incorporated for clarifications and to streamline procurement processes.

The City's purchasing a procurement ordinance is designed to implement approval limits and provide a structural framework for City departments to obtain the goods and services necessary to provide City services to residents. There are countless purchasing situations the City faces. The purchasing ordinance is designed to provide specific authority thresholds and a procedural procurement framework. At the same time, the purchasing ordinance needs to be broad enough to accommodate a wide variety of situations. The finance department derives operational procedures and provides administrative guidance to departments during normal operations based on the purchasing ordinance.

The goal of a fiscally sound purchasing ordinance is to balance the costs from staff time spent following the procedures with the savings the City can obtain from the procedures. For example, if it takes City staff ten hours to prepare an RFP, publish the RFP, review the results and select a respondent at an average hourly cost of \$100 per hour, the savings from the RFP process should exceed \$1,000.

It is also imperative that a purchasing ordinance be consistent with City operations so it can be followed with reasonable ease. There are very few restrictions on how broad of a policy City Council adopts, but compliance with the purchasing policy is reviewed on an ongoing basis by the finance department and

external auditors. If the purchasing ordinance is inconsistent with City procedures, exceptions are likely occur which will result in audit findings, wasted staff time and improper goods and service being procured. The recommended changes to the City's purchasing ordinance are consistent with current City needs and represent a reasonable cost benefit trade off that will allow for City staff to address the purchasing needs of the City.

### **BACKGROUND:**

The City's current purchasing and procurement ordinance was last revised in 2003 (Ordinance 893) with the exception of a local preference provision added in 2013. Purchasing authority limits and competitive procurement thresholds were included in the 2003 ordinance. These limits are based on purchasing needs and cost levels from 2003 that are inconsistent with needs and current materials and service costs.

In 2014 the Office of Management and Budget implemented Uniform Guidance for all federal awards. Included in the implementation were certain requirements for purchasing policies applicable to the expenditure of federal funds. The City's purchasing ordinance was not updated per the requirements and has been out of compliance in this regard.

The City Attorney's office conducted a Coachella Valley wide purchasing dollar limit approval threshold survey. A summary of the survey results is shown below:

|                       | <b>Department</b> | <b>City</b>    |
|-----------------------|-------------------|----------------|
|                       | <b>Director</b>   | <b>Manager</b> |
| <b>Palm Desert</b>    | 25,000            | 50,000         |
| <b>Indian Wells</b>   | 5,000             | 25,000         |
| <b>La Quinta</b>      | 15,000            | 50,000         |
| <b>Indio</b>          | 5,000             | 75,000         |
| <b>Cathedral City</b> | 75,000            | 75,000         |
| <b>Palm Springs</b>   | 25,000            | 25,000         |
| <b>Rancho Mirage</b>  | 25,000            | 25,000         |

### **PROPOSED SUBSTANTIVE AMENDMENTS**

1. **Purchasing Authority (Resolution 2021-74)** – The current purchasing authority threshold is \$15,000 for the City Manager with all amounts exceeding the threshold subject to approval by City Council. Based on internal policies, the purchasing authority threshold for department directors is \$2,500.
  - The proposed thresholds would be \$25,000 for the City manager and \$10,000 for department directors.
2. **Competitive Procurement - Public Works Contracts** – The City did not previously elect to become subject to the Uniform Public Construction Cost Accounting Act. As a result, the City was unintentionally subject to a statutory formal bid process for projects exceeding \$5,000.
  - The proposed changes would include electing to become subject to the Uniform Public Construction Cost Accounting Act (Resolution 2021-75). Once this election is made, the formal and informal competitive procurement thresholds are set by the state of California and are adjusted annually for inflation. Currently the thresholds are set so that projects \$60,000 and under are not subject to competitive procurement, contracts over \$60,000 and

under \$200,000 will be subject to informal bidding and projects over \$200,000 are subject to formal bidding.

3. **Competitive Procurement - Federal Funds** – The current ordinance does not address federal funds specifically.
  - The proposed changes are to adopt the competitive procurement thresholds under the Uniform Guidance applicable to expenditures of federal awards. Thresholds are currently set at \$10,000 “micro purchases” for situations where competitive procurement procedures are not required and \$250,000 for “simplified acquisition” where informal procurement procedures can be followed.
4. **Competitive Procurement for General Goods and Services (Resolution 2021-74)** – The current ordinance requires competitive procurement for purchases over \$2,500 except for professional services agreements where the threshold is set at \$15,000.
  - The proposed competitive procedures thresholds represent a tiered approach increasing the \$2,500 threshold to \$5,000 where no competitive procurement is required. Informal competitive procurement procedures will be required for purchases over \$5,000 but under \$75,000. Purchases over \$75,000 will require formal bidding procedures.
5. Two exceptions were added to the proposed ordinance:
  - **Reoccurring as needed service agreements** – these agreements are designed to provide services that are unknown in quantity. For example, the procurement of plan review services is unknown when the agreement is setup and fluctuates dramatically with the number, size and nature of the projects submitted to the City. For this example, this exception allows the Development Services Department to compare hourly rates between firms that provide planning review services selecting the lowest hourly rate firm (presumed fully qualified). Once selected, the number of planning review services requested is not affected by total price since the services are attributed to many different developments through the course of the year.
  - **Individual Specific Agreements** – in certain circumstances the City needs to hire an individual who works for a consulting firm or is a 1099 employee. In these circumstances, the City provides direct supervision of work performed and is evaluating the resume of the individual in question. Procurement in these circumstances is more akin to an employment determination than a procurement.
6. **Surplus goods de minimus threshold** – the current threshold is set at \$2,500, the proposed threshold is \$5,000 consistent with the City’s capitalization policy.

#### **FISCAL IMPACT:**

The fiscal impact of this action cannot be directly determined. It is staff’s opinion that these updates will provide clarity and efficiencies to the City’s purchasing and procurement process that will result in overall savings through reduced staff and City Council time spent reviewing and approving purchases.

#### **ATTACHMENTS:**

1. Ordinance 1191 – Recommended purchasing ordinance
2. Resolution No. 2022-03 – Setting purchasing and competitive procedure thresholds
3. Current purchasing and procurement ordinance (Municipal Code Chapter 4 Section 8)

## ORDINANCE NO. 1191

### AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COACHELLA, CALIFORNIA, REPLACING THE CITY'S PURCHASING ORDINANCE AS SET FORTH IN CHAPTER 4.08 OF THE CITY OF COACHELLA MUNICIPAL CODE

**WHEREAS**, updating the City of Coachella's purchasing ordinance will make the City more effective, efficient, fiscally responsible and better reflect the City's operating procedures for procurement; and

**WHEREAS**, on December 8, 2021, the City Council conducted a legally noticed public hearing on the proposed Code Amendments, and considered public testimony and materials in the staff report and accompanying documents and exhibits.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COACHELLA, CALIFORNIA, RESOLVES AS FOLLOWS:**

**Section 1.**     **Recitals.** The above recitals are hereby adopted by the City Council and incorporated as set forth in this section.

**Section 2.**     **Amendment.** Chapter 4.08 of Title 4 of the City of Coachella Municipal Code is hereby replaced in its entirety to read as follows:

#### **"Chapter 4.08 – PURCHASING**

##### **4.08.10        Purpose of this Chapter**

This section is hereby adopted in order to establish efficient policies and procedures for the procurement of public goods and services at best overall value to the City, to exercise positive financial control over purchases and procurements, to clearly define authority for the purchasing function, and to comply with all applicable laws in a professional and ethical manner.

##### **4.08.20        Definitions**

For the purposes of this Chapter, the following words and terms, shall be construed with the following definitions:

A.     **"Best value"** means the overall value provided to the City including price, competency, availability, quality and any other factor including setup costs, staff time, and levels of certainty that collectively provide lower overall costs irrespective of the quoted price. Best Value is the result of a comprehensive analysis of known variables and the determination of the total cost to the City.

B.     **"Coachella Valley"** means the nine incorporated cities of the Coachella Valley, and the unincorporated areas of Riverside County in the Coachella Valley that are located within the boundaries of the Coachella Valley Association of Governments.

C. **“Federal funding purchases”** means any purchase of goods or services paid for with federal funds (including partial federal funding) or federal pass through funds.

D. **“General services”** means the furnishing of labor, time, or effort by a contractor for non-professional services as the city may, from time to time, find necessary and proper for the functioning of the city. Examples include, but are not limited to, janitorial, uniform cleaning, or other services which do not require any unique skill, special background or training.

E. **“General goods”** means any and all supplies, materials, articles, things, or property, other than real property, furnished to be used by the city.

F. **“Local business”** means a vendor, contractor, or consultant who has a valid physical business address located within the Coachella Valley, at least six months prior to bid or proposal opening date, from which the vendor, contractor, or consultant operates or performs business on a day-to-day basis, and holds a valid business license by a jurisdiction located in the Coachella Valley. Post office boxes are not verifiable and shall not be used for the purpose of establishing such physical address.

G. **“Maintenance services”** means:

1. Routine, recurring, and usual work not considered a Public Works Contract for the preservation or protection of a publicly owned, or publicly operated facility for intended purposes;
2. Minor repainting or resurfacing;
3. Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems; and
4. Work performed to keep, operate and maintain publicly owned water or waste disposal systems;
5. Other similar services that are generally classified as maintenance.

H. **“Professional services”** means services provided by a person, company, corporation, or firm engaged in a profession based on a generally recognized special knowledge, skill, license, and/or certification to perform the work including, but not limited to, the professions of accountant, attorney, artist, architect, landscape architect, construction manager, engineer, environmental consultant, dentist, physician, training or educational consultant, or land surveyor, and whose services are considered distinct and unique.

I. **“Public works contract”** means:

1. A contract for the erection, construction, alteration, repair or improvement of any public structure, building, road or other public improvement of any kind as defined in the California Public Contract Code;

2. Work in or about streams, embankments or other works for protection against overflow;
3. Street or sewer work except maintenance or repair; and
4. Furnishing supplies or materials for any such project,.

J. **“Request For Proposal (“RFP”)”** means a document that solicits firms to submit a proposal to perform the scope of work associated with a proposed project. Cost is not the sole basis for selection in an RFP; other qualifications including experience, turnaround time and approach to work are important factors when evaluating proposals. RFPs are project specific and preparation requires general knowledge of the project.

K. **“Request For Qualification (“RFQ”)”** means a document that solicits firms to submit information about their qualification and capabilities to perform the type of work associated with a proposed project. The preparation of an RFQ generally does not require specific project knowledge or scope. An RFQ may be used as a pre-qualification step to engaging a service provider. If an RFQ is required, only those candidates who successfully respond to it and meet the qualification criteria will be included in the subsequent RFP process. An RFQ will contain specific reference to selection criteria.

L. **“Goods and/or Services”** is/are used as an inclusive description for general goods and/or services, maintenance services, or professional services irrespective of whether the goods and/or services are related to federal funding purchase, maintenance services or public works contracts.

#### **4.08.30 Purchasing Authority**

The authority to purchase goods and services shall be delegated by resolution of city council based on dollar limit thresholds. The city manager or finance director will bring recommended modifications to purchasing authority limits to city council from time to time as deemed necessary. Recommended modifications under this section will be based on an evaluation of the costs associated with imprudent purchases versus the costs associated with city staff and council time required to analyze and approve purchases. Factors such as inflation and local purchasing practices should be considered when making this determination.

#### **4.08.40 Purchasing Policy Procedures.**

A. **Procurement Guidelines.** The finance director shall implement policies and procedures governing the procurement of public projects, goods and services for the city consistent with this Chapter. Said procedures and policies may be amended as needed to address operational issues as they arise.

B. **Rejection of Bids and Proposals.** At its discretion, the city council or city manager may reject any and all bids, proposals, quotations, or prices and take any other action deemed appropriate for the procurement of public projects, goods and services.

C. **Required Procedures.** More specific procurement methods shall be used if required by federal and state law, or where federal or state funds are involved in the contract to be awarded, or when required under a grant agreement, or when the city council or city manager determines it is in the best interest of the city to do so.

D. **Appropriations Requirement.** No contract or purchase shall be made unless the city manager or finance director shall have first confirmed that there is an appropriation in the fund against which such expenditure is to be charged sufficient to cover the amount of purchase or contract, unless in cases of emergency or where the immediate procurement is deemed to be in the immediate best interest of the City.

E. **Unauthorized Purchases.** No officer or employee of the city shall request a firm to deliver goods and/or services to the city without prior authorization by the city manager, department director or city council (depending on applicable approval limit). Such purchases are void and not considered an obligation of the city.

F. **Performance Bonds.** The city manager shall have authority to require a performance bond before entering a contract in such an amount necessary to protect the best interests of the city. The city manager shall have the authority to release the required performance bonds once the initial need to protect the best interest of the city is deemed reasonably mitigated.

G. **Review and Approval of Plans and Specifications.** The city engineer, or qualified designee(s), is authorized to review and approve engineering plans for all public projects. This shall include the working details, drawings, plans and specifications prepared for every public works project, including emergency and change order work, which may affect the design or operation of public improvements and which may bring into question the city's liability for dangerous conditions of public property.

H. **Master Agreements.** The city may enter into master agreements, under which city staff purchases goods and services, including but not limited to on-call services. Master Agreements shall have a not-to-exceed cost limit and be subject to the procurement requirements of this Chapter based on the not-to-exceed value.

I. **Split Purchases.** A split purchase occurs when the quantity of a required goods or service is known prior to the initial purchase, and is divided into multiple purchases in order to avoid the requirement for obtaining bids or proposals. Split purchases are prohibited, may be misdemeanors under State law if public bidding is required, and are generally considered fraud, waste, and/or abuse and in violation of best practices standards.

J. **Subsequent Contract Awards, Amendments, Extensions or Renewals.** Notwithstanding anything herein to the contrary, the city manager shall not award a subsequent contract to the same individual or entity for the same or similar services on the same project, or amend, extend or renew such a contract, without obtaining approval authority by the city council, when the award, amendment, extension or renewal will result in the city paying an aggregate amount in excess of the approval authority of the city manager to the individual or entity in any given fiscal year.

#### **4.08.50 Protest Procedure**

A. **Right to Protest.** Prior to city making the award of a contract, any responsible bidder or proposer in connection with the procurement of the contract may protest the award. A subcontractor of a bidder or proposer may not submit a protest. This Section shall apply to all contracts awarded by the city council through a formal competitive process, including but not limited to a formal bidding process or formal RFP or RFQ process. The protest procedure does not apply to contracts that are awarded at the city staff level or through a non-competitive process (e.g., by sole source). The protest procedure is solely to serve the public interest and obtain finality of city contract awards.

B. **Timing of Protest.** The protest shall be submitted in writing within the following times:

1. For the protest of another bidder's bid, five (5) working days after the bid opening date.

2. If the city issues a notice of intent to reject a bid or any other determination of a bid, then the protest shall be submitted in writing within five (5) calendar days following the issuance of the notice and prior to the date of the contract award.

3. Untimely protests will not be considered and will be deemed waived.

C. **Contents of Protest.** The protest shall identify and explain the factual and legal grounds for the protest and include all relevant and supporting documentation. Any grounds not raised in the written protest are deemed waived by the protesting bidder.

D. **City Response.** If the protest is timely and complies with the above requirements, the city shall review the protest, any response from the challenged bidder(s), and all other relevant information and provide a written decision to the protestor.

E. **Effect of Failure to Comply with Protest Procedures.** The procedures set forth in this Section are mandatory and are the sole and exclusive remedy of a bidder or proposer to dispute the award of a contract. A protest that does not comply with these procedures may be summarily rejected.

F. **Conflicts.** The protest procedure contained in this section shall not apply if a particular procurement solicitation contains a different protest procedure.

#### **4.08.60 Competitive Procurement**

The total estimated contract amount for the cost of goods and services determines the competitive procurement procedures and procurement methods that must be followed, as described below:

A. **General** The competitive procurement thresholds for general goods and services will be set by resolution of the city council. The city manager or finance director will from time to time evaluate the general procurement thresholds to determine adequate levels considering the expected benefits from lower prices obtained through competitive procedures versus the costs incurred by the city through the use of city staff time to perform the competitive procurement

procedures. Modifications to the thresholds will be recommended to city council as deemed necessary.

The city council may dispense with the formal bid process for goods if the city council finds that a formal RFP process would be more beneficial to the city or if the city council finds that the need to compare different products and/or negotiate the best value would be better achieved through the formal RFP process.

**B. Public Works Contracts** The thresholds for bidding of public works contracts shall be subject to the California Uniform Public Construction Cost Accounting Act (Public Contract Code sections 22000 et seq.) as adopted by resolution of city council.

**C. Expenditures of Federal Funds** The threshold for bidding of projects funded with federal funds will be consistent with 2 CFR Part 200 Uniform Guidance where the Office of Budget and Management sets and periodically amends competitive procurement thresholds. Where a project is a public works contract funded with federal funds, the lower competitive bidding threshold will apply. This requirement is applicable if any part of the public works contract is funded with federal funds.

#### **4.08.70 Informal Quote Process**

**A. Soliciting Quotes or Proposals.** City staff shall solicit via posted notice, telephone request, mail, email, fax or any other reasonable solicitation method, price quotes or proposals documented in writing. If unable to obtain a minimum of three (3) price quotes, staff shall document that reasonable efforts were made to obtain price quotes or proposals including, that a notice was posted for not less than seven (7) calendar days; that there were no other vendors to solicit price quotes or proposals from; or that they solicited to other vendors and two or more declined to provide a quote or proposal.

**B. Award of Contract.** Award shall be made to the vendor providing the best value.

#### **4.08.80 Informal Bidding Procedures.**

**A. Required Process.** The informal bidding procedures shall comply with all aspects of state and local law governing formal competitive bidding, including, but not limited to, the Government Code, Labor Code, Uniform Guidance under 2 CFR Part 200, resolutions of the city council as may be adopted from time to time, this Chapter, and policies and procedures as the city manager or finance director may implement from time to time as applicable.

**B. Notice Inviting Bids.** At a minimum, a notice inviting bids shall: (1) describe the project; (2) state how to obtain more detailed information about the project; and (3) state the date, time and place for the submission of bids. The notice shall be advertised in the most expedient manner possible maximize the number of qualified respondents. Notices inviting bids will be sent by the advertising City Department to a list of qualified contractors.

**C. Bid Submission.** Bids shall be submitted to the advertising city department and shall be clearly identified by the department with a bid number. The receiving city department will track all bids received.

D. **No Bids.** If no bids are received, the city department or council may have the procurement done in any manner deemed prudent without further complying with this Chapter.

E. **Award of Contract.** If awarded, the contract shall be awarded to the lowest responsible bidder submitting a responsive bid. If two or more bids received are the same amount, the city council may decide which bid to accept and award.

F. **Rejection of Bids.** The city council or city manager may, at their sole and absolute discretion, reject any one or more items of a bid, reject any and all bids, or waive any irregularities or informalities in the bids or bidding process if deemed to best serve the interests of the city.

#### **4.08.90 Formal Request for Proposal (RFP)/Request for Qualifications (RFQ) Process**

The formal RFP or RFQ process shall be utilized to engage services on the basis of best value to the city. The following minimum guidelines and procedures shall be implemented:

A. **Notice Inviting RFQs or RFPs.** At a minimum, the notice inviting RFQs or RFPs shall: (1) describe the project; (2) state how to obtain more detailed information about the project; (3) state the date, time and place for the submission of qualifications or proposals; (4) describe general parameters for evaluation and selection; and (5) include any other information required by state or local law.

B. **Published Notice.** City staff shall solicit RFQs or RFPs via published notice in a newspaper of general circulation and/or the city's website at least ten (10) calendar days before the date for receiving qualifications or proposals, unless exigent circumstances call for a shorter time.

C. **Review of Qualifications or Proposals.** Proposals shall be evaluated based on the evaluation and selection criteria established by the city.

D. **Award.** Award for professional services contracts shall be to the respondent offering the best value to the city, in the city's sole and absolute discretion.

E. **Rejection of Proposals.** The city manager or city council may, in its sole and absolute discretion, reject all proposals presented and re-advertise.

#### **4.08.100 Formal Public Works Contract Bidding Process**

A. **Required Process.** The formal bidding process shall comply with all aspects of state and local law governing formal competitive bidding, including, but not limited to, the Public Contract Code, Government Code, Labor Code, Uniform Guidance under 2 CFR 200, resolutions of the city council as may be adopted from time to time, this Chapter, and policies and procedures as the city manager or finance director may implement from time to time as applicable.

B. **Notice Inviting Formal Bids.** Notice inviting formal bids shall be provided. Notices shall state the time and place for the receiving and opening of sealed bids and distinctly describe the project. At a minimum, the notice inviting formal bids shall: (1) describe the project; (2) state how to obtain more detailed information about the project; (3) state the date, time and place for the submission of sealed bids; and (4) include any other information required by state or local law.

C. **Published Notice.** The notice shall be published at least ten (10) calendar days before the date of opening the bids in a newspaper of general circulation and on the city's website. Notice shall be published at least twice not less than five (5) calendar days apart.

D. **Bidder's Security.** All bids shall be presented under sealed cover accompanied by one of the following forms of bidder's security: (a) cash; (b) cashier's check made payable to the city; or (c) a bidder's bond executed by an admitted surety insurer made payable to the city. Such security shall be an amount at least equal to ten percent of the bid amount. No bid shall be considered unless security in the form above set forth is enclosed with the bid.

E. **Forfeiture of Security.** If the successful bidder fails to execute the contract, the bidder's security shall be forfeited to the city. The city council may on refusal or failure of the successful bidder to execute such contract award the contract to the next lowest responsible bidder. If the city council awards the contract to the second lowest bidder, the amount of the lowest bidder's security shall be applied by the city to the difference between the low bid and the second low bid. The surplus, if any, shall be utilized to offset any and all costs of preparation and printing of plans, specifications, estimates of cost, publication of notices, and any surplus remaining shall be returned to the lowest bidder who fails to execute the contract.

F. **Bid Opening.** Sealed bids shall be submitted to the city clerk and shall be clearly identified with the bid number on the envelope. Upon receipt, the city clerk shall date and time stamp the envelope. Bids shall be opened in public at the time and place stated in the public notices.

G. **Review of Bids.** The city shall review all bids received for completeness, accuracy, responsiveness to the invitation and bid documents, and the city's experience with or knowledge of the qualification and reliability of each bidder and prepare a recommendation for the city council. The city council may waive any irregularities or discrepancies in each bid received.

H. **No Bids.** If no bids are received, the city council may have the project done in any manner that the city council may direct without further complying with this Chapter.

I. **Award of Contract.** If awarded, the contract shall be awarded to the lowest responsible bidder submitting a responsive bid. If two or more bids received are the same amount, the city council may decide which bid to accept and award.

J. **Rejection of Bids.** The city council may, in its sole and absolute discretion, reject any one or more items of a bid, reject any and all bids, or waive any irregularities or informalities in the bids or bidding process if deemed to best serve the interests of the city. After all bids are rejected, the city council may pass a resolution by a four-fifths vote of its members declaring that the project can be performed more economically by employees of the city or procuring goods on

the open market, or elect to readvertise for bids pursuant to the procedures prescribed in this Section.

#### **4.08.110 Formal Non-Public Works Contract Bidding Procedures.**

K. **Required Process.** The formal non-public project bidding procedures shall comply with all aspects of state and local law governing formal competitive bidding, including, but not limited to, the Government Code, Labor Code, Uniform Guidance under 2 CFR Part 200, resolutions of the city council as may be adopted from time to time, this Chapter, and policies and procedures as the city manager or finance director may implement from time to time as applicable.

L. **Notice Inviting Formal Bids.** At a minimum, a notice inviting formal bids shall: (1) describe the project; (2) state how to obtain more detailed information about the project; and (3) state the date, time and place for the submission of bids. The notice shall be advertised in the most expedient manner possible maximize the number of qualified respondents.

M. **Bid Opening.** Bids shall be submitted to the advertising city department and shall be clearly identified with a bid number. The receiving city department will track all bids received.

N. **No Bids.** If no bids are received, the city council may have the procurement done in any manner that the city council may direct without further complying with this Chapter.

O. **Award of Contract.** If awarded, the contract shall be awarded to the lowest responsible bidder submitting a responsive bid. If two or more bids received are the same amount, the city council may decide which bid to accept and award.

P. **Rejection of Bids.** The city council may, in its sole and absolute discretion, reject any one or more items of a bid, reject any and all bids, or waive any irregularities or informalities in the bids or bidding process if deemed to best serve the interests of the city.

#### **4.08.120 Exceptions to Procurement Methods**

This Section contains exceptions to the City's general procurement requirements. The City may determine that use of an exception is more beneficial under the circumstances. Exceptions should only be used where the particular exception provides a greater public benefit than adhering to standard procurement requirements.:

A. **Disaster Relief.** When in the case of a disaster, as further explained in Chapter 2.56, the requirements of this Chapter do not apply.

B. **Emergency.** When in case of emergency.

1. "Emergency" means a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.

2. In the case of an emergency which requires the immediate procurement of public works, services or goods the city manager or department director may procure these items

without regard to the provisions of this Chapter. The action shall only be to repair or replace a public facility, take any directly related and immediate action required by that emergency, or procure the necessary equipment, services, and supplies for those purposes. The city manager or department director shall terminate the emergency action at the earliest possible date that conditions warrant. If a contract or purchase is made pursuant to this authority, the city manager or department director shall, upon request, provide to the city council for review a written public record showing the nature of the emergency and when applicable to a public works contract the city manager's authorization to proceed pursuant the provisions of this section and Public Contract Code section 22050.

C. **No Competitive Market.** Except where otherwise prohibited by law, when the city council, city manager or department director determines that a competitive market does not exist or that the city will not gain a competitive advantage by using the formal or informal bidding procedure, the city may use any other procurement method.

D. **Competitive Bidding Already Completed.** Except where otherwise prohibited by law, when it is determined that: (1) a competitive bid procedure has been conducted by another public agency, including, but not limited to, another local agency, the State through the California Multiple Award Schedule (CMAS), the federal government through the General Services Administration (GSA), or a joint powers agency, authority or alliance that procures competitive contracts; and (2) the price to the city is equal to or better than the price to that public agency.

E. **Mandated Expenditures.** When expenditures are mandated by law or regulation, such as county booking fees, utilities, postage, waste disposal fees or other non-negotiable permit, use or application fees.

F. **Shared Services.** When the city council or city manager authorizes the award and execution of contracts for services, subject to the dollar limits consistent with this Chapter, that are provided by another government, public entity, joint powers authority, quasi-governmental entity, special district or non-profit entity that will maximize efficiency, increase cost effectiveness, increase range of services, minimize duplication, provide training or education encourage collaboration or standardize efforts, or leverage government resources.

G. **Best Interest of City.** Except where otherwise prohibited by law, when the city council or city manager authorizes the award and execution of contracts for services and goods subject to the dollar limits consistent with this Chapter, without following the required procurement methods, provided that the city council or city manager finds that such award is in the best interest of the city, or of the public health, safety, and welfare.

H. **Sole Source.** When the city council or city manager determines that there is only one source that provides the needed services or goods, or to ensure compatibility with other city products and equipment, the city shall work to procure these items in the best interest of the city.

I. **Purchase of Recurring Charges.** The city may create an open vendor list for the purposes of providing services and goods for the fiscal year for ongoing cleanup, maintenance and different routine items that are of a continuing nature. Prices from each vendor shall be obtained in a manner to ensure competitive pricing, in the best interest of the city. Vendor approval

thresholds will be determined consistent with section 4.08.30 of this chapter consistent with each project for which the recurring charges are needed.

J. **Task or Job Orders.** Except where otherwise prohibited by law, task or job orders that the city places through a duly approved master agreement shall not be subject to further procurement requirements. This section is inclusive of pre-negotiated supplier contracts and cooperative purchasing arrangements and will be applicable to any similar purchasing mechanism where competitive procedures were undertaken and the purchasing mechanism is consistent with industry practices.

K. **Reoccurring as Needed Service Agreements.** The City may engage certain service providers to perform routine services that are requested on an intermittent basis for an unknown amount. These agreements should be based on competitive procurement through the informal quote process (usually on a per hour basis) using the best value standard. The City may engage multiple service providers under this item to ensure continuous availability of services.

L. **Individual Specific Agreements.** Certain professional services contracts are exempt from the competitive procurement process in the limited circumstance where the contract is not for a set amount and is so closely tied to the individual contracted that the same result would not be expected should the contract be competitively bid (procurement of services dependent on the individual contracted). This section is applicable when the services are more consistent with a function performed by a contracted employee than an independent professional services provider. To meet the exemption outlined in this section, the contracted services must be tied directly to an individual. A listing of such contracts will be maintained by the finance director and will be approved by the finance director and city manager or their designees.

M. **Otherwise Authorized.** When otherwise authorized by this Chapter or applicable law.

#### **4.08.130 Change Orders.**

A. Contracts may be amended by the issuance of a change order or amendment, provided the change is reasonably related to the scope of the original contract. The city manager shall have authority to approve change orders for contracts previously awarded by the city manager, provided that the combined total does not exceed the city manager's approval threshold under chapter 4.08.30.

B. During the award of a contract by the city council, the city council may give the city manager the authority to approve change orders, specific to that contract, based on either a percentage of the contract or a specific dollar amount. If no specific authority is given by the city council, the city manager may approve change orders for a city council awarded contract subject to the dollar limits consistent with this chapter, provided such change orders are within the approved project contingency.

C. Change orders in excess of the city manager's authority may be approved by the city manager and submitted to city council for ratification under the following circumstance:

1. The failure to immediately issue a change order may result in significant project cost increases or an unacceptable project delay due to work stoppage or other inefficiencies;
2. A special meeting or a regularly scheduled meeting of the city council is not scheduled within a reasonable period of time to sufficiently remedy the problem; and
3. Funding for the change order is currently available within the appropriated budget.

#### **4.08.140      Disposition of Surplus Goods**

A. **Disposing of Surplus.** Department heads shall have the authority to dispose of de minimis surplus, obsolete or no longer useful items utilized in the normal course of the department's operations. The de minimis threshold will be set at \$5,000 or less in estimated current value for each item. The city manager shall have authority to sell or dispose as surplus all materials, supplies, and equipment which cannot be used by any department or which have become unsuitable for city use, or to exchange the same for, or trade in the same on, new materials, supplies, and equipment. The sale of surplus materials, supplies, and equipment shall be made pursuant to rules prescribed by the city manager and only after authorization from the city council as to any item with an estimated value of \$25,000 or more. Estimated value will be determined based on available quotes or on the best judgement of the department director or City manager considering cost/benefit considerations in making the estimate.

B. **City Officials and Staff.** City officials and employees and their immediate families, shall not be eligible to purchase such surplus materials, supplies, and equipment.

#### **4.08.150      Local Business Preference Program**

##### **A. Findings.**

1. The city annually spends significant amounts on purchasing on goods and services. The dollars used in making these purchases are derived in large measure from taxes and fees derived from local businesses and the city council has determined that funds generated in the community should, to the extent possible, be placed back in the local economy. Therefore, the city council has determined that it is in the best interest of the city to give a preference to local businesses in making such purchases whenever the application of such a preference is reasonable in light of the dollar-value received in relation to such expenditure.

2. The city council further finds that the Coachella Valley is in a state of economic depression and many local businesses have been forced to close their doors due to severe financial losses. Many of these local business establishments have been doing business in the Coachella Valley for many years. The city council finds that the city should promote and stimulate local businesses by requiring that purchases of supplies, materials, and equipment and contractual services be acquired from local businesses.

3. The city council further finds that this action is necessary to grow the local economy and preserve the local businesses that have diligently served the Coachella Valley for many years.

4. Strategies that encourage people to buy locally are an important component of economic sustainability. Retaining local dollars within a community reduces economic export and increases the financial productivity of taxpayer dollars and increases the consumption of local goods and services while fostering a sustainable community. In working towards a sustainable economy, the city council recognizes that sustainable procurement policies are an important early step on the Coachella path to a sustainable community. By leveraging the purchasing power of the city to buy local products and services instead of products and services from outside the Coachella Valley it strengthens the local economic activity and employment as well as sets an example that helps foster and maintain a vital economic community for future generations.

**B. Statement of Policy.** It is the policy of the city to promote employment and business opportunities for local residents and firms on all contracts and give preference to local residents, workers, businesses, contractors, and consultants to the extent consistent with the law and interests of the public.

**C. Local Preference in Goods.** In the bidding of, or letting for procurement of, goods, as provided in this Chapter, the city council or the city manager may give a preference to local businesses in making such purchase or awarding such contract in an amount not to exceed five percent of the local business' total bid price, or fifteen thousand dollars (\$15,000.00), whichever amount is lower. Total bid price shall include only the base bid price but also adjustments to that base bid price resulting from alternates requested in the solicitation. In order for a local business to be eligible to claim the preference, the business must request the preference in the solicitation response and provide a copy of its current business license from a jurisdiction in the Coachella Valley.

**D. Local Preference in Services.** In awarding contracts for services, preference to local business shall be given whenever practicable pursuant to this chapter consistent with the statement of policy in this Section. The contractor or consultant will also, to the extent legally possible, solicit applications for employment and proposals for subcontractors and sub consultants for work associated with the proposed contract from local residents and firms as opportunities occur and hire qualified local residents and firms whenever feasible. In order for a local business to be eligible to claim the preference, the business must request the preference in the solicitation response and provide a copy of its current business license from a jurisdiction in the Coachella Valley.

**E. Exceptions to Local Business Preference Policy.** The preference set forth in this section shall not apply to the following purchases or contracts:

1. Goods provided under a cooperative purchasing agreement.
2. Purchases or contracts which are funded in whole or in part by a governmental entity and the laws, regulations, or policies governing such funding prohibit application of that preference.
3. Purchases made or contracts let under emergency or noncompetitive situations.

4. Purchases with an estimated cost of five thousand dollars (\$5,000.00) or less.

5. Application of the local business preference to a particular purchase, contract, or category of contracts for which the city council is the awarding authority may be waived at the city council's discretion.

F. **Quality and Fitness.** The preferences established in this section shall in no way be construed to inhibit, limit or restrict the right and obligation of the city council and the director to compare quality and fitness for use of supplies, materials, equipment, and services proposed for purchase and compare the qualifications, character, responsibility, and fitness of all persons, firms, or corporations submitting bids or proposals. In addition, the preferences established in this Section shall in no way be construed to prohibit the right of the city council or the director from giving any other preference permitted by law or this Chapter.

G. **Application.** The local business preference provided in this Section shall apply to new contracts for goods and services first solicited as of the effective date of the enabling ordinance. This Section shall be implemented in a manner consistent with otherwise applicable provisions of this Chapter and competitive bidding laws.

H. **Verification of Local Business Preference Eligibility.** Any vendor or consultant claiming to be a local business shall so certify in the bid, in writing to the director. The city manager shall not be required to verify the accuracy or any such certifications, and shall have sole discretion to determine if a vendor or consultant meets the definition of local business.

I. **Enforcement.**

1. The information furnished by each bidder requesting a local business preference shall be under penalty of perjury.

2. No person or business shall knowingly and with intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a local business for the purpose of this Section.

3. No person or business shall willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a city official or employee for the purpose of influencing the certification or denial of certification of any entity as a local business.

4. A business which has obtained city certification as a local business by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded a contract to which it would not otherwise have been entitled, shall:

(a) Pay to the city any difference between the contract amount and what the city's costs would have been if the contract had been properly awarded;

(b) In addition to the amount described in subsection (i) above, be assessed a penalty in an amount of not more than ten (10) percent of the amount of the contract involved; and

(c) Be subject to debarment from future award of contracts from the city.

5. The penalties identified above shall also apply to any business that has previously obtained proper certification and, as a result of a change in its status would no longer be eligible for certification, fails to notify the city manager of this information prior to responding to a solicitation or accepting a contract award.

**J. Promulgation of Administrative Rules.** The city manager is authorized to adopt administrative rules supplemental to the provisions of this Chapter as necessary or appropriate to implement the provisions of this Section. The provisions of this Section and the rules adopted by the city manager shall be provided to potential bidders, vendors, and contractors to the widest extent practicable.”

**Section 3. Severability.** If any provision or clause of this Ordinance or any application of it to any person, firm, organization, partnership or corporation is held invalid, such invalidity shall not affect other provisions of this Ordinance which can be given effect without the invalid provision or application. To this end, the provisions of this Ordinance are declared to be severable.

**Section 4. CEQA.** The City Council hereby finds that this Ordinance is exempt from the California Environmental Quality Act pursuant to Section 15061(b)(3) of the CEQA Guidelines (14 Cal. Code Regs. 15061(b)(3)) because this Ordinance is not a project and does not have the potential for causing a significant effect on the environment. This Ordinance is intended only to establish a policy and procedure to purchase goods and services.

**Section 5. Effective Date.** This Ordinance shall take effect 30 days after passage.

**PASSED, APPROVED and ADOPTED** this 26<sup>th</sup> day of January 2022.

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Steven A. Hernandez  
Mayor

**ATTEST:**

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Angela M. Zepeda  
City Clerk

**APPROVED AS TO FORM:**

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Carlos Campos  
City Attorney

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

**I HEREBY CERTIFY** that the foregoing Ordinance No. 1191 was duly and regularly introduced at a meeting of the City Council on the 8<sup>th</sup> day of December 2021, and that thereafter the said ordinance was duly passed and adopted at a regular meeting of the City Council on the 26<sup>th</sup> day of January 2022.

AYES:

NOES:

ABSENT:

ABSTAIN:

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Andrea J. Carranza, MMC  
Deputy City Clerk

## RESOLUTION NO. 2022-03

### A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COACHELLA, CALIFORNIA, ESTABLISHING PURCHASING AUTHORITY AND COMPETITIVE PROCUREMENT THRESHOLDS UNDER SECTIONS 4.08.30 AND 4.08.60 RESPECTIVELY OF THE CITY'S MUNICIPAL CODE

**WHEREAS**, chapter 4.08 of the City's municipal code outlines purchasing procedures designed to make the City more effective, efficient and fiscally responsible in the procurement of goods and services; and

**WHEREAS**, purchasing authority thresholds are an integral part of the City's purchasing procedures; and

**WHEREAS**, competitive procurement levels are an integral part of the City's purchasing procedures; and

**WHEREAS**, purchasing authority thresholds and competitive procurement levels are set to benefit the City through cost savings; and

**WHEREAS**, the most cost effective thresholds for purchasing authority and competitive procurement fluctuate over time based on cost levels and changes in regulatory and local business environments.

**NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED** by the City Council of the City of Coachella, as follows:

**Section 1.** The City Council hereby sets purchasing authority thresholds under section 4.08.30 of the City's Municipal Code as follows:

A. **Award by Department Directors.** Department directors may make purchases or contract for goods and services in an amount not to exceed ten thousand dollars (\$10,000).

B. **Award by City Manager.** The City Manager may make purchases or contracts for goods and services, or take any other action in response to bids for public works contracts, in an amount not to exceed twenty-five thousand dollars (\$25,000.00).

C. **Award by City Council.** The City Council shall make purchases or contracts for goods and services or take any other action in response to bids for public projects, that exceed twenty-five thousand dollars (\$25,000.00).

**Section 2.** The City Council hereby sets competitive procurement thresholds for general goods and services under section 4.08.60 of the City's Municipal Code as follows:

- A. No competitive procurement consideration required for the procurement of goods and services under \$5,000.
- B. The informal quote process is required for the procurement of goods and services between \$5,000 and \$75,000.
- C. The formal (bid/RFP/RFQ) process is required for the procurement of goods and services over \$75,000.

**Section 3.** The City Council finds the adoption of this resolution is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

**Section 4.** This Resolution shall become effective upon implementation of Ordinance 1191.

**PASSED, APPROVED and ADOPTED** this 26<sup>th</sup> day of January 2022.

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Steven A. Hernandez  
Mayor

**ATTEST:**

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Angela M. Zepeda  
City Clerk

**APPROVED AS TO FORM:**

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Carlos Campos  
City Attorney

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

**I HEREBY CERTIFY** that the foregoing Resolution No. 2022-03 was duly adopted by the City Council of the City of Coachella at a regular meeting thereof, held on the 26<sup>th</sup> day of January 2022, by the following vote of Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Andrea J. Carranza, MMC  
Deputy City Clerk

## 4.08.010 - Legislative purposes.

- A. This chapter is adopted to establish a purchasing system that enables the city to achieve the following goals:
1. Improve internal controls and checks and balances by separating the functions of identifying the city's needs for equipment, goods, materials, supplies and services, of making actual purchases, of receiving the purchases, of comparing what is received with what was purchased, of authorizing payments and of making actual payments.
  2. Obtain the best prices for needed equipment, goods, materials, supplies and services by forecasting the needs for them in the near and long term, by quantifying the city's need for such items by utilizing best available technology and the quality thereof, by enabling access to all sources of such items and by utilizing competitive bidding and/or competitive negotiations.
  3. Reduce the number of transactions by purchasing sufficient quantities to meet the city's needs, by minimizing the periods during which purchases are made and by establishing and implementing criteria for extraordinary or unanticipated purchases.
  4. Reduce the amount of staff time to make purchases by integrating and coordinating purchases by the various departments and by eliminating duplicate functions and procedures and by automating purchases to the greatest extent.
  5. Reduce or eliminate inventories of needed equipment, goods, materials and supplies by forecasting the need and timing of such items, by tracking inventories of such items and by entering into arrangements for expedited or timed deliveries.
  6. It is also the purpose of this chapter to authorize and direct the city manager to implement the goals and provisions in this section by monitoring and reporting the implementation of this chapter. Further, the city manager may adopt any and all guidelines that he or she deems necessary to interpret or implement the goals and provisions in this section. Thereafter, the city manager may promulgate such guidelines by signing, and dating them.

(Ord. 893 § 2 (part), 2003)

## 4.08.020 - Definitions.

As used in this chapter, the following words and terms are defined as follows unless the context indicates that a different meaning is intended:

"Bidders list" is a list of sources of equipment, goods, materials or supplies for each category of purchases needed by the city.

"City" means the city of Coachella.

"Department" means a department, division or section of the city.

"Coachella procurement procedures and regulations" means any interpretation or implementation measure promulgated by the city manager pursuant to his or her authority hereunder.

"Professional services" means the services of attorneys, architects, auditors, consultants, engineers, specialized printers, or other individuals or firms possessing a high degree of professional, unique, specialized, technical skill or expertise, not adaptable to competitive bidding, or where the service needed is for special activities, negotiations for the acquisition of land, trash services, or any other municipal service engaged for a particular project or series of projects.

"Public project" means a public work as defined in the Public Contract Code § 20161 that requires competitive bidding.

"Public works" means those public works that do not constitute public projects under Public Contract Code § 20161.

"Purchases" means any and all purchases of equipment, goods, materials, supplies, other personal property and services, or the rental thereof, made, or to be made, by the city. It also refers to the leasing or acquisition of real property.

"Services" means any and all services, including, but not limited to, equipment service contracts. The term does not include services rendered by city officers or employees, nor professional or other contractual service for which the procurement is specifically provided by law or approved city procedures or are in their nature unique and not subject to competition.

(Ord. 893 § 2 (part), 2003)

#### 4.08.030 - Centralization of purchases.

- A. All purchases of goods, equipment, materials, supplies and services shall be centralized under the control and direction of the city manager. All employees of the city shall comply with the provisions of this chapter and the guidelines promulgated by the city manager regarding the purchase, payment, receipt, distribution and storage of all purchases by the city for use by the city or its employees.
- B. For this purpose, a purchasing function is established within the finance department, which shall be administered by the finance director. The finance director shall administer the activities of the purchasing function as directed by the city manager and described in the Coachella procurement procedures and regulations.

(Ord. 893 § 2 (part), 2003)

#### 4.08.040 - Forecasting purchases.

For purposes of budgeting each department shall submit information that projects its need for purchases during each subsequent fiscal year or such other period that may be practicable with the finance director. Each department may supplement such projections from time to time to update its need for purchases including unforeseen or

emergency purchases. Each department shall report in the manner prescribed by the finance director to provide information for forecasting such purchases. The finance director shall utilize the information about such needed purchases to commence the process of making any necessary budget adjustments on behalf of each department.

(Ord. 893 § 2 (part), 2003)

#### 4.08.050 - Requirement for competitive pricing.

- A. All purchases by or for the city shall be competitively priced. It is the policy of the city to price all equipment, goods, materials, supplies, other personal property and services prior to purchasing them to assure that the city shall receive the best price considering the quality of its intended purchases subject to this chapter and any guidelines promulgated by the city manager. Further, all purchases may be awarded based upon provisions of Section 4.08.010.
- B. Competitive pricing shall not be required for purchases that meet the following criteria:
  - 1. Competition does not exist for proposed purchases, such as conventions, legal advertising, meetings, professional membership or subscriptions, public utilities, travel or proprietary items of any kind;
  - 2. Competitive pricing or bidding has already been utilized for proposed purchases by a federal, state, county or other local agency and the proposed purchases will be sold to the city at the same or better price by a vendor as submitted to the federal, state, county or other local agency;
  - 3. Contracts for professional services as provided hereunder;
  - 4. Purchases which shall be resold to the public or others;
  - 5. Purchases of circulating library materials, including books, periodicals, films, and recordings; and
  - 6. Urgent purchases declared by the city council needed for the preservation of life or property or that seeking quotations or solicitations would provide no benefit or would cause unnecessary expense and delay.
- C. The city manager may promulgate guidelines to exempt any of the following purchases from the competitive pricing procedures provided such purchases or services otherwise comply with this chapter and applicable guidelines:
  - 1. Purchases or services equal to or less than two thousand five hundred dollars (\$2,500);
  - 2. Budgeted non-commodity items such as debt service payments, deposits, dues, insurance premiums, legal advertising, memberships, professional service contracts, publications, self-insurance claim payments, seminar registration, subscriptions and travel expenses;
  - 3. Commodity items such as credit card purchases of gasoline, oil, office supplies, emergency repairs to equipment, vehicles and facilities, real property purchases and leases, utility services and related charges, work or services performed by another public agency.

(Ord. 893 § 2 (part), 2003)

#### 4.08.060 - Competitive pricing procedures.

The Coachella procurement procedures and regulations describe the manner in which competitive pricing shall be accomplished. These procedures and regulations may be changed at the discretion of the city manager upon approval of a resolution by the city council and in accordance with other applicable sections included in this chapter.

(Ord. 893 § 2 (part), 2003)

#### 4.08.070 - Surplus equipment and supplies.

Each department shall submit reports showing all supplies and equipment that are no longer used, have become obsolete or have worn out to the finance director at such times and on such forms as may be prescribed. The finance director may transfer such items between departments to assure their uses where and when needed. The finance director may cause the sale or exchange of all equipment, goods, materials and supplies that are not or cannot be used by any department provided that the city manager shall approve any such sale or exchange when the total estimated value exceeds five thousand dollars (\$5,000.00).

(Ord. 893 § 2 (part), 2003)

#### 4.08.080 - Professional services agreements.

- A. The city council shall approve or reject every agreement for professional services in excess of fifteen thousand dollars (\$15,000.00) and the city manager may approve or reject agreements for professional services for all lesser amounts. All such agreements shall be made with the best-qualified person or firm. The city attorney shall approve all professional service agreements as to form prior to their execution except those on standard agreements approved by the city attorney.
- B. Selection of persons or firms shall be based on demonstrated competence and on the professional qualification necessary for the satisfactory performance of the services required. In determining the best-qualified person or firm, the following criteria shall be utilized:
  1. The training, credentials and experience of the person or firm;
  2. The demonstrated competence, ability, capacity and skill of the person or firm to perform the contract or provide the services;
  3. The capacity of the person or firm to perform the contract or provide the service promptly, within the time specified, and without delay;
  4. The sufficiency of the persons or firm's financial and other resources;
  5. The character, integrity, reputation and judgment of the person or firm;
  6. The ability of the person or firm to provide such future service as may be needed; and
  7. The price which the person or firm proposes to charge, including whether the price is fair, reasonable and competitive except for selections based on technical merit only.
- C. The city manager and each department head shall solicit requests for proposals or qualifications for professional services whenever the city manager determines that the best interests of the city would be served by such professional services provided however that the city attorney shall solicit and recommend special legal services for special purposes; the council shall select and directly engage the services

of the city's external financial auditor. The department seeking such services shall prepare such request for proposals or request for qualifications. Where practicable, such requests shall be solicited from at least three vendors. Item 13.

- D. Agreements for professional services except for law enforcement and fire protection services shall not be made for a term in excess of three years and such agreements shall be for an initial term of one year with an option to the city to extend the agreement for two additional one-year terms. No amendment or modification of a professional service agreement shall be made without a written amendment. No payment for any such amendment or modification shall be made without a written amendment. Professional service agreements may be extended for years two and three without additional city council approval unless the amount thereof has been increased beyond the original approved amount.

(Ord. 893 § 2 (part), 2003)

#### 4.08.090 - Public works contracts.

- A. Contracts for public works for fifteen thousand dollars (\$15,000.00) or less may be awarded by the competitive bidding procedures or other purchasing methods set forth in the Coachella procurement procedures and regulations.
- B. Contracts for public works for amounts in excess of fifteen thousand dollars (\$15,000.00) shall be awarded by the competitive bidding procedures described in the Coachella procurement procedures and regulations or by another method that may be required by a federal or state agency participating in or funding the contract.
- C. Any and all bids for public works may be rejected whenever the city council, city manager or department head makes any one of the following findings:
1. The bid does not comply with the bid documents;
  2. The proposed public work needs to be abandoned or delayed;
  3. The materials or services may be purchased more reasonably on the open market or the work done less expensively by city personnel;
  4. The bid is higher than anticipated and a new call for bids could result in lower bids to the city; or
  5. The best interests of the city would be served by a rejection of all bids.
- D. The city council may forego the bidding procedures otherwise required by this section whenever the city council finds that there is an urgent need to the public health or welfare, or safety would be jeopardized if the competitive bidding procedures in effect at the time were followed.
- E. All public works contracts in excess of fifteen thousand dollars (\$15,000.00) shall be awarded by the city council and signed by the mayor. Public works contracts less than fifteen thousand dollars (\$15,000.00) shall be signed by the city manager. The city attorney shall approve as to form all such public works contracts. Notwithstanding such a signed contract, the contractor shall not proceed with the public works project unless and until so directed in writing by the city manager or a department head and the contractor may not rely on the contract as assurance of any type that the notice to proceed shall be issued. In the event such notice to proceed is not issued, the city shall have no liability to the contractor under the

contract or under a theory of promissory estoppel due to the liability of the contractor to third parties. The city attorney shall approve all public works contracts as to form prior to their execution except those on standard forms approved by the city attorney.

- F. No amendment or modification of a public works contract shall be made without the issuance of a written change order duly signed by the contractor and the city manager and no additional compensation shall be paid to the contractor unless said amendment or modification is so signed.

(Ord. 893 § 2 (part), 2003)

#### 4.08.100 - Local business preference program.

##### A. Definitions.

1. "Director" means the city manager or the city manager's designee.
2. "Coachella Valley" means the nine incorporated cities of the Coachella Valley, and the unincorporated areas of Riverside County in the Coachella Valley that are located within the boundaries of the Coachella Valley Association of Governments.
3. "Local business" means a vendor, contractor, or consultant who has a valid physical business address located within the Coachella Valley, at least six months prior to bid or proposal opening date, from which the vendor, contractor, or consultant operates or performs business on a day-to-day basis, and holds a valid business license by a jurisdiction located in the Coachella Valley. Post office boxes are not verifiable and shall not be used for the purpose of establishing such physical address.
4. "Solicitation" shall mean the city's process to obtain bids or proposals as provided in this chapter for the purchase of goods or services.

##### B. Findings.

1. The city annually spends significant amounts on purchasing supplies, materials, and equipment, and contractual and professional services. The dollars used in making these purchases are derived in large measure from taxes and fees derived from local businesses and the city council has determined that funds generated in the community should, to the extent possible, be placed back in the local economy. Therefore, the city council has determined that it is in the best interest of the city to give a preference to local businesses in making such purchases whenever the application of such a preference is reasonable in light of the dollar-value received in relation to such expenditure.
2. The city council further finds that the Coachella Valley is in a state of economic depression and many local businesses have been forced to close their doors due to severe financial losses. Many of these local business establishments have been doing business in the Coachella Valley for many years. The city council finds that the city should promote and stimulate local businesses by requiring that purchases of supplies, materials, and equipment and contractual services be acquired from local businesses.
3. The city council further finds that this action is necessary to grow the local economy and preserve the local businesses that have diligently served the Coachella Valley for many years.
4. Strategies that encourage people to buy locally are an important component of economic sustainability. Retaining local dollars within a community reduces economic export and increases the financial productivity of taxpayer dollars and increases the consumption of local goods and services while

fostering a sustainable community. In working towards a sustainable economy, the city council recognizes that sustainable procurement policies are an important early step on the Coachella path to a sustainable community. By leveraging the purchasing power of the city to buy local products and services instead of products and services from outside the Coachella Valley it strengthens the local economic activity and employment as well as sets an example that helps foster and maintain a vital economic community for future generations.

- C. Statement of Policy. It is the policy of the city to promote employment and business opportunities for local residents and firms on all contracts and give preference to local residents, workers, businesses, contractors, and consultants to the extent consistent with the law and interests of the public.
- D. Local Preference in Purchasing. In the bidding of, or letting for procurement of, supplies, materials, and equipment, as provided in this chapter, the city council or the director may give a preference to local businesses in making such purchase or awarding such contract in an amount not to exceed five percent of the local business' total bid price, or fifteen thousand dollars (\$15,000.00), whichever amount is lower. Total bid price shall include only the base bid price but also adjustments to that base bid price resulting from alternates requested in the solicitation. In order for a local business to be eligible to claim the preference, the business must request the preference in the solicitation response and provide a copy of its current business license from a jurisdiction in the Coachella Valley.
- E. Local Preference in Services. In awarding contracts for services, including consultant services, preference to local business shall be given whenever practicable pursuant to this chapter consistent with the statement of policy in subsection (c) of this section. The contractor or consultant will also, to the extent legally possible, solicit applications for employment and proposals for subcontractors and subconsultants for work associated with the proposed contract from local residents and firms as opportunities occur and hire qualified local residents and firms whenever feasible. In order for a local business to be eligible to claim the preference, the business must request the preference in the solicitation response and provide a copy of its current business license from a jurisdiction in the Coachella Valley.
- F. Exceptions to Local Business Preference Policy. The preference set forth in this section shall not apply to the following purchases or contracts:
  - 1. Goods or services provided under a cooperative purchasing agreement.
  - 2. Purchases or contracts which are funded in whole or in part by a governmental entity and the laws, regulations, or policies governing such funding prohibit application of that preference.
  - 3. Purchases made or contracts let under emergency or noncompetitive situations.
  - 4. Purchases with an estimated cost of five thousand dollars (\$5,000.00) or less.
  - 5. Application of the local business preference to a particular purchase, contract, or category of contracts for which the city council is the awarding authority may be waived at the city council's discretion.
- G. Quality and Fitness. The preferences established in this section shall in no way be construed to inhibit, limit or restrict the right and obligation of the city council and the director to compare quality and fitness for use of supplies, materials, equipment, and services proposed for purchase and compare the qualifications,

character, responsibility, and fitness of all persons, firms, or corporations submitting bids or proposals. In addition, the preferences established in this section shall in no way be construed to prohibit the right of the city council or the director from giving any other preference permitted by law or this chapter.

- H. Application. The local business preference provided in this section shall apply to new contracts for supplies, materials, equipment, and services first solicited as of the effective date of the enabling ordinance. This section shall be implemented in a manner consistent with otherwise applicable provisions of this chapter and competitive bidding laws.
- I. Verification of Local Business Preference Eligibility. Any vendor or consultant claiming to be a local business shall so certify in the bid, in writing to the director. The director shall not be required to verify the accuracy or any such certifications, and shall have sole discretion to determine if a vendor or consultant meets the definition of "local business."
- J. Enforcement.
1. The information furnished by each bidder requesting a local business preference shall be under penalty of perjury.
  2. No person or business shall knowingly and with intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a local business for the purpose of this section.
  3. No person or business shall willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a city official or employee for the purpose of influencing the certification or denial of certification of any entity as a local business.
  4. A business which has obtained city certification as a local business by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded a contract to which it would not otherwise have been entitled, shall:
    - (i) Pay to the city any difference between the contract amount and what the city's costs would have been if the contract had been properly awarded;
    - (ii) In addition to the amount described in subsection (i) above, be assessed a penalty in an amount of not more than ten (10) percent of the amount of the contract involved; and
    - (iii) Be subject to debarment from future award of contracts from the city.
  5. The penalties identified in (4) above shall also apply to any business that has previously obtained proper certification and, as a result of a change in its status would no longer be eligible for certification, fails to notify the director of this information prior to responding to a solicitation or accepting a contract award.
- K. Promulgation of Administrative Rules. The director is authorized to adopt administrative rules supplemental to the provisions of this chapter as necessary or appropriate to implement the provisions of this section. The provisions of this section and the rules adopted by the director shall be provided to potential bidders, vendors, and contractors to the widest extent practicable.

*Item 13.*



**STAFF REPORT**  
**1/26/2022**

**TO:** Honorable Mayor and City Council Members  
**FROM:** Nathan Statham, Finance Director  
**SUBJECT:** Implementation of a Fiscal Reserve Policy

---

**STAFF RECOMMENDATION:**

Approve Resolution No. 2022-02 adopting a fiscal reserve policy.

**BACKGROUND:**

The City has historically maintained an informal fiscal reserve policy of 20% of the current year budgeted expenditures. The City has consistently maintained reserves in excess of the informal policy threshold. Per current financial reporting standards, the reserve balances have not been specifically classified or presented as committed reserve balances in the City's financial statements due to the informal nature of the current reserve policy.

**DISCUSSION/ANALYSIS**

The informal reserve balance for the General Fund for fiscal year 2021-22 is \$5,464,429. This balance is not reflected in the City's financial statements as a reserve balance and is included in the unrestricted fund balance. The presentation of the reserve balance as part of the unrestricted fund balance leads public readers of the financial statements to believe that the entire unrestricted fund balance (projected to be \$10.6 million in the fiscal 2021-22 budget) is available for general use. This presentation is not consistent with Council's intentions to maintain a minimum reserve balance and potentially misrepresents the amount of financial resources available for general expenditure.

Implementing a fiscal reserve policy will allow for the fiscal reserve to be presented as a separate committed component of fund balance. This will properly convey the fiscal resources available for general expenditure to the public readers of the City's financial statements.

This action will also allow for fund balance assignments to be presented in the City's financial statements. These assignments will reflect known uses for reserves so members of the public will be aware of the need for financial resources and not presume the funds are available for general use.

The Water Authority and Sanitation District have needs for emergency reserves to cover temporary cash needs in the event of emergencies or deteriorated economic conditions. The reserve requirements of the fiscal reserve policy will be calculated into the utility rates established under prop 218.

The lack of a formal fiscal reserve policy has been detrimental to the City's credit rating process during recent bond issuances and the adoption of such a policy is a condition of the 2022 Water Revenue Refunding Bonds currently being issued by the Water Authority.

**FISCAL IMPACT:**

This item will not have a direct fiscal impact in that no financial resources will be expensed. The item will provide for additional financial statement clarity and place limited restrictions on the use of fund balance reserves.

**EXHIBITS:**

1. Resolution No. 2022-02
2. Fiscal Reserve Policy - Exhibit A

**RESOLUTION NO. 2022-02****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COACHELLA, CALIFORNIA ADOPTING A FISCAL RESERVE POLICY**

**WHEREAS**, the City Council has long recognized a need to maintain certain levels of fund balance and net position reserves for the purpose of managing cash needs and to address unanticipated economic fluctuation; and

**WHEREAS**, it is considered an essential component of prudent fiscal management to retain appropriate fiscal reserves; and

**WHEREAS**, reserve levels have been informally maintained by the City; and

**WHEREAS**, the City Council wishes to formalize fiscal reserve policies.

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF COACHELLA HEREBY RESOLVES AS FOLLOWS:**

**SECTION 1** – Fiscal reserve balances will be maintained and presented in the City's financial statements in accordance with the Fiscal Reserve Policy attached hereto as Exhibit A, and made a part hereof.

**SECTION 2** – The Finance Director is authorized to make fund balance assignments or other financial statement presentations consistent with Generally Accepted Accounting Principles to fully present the financial position of the City.

**SECTION 2** – The policies adopted by this resolution are in addition to and supplement any other legal requirements.

**SECTION 3** - The City Clerk shall certify to the passage and adoption of this resolution and the same shall take effect and be in force.

**PASSED, APPROVED and ADOPTED**, this 26<sup>th</sup> day of January 2022.

---

Steven A. Hernandez  
Mayor

**ATTEST:**

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Angela M. Zepeda  
City Clerk

**APPROVED AS TO FORM:**

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Carlos Campos  
City Attorney

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

**I HEREBY CERTIFY** that the foregoing Resolution No. 2022-02 was duly adopted by the City Council of the City of Coachella at a regular meeting thereof, held on this 26<sup>th</sup> day of January 2022, by the following vote of the City Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Andrea J. Carranza, MMC  
Deputy City Clerk

# City of Coachella

## Fiscal Reserve Policy

### Introduction

The purpose of this policy is to ensure that the City has sufficient fiscal reserves (fund balance and net position) to address unforeseen economic or emergency conditions. It is the intent of this policy to commit a fiscally responsible amount of reserves to be used in the event of unforeseen economic downturns or emergency conditions that require the use of City funds to maintain consistent service levels. These reserves are intended to be utilized after other budget measures such as cuts to unnecessary appropriations and freezes in budget increases have been implemented.

The reserve thresholds contained in this policy are derived based on a prudent fiscal policy basis and are intended to balance the City's mission to maximize the public benefit to residents while still having sufficient reserves to address unforeseen economic and emergency conditions.

### General Fund

The primary driver of General Fund resource requirements is total general fund expenditures including budgeted transfers out. As a result, funds committed for reserve purposes will be measured in terms of months of the current year operating budget. Lower limit reserve requirements are viewed in relation to best practices promulgated by the Government Finance Officers Association which state that reserves should not be set at less than 2 months of General Fund operating expenditures (16.7%). Upper limit reserve requirements are considered in relation to recommendation of the Civic Federation that reserved not exceed 6 months (50%). These upper and lower limit thresholds provide basis guidelines and are consistent with the historical financial results of the City.

Based on these considerations, a portion of the City's General Fund balance will be committed to fiscal reserves equal to 3 months of the applicable fiscal year total general fund budget (25%). Proposed budgets will not recommend appropriations that require the use of these committed reserve funds. The use of these committed reserves will be approved by specific resolution of the City Council.

### Water Authority

The water authority primarily derives its revenues from utility fees charged to rate payers. Given the nature of the authority, reserves are considered prudent for two purposes. First, unforeseen economic or emergency conditions may arise. Second, the Authority experiences significant fluctuations in revenues regardless of approved rates from fluctuations in weather, temperature

and drought conditions. To accommodate these two situations, the Authority will maintain net position reserves composed of emergency funds and rate stabilization funds.

### ***Emergency Reserves***

Since rates are set for full cost recovery as stipulated by proposition 218, long term emergency costs would be recovered through rate increases. Emergency reserves would be required in the short term to cover emergency costs. To facilitate these temporary needs, the emergency reserve level will be retained at \$250,000. Proposed budgets will not recommend appropriations that require the use of these committed reserve funds. The use of these committed reserves will be directly associated with an emergency situation (not requiring an official emergency declaration) approved by specific resolution of the City Council.

### ***Rate Stabilization Reserves***

Given regular significant fluctuations in water revenues, it is fiscally prudent to retain a portion of unrestricted net position balances during years with higher sales to cover budgeted expenses in years with lower sales. These reserves will be available for operating expenses in years with lower water sales.

In a year where current year water sales exceed the average sales for the previous five-years, 50% of the current year increase when compared to the prior year will increase the rate stabilization reserve balance. Rate stabilization reserves are available for operating budget appropriations in a year where sales decrease by more than 10% compared to the immediate preceding fiscal year up to the total amount of the rate stabilization reserve balance or the amount of decreased sales in excess of 10% when compared to the preceding fiscal year. In no year will the stabilization reserves exceed the largest single year decrease in the preceding 5 fiscal years.

### ***Sanitary District***

The Sanitary District primarily derives its revenues from utility fees charged to rate payers. These fees are largely fixed annual assessments. Given the nature of the District, reserves are considered prudent to offset unforeseen economic or emergency conditions that may arise.

Since rates are set for full cost recovery as stipulated by proposition 218, long term emergency costs would be recovered through rate increases. Emergency reserves would be required in the short term to cover emergency costs. To facilitate these temporary needs, the emergency reserve level will be retained at \$200,000. Proposed budgets will not recommend appropriations that require the use of these committed reserve funds. The use of these committed reserves will be directly associated with an emergency situation (not requiring an official emergency declaration) approved by specific resolution of the City Council.

### ***Insufficient Unrestricted Fund/Net Position Balances on Implementation***

On initial implementation and periodically fund/net position balances may not be sufficient to meet these reserve requirements. When fund/net position balances are not sufficient to meet reserve requirements, a plan will be documented to remedy the reserve deficiency using a combination of budget modifications and rate/revenue increases. This plan should not exceed five years.



**STAFF REPORT**  
**1/26/2022**

**TO:** Honorable Mayor and City Council Members

**FROM:** Maritza Martinez, Public Works Director

**SUBJECT:** Initiating the Formation of Landscaping and Lighting Maintenance District No.39 (Sevilla–Tract 38084) (“LLMD 39”), Declaring Intention to Form, Levy and Collect Assessments Commencing in Fiscal Year 2022/2023, preliminary approval of Engineer’s Report and Setting Time and Place for Public Hearing to Conduct Property Owner Protest Ballot Proceedings

---

**STAFF RECOMMENDATION:**

Adopt Resolution No. 2022-06 Initiating Proceedings for the Formation of the Landscaping and Lighting Maintenance District No. 39 (Sevilla-Tract 38084); and Directing the Preparation and Filing of an Engineer’s Report

Adopt Resolution No. 2022-07 Declaring the City’s Intention to form the Landscaping and Lighting Maintenance District No. 39 (Sevilla-Tract 38084); to Levy and Collect Annual Assessments related thereto Commencing Fiscal Year 2022/2023, Accepting and Approving the Engineer’s Report and Assessment Diagram; to Conduct a Property Owner Protest Ballot Proceeding on the Matter of the New Assessments; and Setting a Time and Place for the Public Hearing

**BACKGROUND:**

The Landscaping and Lighting Act of 1972, beginning with Section 22500 of the California Streets and Highways Code, authorizes the City Council to establish a special district to pay for the costs to operate and maintain public improvements that benefit private properties. New developments are required to form the special districts in order to pay for the public improvements.

The first step in the formation process is initiating proceedings and directing preparation and filing of an Engineer’s Report. The next step is to declare the City’s intention to form the special district, to levy and collect assessments, approving the Engineer’s Report and Assessment Diagram, and declare public hearing to conduct Property Owner Protest Ballot Proceedings. The final step of the formation process is to hold a public hearing to count the ballots, declare the results of the balloting, approve the final Engineer’s Report, and to authorizes the levy and collection of assessments if no majority protest exists.

Pulte Group (“Developer”) requested the formation of LLMD 39 as a requirement for the conditions of development, for Pulte Sevilla – Avenue 51 (Tract Map No. 38084). The new development will consist of 107 residential properties and 2 retention basins with associated private streets, utilities, landscaping and lighting. The Tract will be generally located east of Van Buren Street, west of Frederick Boulevard, north of Avenue 51 and generally south of Avenue 50. The proposed LLMD 39 will be formed as a funding mechanism to fund the ongoing operation and maintenance for improvements within the Tract.

An Engineer’s Report has been prepared, a copy of which is submitted to the City Council for review. A copy of the Engineer’s Report is also made available to the Public for review in the City’s Public Works Department.

It is purposed to schedule the public hearing and conduct the Property Owner Protest Ballot Proceedings at the regular City Council Meeting on March 23, 2022.

**FISCAL IMPACT:**

There is no fiscal impact to the City as a result of this formation. The proposed assessments have been prepared based upon the maintenance costs necessary and required to maintain the common areas with the District.

Attachments:

Engineer’s Report LLMD 39

Resolution No. 2022-06

Resolution No. 2022-07



# **CITY OF COACHELLA ENGINEER'S REPORT**

## **Proposed Formation of Landscaping and Lighting Maintenance District No. 39 (Sevilla-Tract 38084)**

**Establishment of Annual Assessments  
Commencing Fiscal Year 2022/2023**

**Intent Meeting: January 12, 2022  
Public Hearing: March 9, 2022**

**CITY OF COACHELLA  
53990 ENTERPRISE WAY  
COACHELLA, CA 92236**

**PREPARED BY  
WILLDAN FINANCIAL SERVICES  
NOVEMBER 2021**



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**ENGINEER'S REPORT STATEMENT**

**Formation of the  
City of Coachella  
Landscaping and Lighting Maintenance District No. 39  
(Sevilla-Tract 38084)**

**Establishment of Annual Assessments**

**County of Riverside, State of California**

As part of the Resolution of Intention packet presented for the consideration of the Coachella City Council this Report and the enclosed budgets, diagrams and descriptions outline the proposed improvements and assessments related to the formation of territory to be known as the City of Coachella Landscaping and Lighting Maintenance District No. 39 (Sevilla-Tract 38084) commencing in fiscal year 2022/2023, commencing in fiscal year 2022/2023. Reference is hereby made to the Riverside County Assessor's Maps for a detailed description of the lines and dimensions of parcels subject to the proposed assessment for the newly formed District. The undersigned respectfully submits the enclosed Report as directed by the Coachella City Council.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2022

Willdan Financial Services  
Assessment Engineer  
On Behalf of the City of Coachella

By: \_\_\_\_\_  
Stacey Reynolds,  
Senior Project Manager

By: \_\_\_\_\_  
Tyrone Peter  
P.E. # C 81888

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## INTRODUCTION

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Pursuant to the provisions of the *Landscape and Lighting Act of 1972, being Part 2 of Division 15 of the California Streets and Highways Code, commencing with Section 22500* (hereafter referred to as the "1972 Act"), and in compliance with the substantive and procedural requirements of the *California State Constitution Article XIID* (hereafter referred to as the "California Constitution"), the City Council of the City of Coachella, County of Riverside, State of California (hereafter referred to as "City"), propose to form and levy special benefit assessments for the district to be designated as:

### **Landscaping and Lighting Maintenance District No. 39 (Sevilla-Tract 38084)**

(hereafter referred to as the "District"), which includes all lots and parcels of land within Tract No. 38084 that will receive special benefit from the landscaping and lighting improvements installed and maintenance in connection with the development of these residential subdivisions within the City limits of Coachella. This Engineer's Report (hereafter referred to as "Report") has been prepared in connection with the formation of said District and the levy and collection of annual assessments related thereto commencing in fiscal year 2022/2023, as required pursuant to *Chapter 1, Article 4* of the 1972 Act.

The City Council proposes to form the District, and levy and collect annual assessments on the County tax roll to provide ongoing funding for the costs and expenses required to service and maintain landscaping and street lighting improvements and appurtenant facilities that are necessary and essential requirements for the development of the properties within the District. The improvements to be provided by the District and the assessments described herein are made pursuant to the 1972 Act and the substantive and procedural provisions of the California Constitution.

The formation of this District and the assessments described herein will provide a funding source for the continued operation and maintenance of the Landscaping and Lighting improvements that are directly associated with the development of properties within the District and for the special benefit of those properties.

The budgets and assessments described in this Report are based on the planned improvements and development requirements associated with Tract No. 38084. The budgets described herein, represent an estimate of the direct expenditures, incidental expenses, and fund balances that will be necessary to ensure proper maintenance, servicing and funding needs to support the landscaping and lighting improvements that provide special benefit to properties within the District.

The word "parcel," for the purposes of this Report, refers to an individual property assigned its own Assessor's Parcel Number (APN) by the Riverside County Assessor's Office. The Riverside County Auditor-Controller uses Assessor's Parcel Numbers and specific Fund Numbers to identify properties to be assessed on the tax roll for the special benefit assessments.

As part of this District formation, the City shall conduct a property owner protest ballot proceeding for the proposed levy of a new assessment pursuant to the provisions of the California Constitution, Article XIID Section 4. In conjunction with this ballot proceeding, the City

Council will conduct a public hearing to consider public testimonies, comments, and written protests regarding the formation of the District and levy of assessments. Upon conclusion of the public hearing, property owner protest ballots received will be opened and tabulated to determine whether majority protest exists (ballots shall be weighted based on the calculated proportional assessment amount for each benefiting parcel), and by resolution the City Council will confirm the results of the ballot tabulation. If majority protest exists, proceedings for the formation of the District and the levy of the proposed assessments shall be abandoned. If tabulation of the ballots indicates that majority protest does not exist for the proposed assessments and the assessment range formula presented and described herein, the City Council may approve the Report (as submitted or amended), order the formation of the District, and approve the levy and collection of assessments. In such case, the assessments for fiscal year 2022/2023 shall be submitted to the Riverside County Auditor-Controller for inclusion on the property tax roll for each parcel.

Each subsequent fiscal year, a Report shall be prepared and presented to the City Council describing any changes to the improvements, the proposed services, the annual budget and assessments for that fiscal year, and the City Council shall hold a noticed public hearing regarding these matters prior to approving and ordering the proposed levy of assessments.

This Report consists of five (5) parts:

#### Part I

**Plans and Specifications:** A description of the District boundaries and the proposed improvements associated with the District. The District is being formed with a single benefit zone encompassing all properties within the territory identified as Pulte Sevilla – Avenue 51 (Tract No. 38084).

#### Part II

**Method of Apportionment:** A discussion of benefits the improvements and services provide to properties within the District and the method of calculating each property's proportional special benefit and annual assessment. This section also identifies and outlines an Assessment Range Formula that provides for an annual adjustment to the maximum assessment rate that establishes limits on future assessments, but also provides for reasonable cost adjustments due to inflation without the added expense of additional property owner protest ballot proceedings.

#### Part III

**The District Budget:** An estimate of the annual costs to operate, maintain and service landscaping and lighting improvements related to the properties within the District. This budget includes an estimate of anticipated direct maintenance costs and incidental expenses including, but not limited to administration expenses and the collection of appropriate fund balances to establish an initial maximum assessment to be approved by the property owners of record. The special benefit maximum assessment proposed for this District is based on an estimate of the annual maintenance and operational expenses at full build out of the improvements. The proposed assessments for the first fiscal year (2022/2023), and each subsequent year shall be based on the estimated net annual cost of operating, maintaining, and servicing the District improvements for that fiscal year. The proposed maximum assessment (Rate per Equivalent Benefit Unit) identified in the budget of this Report establishes the initial maximum assessment rate for the District in fiscal year 2022/2023 and shall be adjusted annually by the Assessment Range Formula described in the method of apportionment.

#### Part IV

**District Diagram:** A Diagram showing the exterior boundaries of the District is provided in this Report and includes all parcels that will receive special benefits from the improvements. Parcel identification, the lines and dimensions of each lot, parcel, and subdivision of land within the District, are inclusive of all parcels as shown on the Riverside County Assessor's Parcel Maps as they existed at the time this report was prepared and includes all subsequent subdivisions, lot line adjustments or parcel changes therein. Reference is hereby made to the Riverside County Assessor's maps for a detailed description of the lines and dimensions of each lot and parcel of land within the District.

#### Part V

**Assessment Roll:** A listing of the proposed assessment amount to be presented to the property owners of record in the protest ballot proceedings required pursuant to the provisions of the California Constitution. The proposed assessment amount for each parcel is based on the parcel's proportional special benefit as outlined in the method of apportionment and the proposed initial maximum assessment rate.

## PART I — PLANS AND SPECIFICATIONS

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### A. PROPERTIES WITHIN THE DISTRICT

Pulte Sevilla – Avenue 51 (Tract No. 38084), will consists of 107 residential properties and 2 retention basins with associated private streets, utilities, landscaping, and lighting.

The purpose of the District is to ensure the ongoing maintenance, operation, and servicing of landscaping and lighting improvements installed in connection with development of properties within the District. This District will provide the financial mechanism (annual assessments) by which the ongoing operation and maintenance of these improvements will be funded.

The District structure, proposed improvements, method of apportionment and assessments described in this Report are based on current development and improvement plans including all estimated direct expenditures, incidental expenses, and reserves associated with the maintenance and servicing of the improvements.

The District is located within the boundaries of the City of Coachella, generally located east of Van Buren Street, west of Frederick Boulevard, north of Avenue 51 and generally south of Avenue 50.

### B. IMPROVEMENTS AND SERVICES

The purpose of this District is to fund the activities necessary to operate the corresponding landscaping and streetlighting improvements required of properties within the District as well as the maintenance of landscaping. The maintenance and operation of the landscaping improvements may include but are not limited to all materials, equipment, labor, and incidental expenses deemed necessary to keep these improvements in satisfactory condition as well as the collection of assessment installments for the periodic service activities, repair or rehabilitation of various improvements and facilities. The street light improvements include operation of lights only, not maintenance.

Detailed maps and descriptions of the location and extent of the improvements to be maintained by the District are on file with the Public Works Division and by reference are made part of this Report. These plans and specifications may be amended or modified from time to time to reflect future property development within the District or necessary changes to the planned developments currently approved by the City. The net annual cost to provide and maintain the improvements determined to be of special benefit shall be allocated to each property in proportion to the special benefits received from those various improvements. The District improvements and services are generally described as:

## LANDSCAPING IMPROVEMENTS

The landscape improvements to be funded by the District assessments may include, but are not limited to turf, ground cover, shrubs, and plants; vines, trees; irrigation and drainage systems; masonry walls, retaining walls, or other fencing; monuments; hardscapes; concrete, gravel, or decomposed granite trails, pathways and/or access roads; and other related appurtenant facilities within the District that have been dedicated to the City for maintenance. Other Improvements including but are not limited to:

- designated parkway side-panels within the rights-of-way or easements adjacent to the streets and properties within the District, including parkways and entryways;
- various non-street landscaping and/or vegetation management areas including the storm drainage detention basin areas, trails, and any other dedicated open space or greenbelt areas within the District; and

At build-out, it is anticipated that the District's landscape improvements will generally include, but is not limited to approximately: eighty-six thousand, eight hundred and thirty-six (86,836) square feet of ground covering and shrubs including ninety-three (93) irrigated drought-tolerant trees. Landscaping located on two (2) storm drainage detention basin lots, also on the north side of Avenue 51, including the entrance at Via Prado as well as the corners of Calle Perez and Calle Larriva.

## STREET LIGHTING IMPROVEMENTS

At build-out, it is anticipated that the District's street lighting improvements will generally include, but is not limited to approximately:

- Providing energy to operate twenty-four (24) street lighting poles within Tract Map No. 38084.

## PART II — METHOD OF APPORTIONMENT

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The 1972 Act permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements, including the acquisition, construction, installation and servicing of landscape improvements and related facilities. The 1972 Act requires that the cost of these improvements be levied according to benefit rather than assessed value:

Section 22573 defines the net amount to be assessed as follows:

*“The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.”*

The formula used for calculating assessments reflect the composition of parcels within the District and the improvements and activities to be provided and have been designed to fairly apportion the cost of providing those improvements based on a determination of the proportional special benefits to each parcel, consistent with the requirements of the 1972 Act and the provisions of Proposition 218 and Article XIII D of the California Constitution.

### CALIFORNIA CONSTITUTION

The costs to operate and maintain the District improvements are identified and allocated to properties on the special benefits conferred. The improvements provided and for which properties within the District are to be assessed are identified as local improvements and related amenities that were installed in connection with the development of the properties and/or would otherwise be required for the development of properties within the District and consistent with the provisions of the 1972 Act. The assessments and method of apportionment described herein are based on the premise that these improvements would otherwise not have been installed and maintained by the County. The improvements were installed as part of the development or planned development of the parcels within the District and the level of maintenance required for the improvements is greater than what the County would otherwise install, maintain, and fund elsewhere in the County.

Article XIII D Section 2(d) defines District as follows:

*“District means an area determined by an agency to contain all parcels which will receive a special benefit from a proposed public improvement or property-related service”;*

Article XIII D Section 2(i) defines Special Benefit as follows:

*“Special benefit” means a particular and distinct benefit over, and above general benefits conferred on real property located in the district or to the public at large. General enhancement of property value does not constitute “special benefit.”*

Article XIII D Section 4(a) defines proportional special benefit assessments as follows:

*"An agency which proposes to levy an assessment shall identify all parcels which will have a special benefit conferred upon them and upon which an assessment will be imposed. The proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the property related service being provided. No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."*

## **A. BENEFIT ANALYSIS**

The improvements provided within the District, for which properties will be assessed have been identified as necessary, desired and/or required for the orderly development of the properties within the District to their full potential, consistent with the development plans.

## **SPECIAL BENEFITS**

The ongoing maintenance of landscaped areas within the District will provide aesthetic benefits to the properties and are intended to provide a more pleasant environment to walk, drive, live, and work. The primary function of these improvements and related amenities is to serve as an aesthetically pleasing enhancement and open space area for the benefit of the immediate surrounding properties and development for which the improvements were constructed and installed, and/or were facilitated by the development or potential development of properties within the District. These improvements are an integral part of the physical environment associated with the parcels in the District and while these improvements may in part be visible to properties outside the District and/or occasionally accessed by the general public, if these improvements are not properly maintained, it is the parcels within the District that would be aesthetically burdened and/or impacted directly by potential environmental issues such as dust, debris, pests, water runoff, erosion, and fire hazards. Thus, the maintenance of these improvements provides advantages to the assessed properties that affect the assessed parcels in a way that is particular and distinct from their effect on other parcels and that real property in general and the public at large do not share.

Collectively these improvements, related amenities, and services which will be funded by the special benefit assessments, enhance the overall use, presentation, enjoyment, recreational access, and marketability of the properties, and ensure the long-term cost-efficiency of services that are obtained through the County provided maintenance (economy of scale).

## **GENERAL BENEFIT**

In reviewing the location and extent of the specific landscaped areas and improvements to be funded by the District assessments and the proximity and relationship to properties to be assessed, it is evident these improvements have been installed as part of the development of properties within the District or are improvements that would otherwise be shared by and/or required for development of those properties. Although the improvements are largely located on the north side of Avenue 51, including the entrance at Via Prado as well as the corners of Calle Perez and Calle Larriva of the development and may be visible and/or accessible to the general public, it is evident that the ongoing maintenance of these improvements are only necessary for the appearance and advantage of the properties within the District. It is also evident that these

improvements were not required nor necessarily desired by any properties or developments outside of the District boundaries.

In the absence of a special funding, these types of improvements would not have been installed by the developer per the City's conditions and the City's maintenance of these improvements would for the most part, be limited to weed abatement (fuel modification areas), rodent control, and erosion control services only. This basic or baseline level of service would typically provide for periodic servicing of the open space areas on an as-needed basis. This baseline level of service, would only provide a level of service that was necessary to ensure public safety, essential property protection and potential property damage. However, this baseline level of service results in a far less visually pleasing environment than is created with the enhanced levels of services associated with the regular landscape maintenance that can be provided through the District assessments.

In addition to this baseline level of service, it is recognized that there are indirect or incidental benefits to properties within the District as well as the general public that are associated with regular landscape maintenance services, including minimization of dust and debris, and decreased potential water runoff from the open space areas.

It is also recognized that with the regular maintenance of the improvements, the effort and cost to monitor and address these more indirect issues are reduced to isolated areas and/or less frequent servicing, and these activities generally represent less than two percent (2%) of the overall maintenance costs. Therefore, conservatively, we estimate that the costs associated with these indirect and incidental benefits (General Benefit) do not exceed five percent (5%) of the combined annual expenses for General Maintenance identified in the annual maintenance budget contained in "Part III – The District Budget" of this Report.

## REASON FOR THE ASSESSMENT

The assessments proposed to be annually levied and collected on parcels within LLMD 39 are established to defray the costs of the maintenance, operation, and servicing of improvements, as previously identified in "Part I - Plans and Specifications" of this Report.

These identified improvements, services and activities and the associated costs to provide such improvements identified in "Part III – The District Budget" of this Report, have been carefully reviewed and proportionally allocated to the parcels that receive special benefits from those improvements and services and are inclusive of all parcels that receive special benefits which are identified in "Part V – Assessment Roll" of this Report pursuant to the provisions of the California Constitution and 1972 Act. The formulas used for calculating special benefits within the District as outlined by this Report, have been established to reflect the composition of the parcels and the improvements and services to be provided and to fairly apportion the cost of those improvements based on the special benefits to each parcel. The method of apportionment (method of assessment) set forth in the Report is based on the premise that each assessed property receives special benefits from the improvements to be funded by the assessments, and the assessment obligation for each parcel reflects that parcel's proportional special benefits as compared to other properties that receive special benefits from the improvements. Furthermore, such assessments shall be used solely for the maintenance operation and servicing of the District improvements as authorized pursuant to the 1972 Act and in accordance with the California Constitution, the proportionate special benefits to each parcel shall be determined in

relationship to the entirety of the public improvement or the maintenance and operation expenses being provided and for which the property receives special benefits.

## **B. ASSESSMENT METHODOLOGY**

The method of apportionment for the District calculates the receipt of special benefit from the respective improvements based on the actual or proposed land use of the parcels within the District. The special benefit received by each lot or parcel is equated to the overall land use of the parcel based on the parcel's actual land use or proposed planned development and is reliant upon the special benefit received from the improvements planned within the District.

To identify and determine the special benefit to be received by each parcel, it is necessary to consider the entire scope of the District improvements as well as individual property development within the District. The costs associated with the improvements shall be fairly distributed among the parcels based upon the special benefit received by each parcel. Additionally, in compliance with Article XIID Section 4 of the State Constitution, each parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred to that parcel. The benefit formula used to determine the assessment obligation is therefore based upon both the improvements that benefit the parcels within the District as well as the proposed land use of each property as compared to other parcels that benefit from those specific improvements.

## **EQUIVALENT BENEFIT UNITS**

As previously noted in the "Part 1 – Plans and Specifications" section of this Report, at build-out, it is anticipated that the District will incorporate one hundred seven (107) Single Family Residential homes; and landscaped areas and basins which will be funded and maintained through an annual assessment.

To allocate special benefits fairly between the parcels, an Equivalent Benefit Unit (EBU) methodology is utilized for this District. The Equivalent Benefit Unit (EBU) method of assessment apportionment establishes a basic unit (base value) of benefit and then calculates the benefit derived by each assessed parcel as a multiple (or a fraction) of the basic unit. Based on an evaluation of the overall property development proposed within the District at build-out (100 % of the development acreage will be single family residential), for purposes of this Report, an EBU is the quantum of benefit derived from the funded improvements and services by a single-family residential parcel or unit. Thus, the "benchmark" property (the single-family residential parcel/unit) derives one (1.0) EBU of benefit. All other land uses are proportionately weighted (assigned an EBU) based on an assessment formula that equates the property's specific development and property characteristics to that of the benchmark property (single-family residential). This proportional weighting may be based on several factors that may include but are not limited to the type and status of development (land use), size of the property, development plans or restrictions, typical development densities, or other property related factors. Generally, for most assessment districts the calculation of each parcel's proportional special benefits can be reasonably determined by applying one or more of these factors. For the District, it has been determined that the key property related factors to be considered in the determination of the proportional special benefits for each parcel is limited to the property's current or approved land use (development type); and the property's development status (developed versus undeveloped).

The following outlines the land use classifications that are associated with or may be associated with the parcels in the District and the proportional Equivalent Benefit Units established for those land use classifications.

**Single-Family Residential Property** — is defined as a fully subdivided residential home site with or without a structure. For purposes of establishing the proportional special benefits and equivalent benefit units for other land uses in this District, the single-family residential land use is designated as the basic unit of assessment and shall be assigned 1.00 EBU per parcel.

**Vacant** — is defined as property that has been identified as parcels with no development but have development potential. Although it is recognized that the improvements provided within the District were primarily constructed and installed as the result of property development, it is also recognized that the majority of these improvements were constructed in part to support the overall development of properties within the District and/or Development to their full and best use, including vacant undeveloped properties. Therefore, it has been determined that parcels identified as Vacant/Undeveloped Parcels shall be assigned the pro-rata share of the build-out EBU total (107.00) based on acreage, if the lots have not been sub-divided as indicated on tract map. The parcels in the District are slated to be fully developed by fiscal year 2022/23.

## ASSESSMENT CALCULATIONS

The total number of Equivalent Benefit Units (EBU's) is the sum of all individual EBU's applied to parcels that receive special benefit from the improvements. An assessment amount per EBU (Assessment Rate) for the improvements is established by taking the total cost of the improvements and dividing that amount by the total number of EBU's of all parcels benefiting from the improvements. This Rate is then applied back to each parcel's individual EBU to determine the parcel's proportionate benefit and assessment obligation for the improvements.

$$\text{Total Balance to Levy} / \text{Total EBU} = \text{Levy per EBU}$$

$$\text{Levy per EBU} \times \text{Parcel EBU} = \text{Parcel Levy Amount}$$

## C. ASSESSMENT RANGE FORMULA

Any new or increased assessment requires certain noticing and meeting requirements by law. Prior to the passage of Proposition 218 (California Constitution Articles XIII C and XIII D), legislative changes in the Brown Act defined a "new or increased assessment" to exclude certain conditions. These conditions included "any assessment that does not exceed an assessment formula or range of assessments previously adopted by the agency or approved by the voters in the area where the assessment is imposed." This definition and conditions were later confirmed through Senate Bill 919 (Proposition 218 implementing legislation).

The purpose of establishing an Assessment Range Formula is to provide for reasonable increases and inflationary adjustment to annual assessments without requiring costly noticing and mailing procedures, which could add to the District costs. Commencing with fiscal year 2023/2024, the amount of the assessment for the District may be increased to adjust for increases in labor and material costs. This increase will be based upon the greater of three (3) percent or the annual change in the Consumer Price Index, All Urban Consumers, for the

Riverside-San Bernardino-Ontario, CA Area, as determined by the United States Department of Labor, or its successor, without conducting another mailed ballot election.

The Maximum Assessment is adjusted annually and is calculated independent of the annual budget and proposed annual assessment. Any proposed annual assessment (rate per EBU less than or equal to this Maximum Assessment) is not considered an increased assessment, even if the proposed assessment is greater than the assessment applied in the prior fiscal year.

Although the Maximum Assessment will increase each year, the actual assessment may remain unchanged. The Maximum Assessment adjustment is designed to establish a reasonable limit on assessments. The Maximum Assessment calculated each year does not require or facilitate an increase to the annual assessment and neither does it restrict assessments to the adjusted maximum amount. If the budget and assessment for the fiscal year do not require an increase, or the increase is less than the adjusted Maximum Assessment, then the required budget and assessment may be applied without additional property owner balloting. If the budget and assessments calculated requires an increase greater than the adjusted Maximum Assessment, then the assessment is considered an increased assessment and would be subject to balloting.

## PART III — THE DISTRICT BUDGET

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The following budget outlines the estimated annual costs to be collected and deemed necessary for the operation, maintenance, and servicing of the improvements for the District. The maximum assessment (Rate per Equivalent Benefit Unit) identified by this budget establishes the initial maximum assessment for the District in fiscal year 2022/2023. This assessment rate shall be adjusted annually by the Assessment Range Formula described in the method of apportionment and collectively this assessment rate and inflationary adjustment will be presented to the property owners of record for approval as part of the balloting process for new or increased assessments in accordance with the provisions of the California Constitution, Article XIII D.

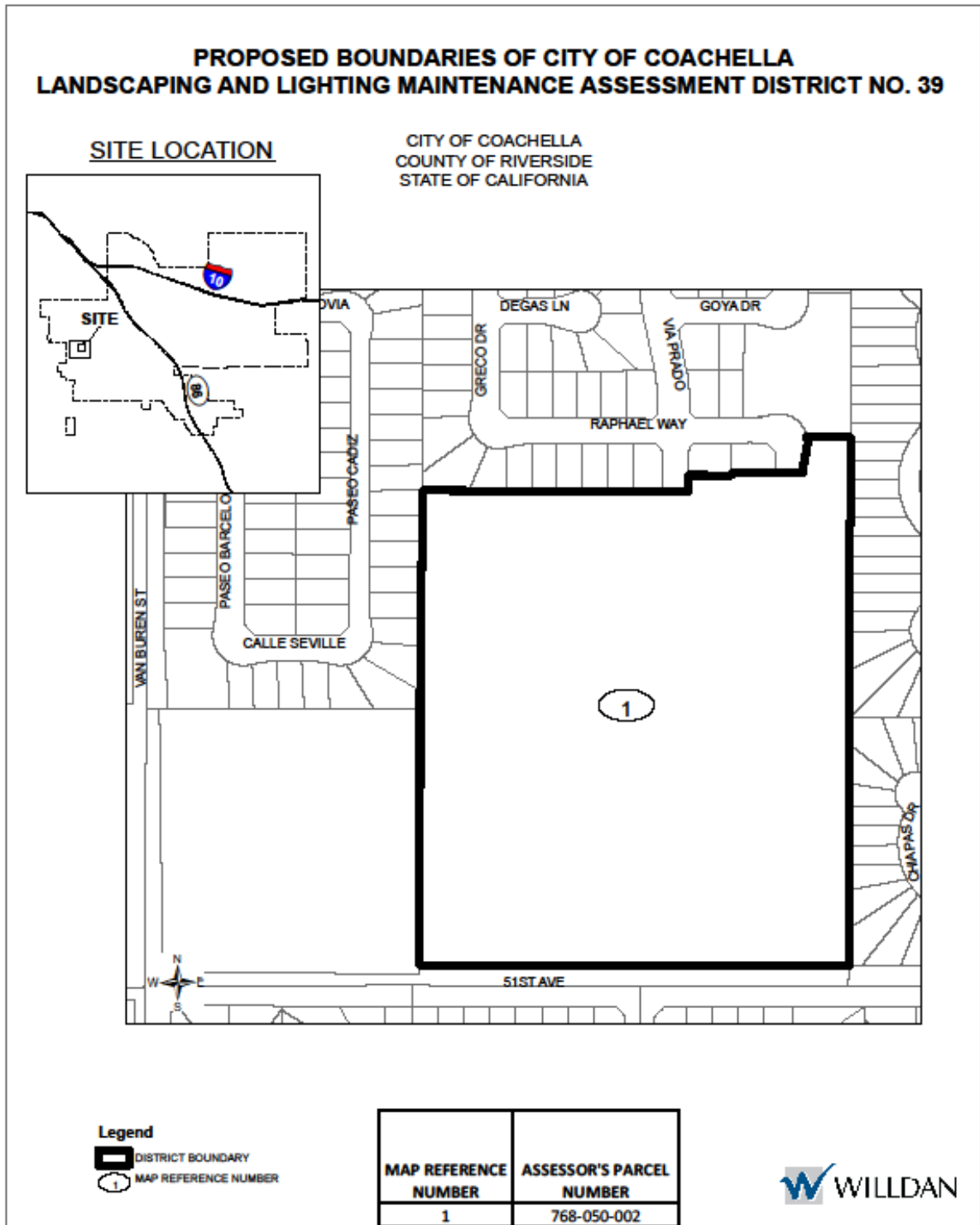
**LLMD 39, (Sevilla-Tract 38084)**  
**Fund Number TBD**

| Levy Component   | LLMD 39 (Sevilla)       |
|--|-------------------------|
| Landscape Maintenance Contract   | \$7,266                 |
| Landscape Utilities  | 4,515                   |
| Tree Trimming  | Included in Maintenance |
| Streetlight Utilities  | 4,000                   |
| Storm Drainage Detention Basin Maintenance   | 10,442                  |
| <b>Total Direct Costs</b>  | <b>\$26,223</b>         |
| Levy Administration and Professional Services  | \$254                   |
| County Collection Fee  | 99                      |
| City Overhead and Administration   | 6,632                   |
| <b>Total Administration Costs</b>  | <b>\$6,985</b>          |
| <b>TOTAL DIRECT AND ADMIN COSTS</b>  | <b>\$33,207</b>         |
| Reserve Collection/(Transfer)  | \$13,111                |
| Capital Improvement Fund Collection General Area & Storm Drainage Detention Basin/(Transfer) | 684                     |
| General Benefit Contribution   | (2,171)                 |
| General Fund/Other Revenue (Contributions)   | 0                       |
| <b>Total Collections/(Credits)</b>   | <b>\$11,625</b>         |
| <b>Balance to Levy (Budgeted)</b>  | <b>\$44,832</b>         |
| Total Parcels  | 1                       |
| Total Parcels Levied   | 1                       |
| Total Equivalent Benefit Units   | 107.00                  |
| <b>Assessment Rate per Benefit Unit</b>  | <b>\$419.00</b>         |
| <b>Maximum Rate per Benefit Unit (Current Fiscal Year)</b>                                   | <b>\$419.00</b>         |
| Estimated Beginning Reserve Fund Balance   | \$0                     |
| Reserve Fund Adjustments   | 13,111                  |
| <b>Estimated Ending Reserve Balance</b>  | <b>\$13,111</b>         |
| Estimated Beginning Capital Improvement Fund Balance   | \$0                     |
| Capital Improvement Adjustments  | 684                     |
| <b>Estimated Ending Capital Improvement Balance</b>  | <b>\$684</b>            |

## PART IV — DISTRICT DIAGRAM

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The following District Diagram identifies the area of land within the District to be designated as "Landscaping and Lighting Maintenance District No. 39 (Sevilla-Tract 38084)", based on the development and improvement plans for the District, Riverside County Assessor's Maps, and Riverside County Assessor's property information as the same existed at the time this Report was prepared. The District includes Riverside County Assessor's Parcel Map Book 768 Page 50 Parcel 2. The combination of this map and the Assessment Roll contained in Part V of this Report constitute the Assessment Diagram for the District. The maximum assessment rate, assessment range formula and the proposed assessment amount for each of the lots and parcels of land within the District, as described herein, shall be presented to the property owners of record for approval or protest in accordance with the provisions of the California Constitution.



## PART V — ASSESSMENT ROLL

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Parcel identification for each lot or parcel within the District is outlined in the preceding Assessment Diagram and is based on available parcel maps and property data from the Riverside County Assessor's Office at the time this Engineer's Report was prepared. A listing of the lots and parcels to be assessed within this District commencing in Fiscal Year 2022/2023, along with the assessment amount for each such lot or parcel is provided below.

If any parcel submitted for collection is identified by the County Auditor-Controller to be an invalid parcel number for the fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County Auditor-Controller. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rates described in this Report as approved by the City Council. Therefore, if a single parcel is subdivided to multiple parcels, the assessment amount applied to each of the new parcels shall be recalculated and applied according to the approved method of apportionment and assessment rate rather than a proportionate share of the original assessment amount.

| Assessor's<br>Parcel Number | Owner         | EBU    | Maximum<br>Assessment Rate | Maximum<br>Assessment |
|-----------------------------|---------------|--------|----------------------------|-----------------------|
| 768-050-002                 | PULTE HOME CO | 107.00 | \$419.00                   | \$44,833.00           |

## RESOLUTION NO. 2022-06

### A RESOLUTION OF THE CITY COUNCIL OF COACHELLA, CALIFORNIA, INITIATING PROCEEDINGS FOR THE FORMATION OF THE LANDSCAPING AND LIGHTING MAINTENANCE DISTRICT NO. 39 (SEVILLA-TRACT 38084); AND DIRECTING THE PREPARATION AND FILING OF AN ENGINEER'S REPORT RELATED THERETO, PURSUANT TO THE PROVISIONS OF PART 2 OF DIVISION 15 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE

**WHEREAS**, the City Council of the City of Coachella ("City"), pursuant to the provisions of the Landscaping and Lighting Act of 1972, Division 15, Part 2 of the California Streets and Highways Code ("Act"), desires to initiate proceedings for the formation of an assessment district within the City to be known and designated as the Landscaping and Lighting Maintenance District No. 39 (Sevilla-Tract 38084) ("District"), and to establish the maximum annual assessments for the District as of fiscal year 2022/2023 to pay for the operation, maintenance, and servicing of local landscaping, street lighting, park and trail improvements, and appurtenant facilities related thereto; and

**WHEREAS**, pursuant to Chapter 2, Article 1 Section 22585 of the Act, proceedings for the formation of an assessment district shall be initiated by resolution and that resolution shall generally describe the proposed improvements, describe the proposed assessment district, and specify a distinctive designation for the district and order the engineer to prepare and file a report in accordance with Article 4 (commencing with Section 22565) of Chapter 1 of the Act; and

**WHEREAS**, the City has retained Willdan Financial Services ("Willdan") as the Assessment Engineer of Work for the purpose of assisting with the formation of the District, the establishment of assessments, and to prepare and file a report with the City Clerk concerning the formation of the District and the proposed annual levy of assessments in accordance with the Act and the provisions of the California Constitution Article XIIIID (the "Constitution").

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

**SECTION 1.** That the foregoing recitals are true and correct.

**SECTION 2.** That the City proposes to form the Landscaping and Lighting Maintenance District No. 39 (Sevilla) incorporating the parcels of land within the development area known as Tract No. 38084 generally located within the City of Coachella, north of Avenue 51, and generally south of Avenue 50 and east of the Van Buren Street and west of Frederick Street; to establish the maximum assessment for fiscal year 2022/2023 including an inflationary adjustment (assessment range formula); and to levy and collect annual assessments for the District as required for fiscal year 2022/2023 to pay for the operation, maintenance, and servicing of local landscaping and lighting improvements, and appurtenant facilities related thereto.

**SECTION 3.** The territory to be included within the District as described above incorporates approximately twenty-seven acres (26.81 acres) which are included and identified on

the Riverside County Assessor's Parcel Number (APN) Map as Book 768, Page 050, Parcel 002. By reference, these maps are made part of this resolution.

**SECTION 4.** That the improvements for which the District is formed, may generally include at buildout, local street lighting, two (2) retention basin areas and streetscape landscaping improvements and appurtenant facilities that are maintained and serviced for the benefit of real property within the District. These local improvements to be maintained will be established in connection with development of the properties within the District, and which shall be maintained for the special benefit of those properties. The maintenance and servicing of the improvements generally include, but are not limited to, the materials, equipment, utilities, labor, and incidental expenses, including administrative expenses, required for annual operation, as well as the performance of periodic repairs and replacement activities as needed to provide for the growth, health, and beauty of the trees and landscaping within specified public right-of-ways and/or dedicated easements, the proper operation and functioning of related landscape facilities including, irrigation and drainage systems, specified fencing, and hardscapes; and the proper operation of the public street lights and street lighting system within the public rights-of-way.

**SECTION 5.** In accordance with Chapter 2 Article 1 Section 22586 of the Act, the City Council hereby directs the Assessment Engineer Work to prepare and file with the City Clerk an Engineer's Report concerning the formation of the District; the improvements and services connected therewith and the annual assessments that may be levied and collected commencing with the fiscal year 2022/2023, in accordance with Chapter 1 Article 4 (commencing with Section 22565) of the Act.

**PASSED, APPROVED, and ADOPTED** this 26<sup>th</sup> day of January 2022.

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Steven A. Hernandez  
Mayor

**ATTEST:**

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Angela M. Zepeda  
City Clerk

**APPROVED AS TO FORM:**

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Carlos Campos  
City Attorney

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

**I HEREBY CERTIFY** that the foregoing Resolution No. 2021-06 was duly adopted by the City Council of the City of Coachella at a regular meeting thereof, held on the 26<sup>th</sup> day of January 2022, by the following vote of Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Andrea J. Carranza, MMC  
Deputy City Clerk

## RESOLUTION NO. 2022-07

**A RESOLUTION OF THE CITY COUNCIL OF COACHELLA, CALIFORNIA, DECLARING THE CITY'S INTENTION TO FORM THE LANDSCAPING AND LIGHTING MAINTENANCE DISTRICT NO. 39 (SEVILLA-TRACT 38084); TO LEVY AND COLLECT ANNUAL ASSESSMENTS RELATED THERETO COMMENCING FISCAL YEAR 2022/2023, ACCEPTING AND APPROVING THE ENGINEER'S REPORT AND ASSESSMENT DIAGRAM; TO CONDUCT A PROPERTY OWNER PROTEST BALLOT PROCEEDING ON THE MATTER OF THE NEW ASSESSMENTS; AND SETTING A TIME AND PLACE FOR THE PUBLIC HEARING ON THESE MATTERS PURUSANT TO THE PROVISIONS OF THE CALIFORNIA CONSTITUTION ARTICLE XIIIID**

**WHEREAS**, the City Council of the City of Coachella ("City"), pursuant to provisions of the Landscaping and Lighting Act of 1972 being Part 2, Division 15 of the California Streets and Highways Code ("Act"), did by previous Resolution, initiate proceedings for the formation of an assessment district within the City to be known and designated as the Landscaping and Lighting Maintenance District No. 39 (Sevilla-Tract 38084) ("District"), and to establish the maximum annual assessments for the District commencing fiscal year 2022/2023 to pay for the operation, maintenance, and servicing of local landscaping, street lighting, park and trail improvements, and appurtenant facilities related thereto; and

**WHEREAS**, the Assessment Engineer of Work has prepared and filed an Engineer's Report with the City Clerk in connection with the formation of the District, the establishment of the proposed maximum assessment connected therewith and the assessment for fiscal year 2022/2023 (beginning July 1, 2022 and ending June 30, 2023) with the City Clerk pursuant to Section 22623 of the Act, and said report has been presented to the City Council, and is incorporated herein by reference.

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

**SECTION 1.** That the foregoing recitals are true and correct.

**SECTION 2.** The Engineer's Report as presented, consists of the following:

The Plans and Specifications which describe the boundaries of the District and the improvements associated therewith that provide special benefits to the parcels therein.

The Method of Apportionment that details the method of calculating proportional special benefit and the annual assessment obligation for each affected parcel.

The Estimate of Improvement Costs including the calculation of the assessments and the estimated annual funding (Budget) required for the annual maintenance, servicing, and operation of the landscaping and lighting improvements and specifically the costs associated with the improvements determined to be of special benefit to parcels within the District, establishing the proposed maximum assessment and the assessment for fiscal year 2022/2023.

The Assessment Range Formula (Annual Inflationary Adjustment) to be applied to the proposed Maximum Assessment Rate per Equivalent Benefit Unit in subsequent fiscal years. The proposed Maximum Assessments including the Assessment Range Formula shall be presented to the property owner(s) of record in a protest ballot proceeding pursuant to the California Constitution Article XIID.

A District Diagram outlining the boundaries of the District for fiscal year 2022/2023.

An Assessment Roll containing the proposed maximum assessment for fiscal year 2022/2023 for each Assessor Parcel Number within the District.

**SECTION 3.** The City Council hereby approves the Engineer's Report on a preliminary basis as submitted or amended by direction of this City Council, and orders said Report to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection, and by reference the Engineer's Report is made part of this resolution.

**SECTION 4.** The City Council hereby declares its intention to form the assessment district to be known and designated as the Landscaping and Lighting Maintenance District No. 39 (Sevilla-Tract 38084) pursuant to Chapter 2 Article 1 of the Act, and to establish said District with benefit zones pursuant to Section 22574 of the Act; and to levy and collect annual assessments against parcels of land within the District commencing with fiscal year 2022/2023 in accordance with the Act and the provisions of the California Constitution Article XIID.

The City Council further declares its intention to conduct a public hearing regarding this district formation and the proposed levy of new assessments pursuant to the provisions of the Act and the California Constitution Article XIID and thereby calls for a property owner protest balloting proceeding related thereto. The City Council finds that the public's best interest requires such action and levy of assessments.

**SECTION 5.** The City Council hereby finds that the territory within the proposed District as identified in the Engineer's Report consists of and includes those lots, parcels and subdivisions of land that will receive special benefits from the improvements to be provided.

**SECTION 6.** The proposed improvements and services for the District as identified in the Engineer's Report, include, but are not limited to, the maintenance, operation and servicing of various landscaping improvements established in connection with development of the properties within the District, and which shall be maintained for the special benefit of those properties. The maintenance and servicing of the improvements generally include, but are not limited to turf, ground cover, shrubs, and plants; vines, trees; irrigation and drainage systems; masonry walls, retaining walls, or other fencing; monuments; hardscapes; concrete, gravel, or decomposed granite trails, pathways and/or access roads; and other related appurtenant facilities within the District. The proposed local street lighting improvements include operation of lights only, not maintenance. The Engineer's Report prepared and filed with the City Clerk provides a more detailed description of the improvements and services to be provided and for which properties shall be assessed.

**SECTION 7.** The City Council hereby determines that to provide the improvements described in section 6 of this resolution, it is necessary to levy and collect assessments against lots and parcels within the District commencing in fiscal year 2022/2023. The Engineer's Report referred to in Section 2 of this resolution establishes the fiscal year 2022/2023 proposed maximum assessment for the District including the annual inflationary adjustment to the maximum assessment rates.

**SECTION 8.** Pursuant to California Constitution Article XIID, an assessment ballot proceeding is hereby called on the matter of confirming the proposed new assessments for the District. The ballots and notices so authorized shall be distributed by first class mail to the property owners of record as of the last County equalized roll not less than 45 days prior to the public hearing, and each property owner may return the ballot by mail or in person to the City Clerk not later than the conclusion of the public hearing for this matter.

**SECTION 9.** The City Council hereby authorizes and directs the City Clerk or their designee to prepare and mail notice of the Public Hearing; and in the same or separate mailing, mail the property owner protest ballot(s) to the subject property owner regarding the proposed levy of assessments and the assessment range formula outlined in the Engineer's Report, for return receipt prior to the date and time of the public hearing set forth in this resolution.

**SECTION 10.** The City Council hereby declares its intention to conduct a Public Hearing concerning the District, the improvements, and the levy of assessments and in accordance with Section 22624 (e) and 22625 of the Act, notice is hereby given that on Wednesday, March 23, 2022 at 6.00 P.M., the City Council will hold a Public Hearing for the District and the levy and collection of assessments related, or as soon thereafter as feasible. The Public Hearing will be held in the City Council Chambers, located at 1515 Sixth Street, Coachella, at the time so fixed. At the Public Hearing, all interested persons shall be afforded the opportunity to hear and be heard.

**SECTION 11.** The property owner protest ballot proceeding conducted for the District shall constitute the property owner's approval or rejection of the annual levy of assessments and assessment range formula. The property owner may return the ballot by mail or in person to the City Clerk not later than the conclusion of the Public Hearing on Wednesday, March 23, 2022. After the close of the Public Hearing, pursuant to Section 4, Sub-Section 4 (e) of the California Constitution, the City shall tabulate the ballots returned to determine if majority protest exists. The ballots shall be weighted according to the proportional financial obligation of the affected property. Majority protest exists if, upon the conclusion of the hearing, ballots submitted in opposition to the assessment exceed the ballots submitted in favor of the assessment.

Any interested person may file a written protest with the City Clerk prior to the conclusion of the hearing, or having previously filed a protest, may file a written withdrawal of that protest. A written protest shall state all grounds of objection, and protest by a property owner shall contain a description sufficient to identify the property owned by such property owner. At the public hearing, all interested persons shall be afforded the opportunity to hear and be heard.

**SECTION 12.** The City Clerk or their designee is hereby authorized and directed to give notice of such Public Hearing as provided by law.

**PASSED, APPROVED, and ADOPTED** this 26<sup>th</sup> day of January 2022.

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Steven A. Hernandez, Mayor  
**ATTEST:**

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Angela M. Zepeda

City Clerk

**APPROVED AS TO FORM:**

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Carlos Campos  
City Attorney

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

**I HEREBY CERTIFY** that the foregoing Resolution No. 2021-07 was duly adopted by the City Council of the City of Coachella at a regular meeting thereof, held on the 26<sup>th</sup> day of January 2022, by the following vote of Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Andrea J. Carranza, MMC  
Deputy City Clerk



**STAFF REPORT**  
**1/26/2022**

**TO:** Honorable Mayor and City Council Members

**FROM:** Celina Jimenez, Grants Manager

**SUBJECT:** Adopt Resolution No. 2022-08 Authorizing the City of Coachella to be a Co-Applicant in the Grant Application Desert Recreation District will submit under the Regional Park Program to the California Department of Parks and Recreation Office of Grants and Local Services

**STAFF RECOMMENDATION:**

Staff recommends that the City Council consider adopting Resolution No. 2022-08 authorizing the City of Coachella to be a co-applicant in the grant application Desert Recreation District will submit under the Regional Park Program to the California Department of Parks and Recreation Office of Grants and Local Services to build an indoor soccer/sports facility at Rancho Las Flores Park for a not-to-exceed amount of \$3,000,000 million dollars.

**BACKGROUND:**

Regional Park Program (RPP) competitive grants will create, expand, and improve regional parks. RPP projects will create at least one new recreation feature that attracts visitors from at least a 20-mile radius or county-wide population to a regional park. The new recreation feature(s) will offer nature appreciation, or athletic activities, historical or cultural enrichment, or other recreational activities in an open space area.

**DISCUSSION/ANALYSIS:**

This funding opportunity is only available for Districts, Joint Powers Authorities, Counties and Nonprofits. The City will be a co-applicant with Desert Recreation District (DRD) for this park grant as DRD will submit the application through its nonprofit arm. City staff conducted extensive community engagement within a half-mile radius of Rancho Las Flores Park and the public expressed their desire for an indoor soccer/sports complex. The community voiced many different possibilities, but the number one request people advocated for was for additional 'play space' for soccer (or other field sports such as field hockey, lacrosse, rugby or tennis). Rancho Las Flores is a 30-acre park with approximately 15 acres left to build it out to its maximum capacity. Rancho Las Flores Park expands to 40 acres when the open space on Mitchell Drive is also used to accommodate parking.

**ALTERNATIVES:**

1. Adopt Resolution No. 2022-08 Authorizing the City of Coachella to be a Co-Applicant in the Grant Application Desert Recreation District will submit under the Regional Park Program to the California Department of Parks and Recreation Office of Grants and Local Services
2. Not Adopt Resolution No. 2022-08 Authorizing the City of Coachella to be a Co-Applicant in the Grant Application Desert Recreation District will submit under the Regional Park Program to the California Department of Parks and Recreation Office of Grants and Local Services

**FISCAL IMPACT:**

There is no direct fiscal impact for adopting the authorizing resolution itself since there is no matching funds requirement. However, the City will be required to maintain any improvements made with grant monies for a period of 30 years. Associated cost increases are considered to be minimal.

**ATTACHMENTS:**

1. Resolution No. 2022-08

## RESOLUTION NO. 2022-08

### RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COACHELLA APPROVING THE APPLICATION FOR REGIONAL PARK PROGRAM GRANT FUNDS

**WHEREAS**, the State Department of Parks and Recreation has been delegated the responsibility by the Legislature of the State of California for the administration of the Regional Park Grant Program, setting up necessary procedures governing the application; and

**WHEREAS**, said procedures established by the State Department of Parks and Recreation require the Applicant to certify by resolution the approval of the application before submission of said application to the State; and

**WHEREAS**, successful Applicants will enter into a contract with the State of California to complete the Grant Scope project;

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Coachella hereby:

**APPROVES THE FILING OF AN APPLICATION FOR THE COACHELLA  
INDOOR REGIONAL SOCCER-SPORTS COMPLEX; and**

- 1.** Certifies that said Applicant has or will have available, prior to commencement of any work on the project included in this application, the sufficient funds to complete the project; and
- 2.** Certifies that if the project is awarded, the Applicant has or will have sufficient funds to operate and maintain the project, and
- 3.** Certifies that the Applicant has reviewed, understands, and agrees to the General Provisions contained in the contract shown in the Grant Administration Guide; and
- 4.** Delegates the authority to the **City Manager** to conduct all negotiations, sign and submit all documents, including, but not limited to applications, agreements, amendments, and payment requests, which may be necessary for the completion of the Grant Scope; and
- 5.** Agrees to comply with all applicable federal, state and local laws, ordinances, rules, regulations and guidelines.
- 6.** Will consider promoting inclusion per Public Resources Code §80001(b)(8 A-G).

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**PASSED, APPROVED and ADOPTED** this 26<sup>th</sup> day of January 2021.

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Steven A. Hernandez  
Mayor

**ATTEST:**

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Angela M. Zepeda  
City Clerk

**APPROVED AS TO FORM:**

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Carlos Campos  
City Attorney

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

**I HEREBY CERTIFY** that the foregoing Resolution No. 2022-08 was duly adopted by the City Council of the City of Coachella at a regular meeting thereof, held on the 26<sup>th</sup> day of January 2021, by the following vote of Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Andrea J. Carranza, MMC  
Deputy City Clerk



**STAFF REPORT**  
**1/26/2022**

**TO:** Honorable Mayor and City Council Members

**FROM:** Nathan Statham, Finance Director

**SUBJECT:** Conditional Loan Commitment for CFD 2005-1 Special Assessments for the Coachella Village Apartments Housing Development

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**STAFF RECOMMENDATION:**

Staff recommends that City Council approve resolution 2022-2 authorizing the City to enter into a conditional loan approval along with a prepayment and loan agreement for the Coachella Village Apartments Housing Development "Development" allowing for the prepayment of special assessments for law enforcement, fire and paramedic service once the development is annexed into Community Facilities District 2005-1.

**BACKGROUND:**

Coachella Valley Development Partners, LLC ("Developer") has obtained site control for a proposed housing development with the intention of constructing 84-units as part 1 of phase 1 of a 352-unit multifamily development with a 5,000 square foot daycare facility, outdoor play area, a 5,000 square foot Recreation Building, a pool and spa, and various other recreational amenities for residents throughout the site (the "Project") with expected entitlement in the name of a new entity to be formed conducive to the type of project contemplated ("to be formed entity"). The project is located on the south side of Avenue 48 west of Van Buren Street.

The City Council of the City of Coachella, by Resolution No. 2005-93, authorized the creation of the City of Coachella Community Facilities District 2005-1 (the "CFD") and by Resolution No. 2005-94, authorized the levy of a special tax for properties within the CFD (the "Special Assessment"), pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, to finance a portion of the cost of providing law enforcement, fire and paramedic services within the CFD. The Project will be annexed into the CFD as a condition of approval, requiring the Developer to pay an annual special assessment in the amount of \$1,249.40 per certified dwelling unit per year increasing annually based on the annual adjustment of the Consumer Price Index.

The project will provide a substantial public welfare benefit to the City through the mitigation of housing shortages in the City and State. To make the project financially viable and allow the Developer to facilitate financing arrangements for the project, the developer needs to defer these annual special assessment payments. To defer these special assessments, the developer is asking the City to enter into a loan and prepayment agreement that will defer the special assessment

payments from the project for 15 years. The Full amount of the assessments will be payable at the end of 15 years or sooner if the project is sold or refinanced.

**DISCUSSION/ANALYSIS:**

The conditional loan approval is proposed under the following terms:

1. Loan Amount – not to exceed \$2,400,000\*.
2. Loan Term - 15 years (10 years deferred with no payment, 5 years interest only).
3. Interest - 3% compounded per annum\*\*.
4. Repayment – in full at end of loan term, sale or refinance.

With final loan approval subject to the following conditions:

1. The Developer agrees to enter into a concurrent prepayment agreement in the same amount as the loan agreement. Monies received under the loan agreement will be directly paid to the City in prepayment of CFD taxes due.
2. The Developer agrees to annex the property into the CFD.
3. The Developer agrees to applicable modification of the CFD to permit a prepayment agreement.
4. The Developer secures all project financing.
5. The Developer obtains all necessary City and other regulatory approvals.

**FISCAL IMPACT:**

The City will not see a direct fiscal impact from these agreements. The City is not currently receiving special assessment revenue from this project and this agreement will defer special assessment payments to the City for a term of 15 years. The annual special assessment payments for all units, using current year rates, is \$107,049. The City will be deferring these assessments for 15 years under the terms of the agreements receiving a payback of approximately \$2,400,000 including interest at that time.

**ATTACHMENTS:**

1. Resolution 2022-12
2. Conditional Loan Commitment Letter

## RESOLUTION NO. 2022-12

### A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COACHELLA, CALIFORNIA APPROVING A COMMITMENT TO ENTER INTO A CONDITONAL LOAN AGREEMENT TO PREPAY LAW ENFORCEMENT, FIRE AND PARAMEDIC SERVICES SPECIAL ASSESSMENTS (CFD 2005-1) FOR THE COACHELLA VILLAGE APARTMENT HOUSING PROJECT.

**WHEREAS**, Coachella Valley Development Partners, LLC has site control of certain real property located in the City of Coachella on the south side of Avenue 48 west of Van Buren Street and intends to purchase said property through a new entity to be formed for this specific purpose (the "Developer") and plans to construct 84 units as part 1 of phase 1 of a 352-unit multifamily development; and

**WHEREAS**, the City Council of the City of Coachella, by Resolution No. 2005-93, authorized the creation of the City of Coachella Community Facilities District 2005-1 (the "CFD") and, by Resolution No. 2005-94, authorized the levy of a special tax for properties within the CFD (the "Special Assessment"), pursuant to the Mello-Roos Community Facilities Act of 1982, as amended; and

**WHEREAS**, the property will be annexed into the CFD as a condition of approval and will be subject to the Special Assessment; and

**WHEREAS**, the Developer has requested that it be permitted to prepay fifteen (15) years of the Special Assessments for the Property; and

**WHEREAS**, the City has agreed to make a loan to the Developer in order to prepay the Special Assessments, and the City and the Developer wish to enter into a loan and prepayment agreement to provide for the terms and conditions upon which the Special Assessments will be prepaid; and

**WHEREAS**, the Developer needs the City Council to provide a conditional loan commitment ("Commitment") to enter into these agreements to apply for project financing.

### **NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF COACHELLA HEREBY RESOLVES AS FOLLOWS:**

**SECTION 1** – Council authorizes the City Manager or Finance Director to enter into a conditional loan commitment with the developer consistent with Exhibit A (Conditional Loan Commitment Letter) with minor modifications as to exact wording and final loan amount (if less than the not to exceed amount) for needed updates and to conform and clarify the letter as needed to facilitate the proper wording of the letter subject to review by the City Attorney.

**SECTION 2** - The City Manager or Finance Director are authorized to enter into a prepayment and loan agreement (including a note and deed of trust) consistent with the terms of

the conditional loan commitment provided the terms are met by the developer. Agreement wording will be prepared and approved by the City's Finance Director and Attorney; however, agreement terms will be consistent in all respect with the terms outlined in the conditional loan commitment letter.

**PASSED, APPROVED and ADOPTED**, this 26<sup>th</sup> day of January, 2022.

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Steven A. Hernandez  
Mayor

**ATTEST:**

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Angela M. Zepeda  
City Clerk

**APPROVED AS TO FORM:**

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Carlos Campos  
City Attorney

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

**I HEREBY CERTIFY** that the foregoing Resolution No. 2022-12 was duly adopted by the City Council of the City of Coachella at a regular meeting thereof, held on this 26<sup>th</sup> day of January 2022, by the following vote of the City Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Andrea J. Carranza, MMC  
Deputy City Clerk



January 26, 2022

Subject: CFD Loan Commitment  
Coachella Village (Coachella Valley Development Partners, LLC)  
Coachella, CA 92236

To Whom It May Concern:

The City Council of the City of Coachella, by Resolution No. 2005-93, authorized the creation of the City of Coachella Community Facilities District 2005-1 (the "CFD") and, by Resolution No. 2005-94, authorized the levy of a special tax for properties within the CFD (the "Special Assessment"), pursuant to the Mello-Roos Community Facilities Act of 1982, as amended.

Coachella Valley Development Partners, LLC ("Developer") has obtained site control for a proposed housing project with the intention of constructing a multifamily apartment complex totaling 352-unit to be constructed in two phases. The project also includes amenities including a 5,000 square foot daycare facility, outdoor play area, a 5,000 square foot Recreation Building, a pool and spa, and various other recreational amenities for residents throughout the site and is known as the Coachella Village Apartments (the "Project"). The first phase of the project will be constructed in three parts. This commitment pertains to the first 84 units to be constructed within phase 1. The project is located on the south side of Avenue 48 west of Van Buren Street.

The City agrees to enter into a conditional affordable housing loan commitment wherein the City agrees to loan the project owner funds for the prepayment of special assessments under the following terms:

1. Loan Amount – not to exceed \$2,400,000\*.
2. Loan Term - 15 years (10 years deferred with no payment, 5 years interest only).
3. Interest - 3% compounded per annum\*\*.
4. Repayment – in full at end of loan term, sale or refinance.

\*Based on CFD amount for fiscal year 21/22 of \$1,249.40 presuming 2% average annual CPI increases. Agreement amount to be updated to reflect current CFD rate at time of project completion. Special assessments exceeding the loan/prepayment amount within the loan term will be included in the applicable year levy.

\*\*Interest will be calculated on the accrued unpaid loan balance each year.

Conditions of Loan Approval:

1. The Developer agrees to enter into a concurrent prepayment agreement in the same amount as the loan agreement. Monies received under the loan agreement will be directly paid to the City in prepayment of CFD taxes due.
2. The Developer agrees to annex the property into the CFD.
3. The Developer agrees to applicable modification of the CFD to permit a prepayment agreement.
4. The Developer secures all project financing.
5. The Developer obtains all necessary City and other regulatory approvals.

6. The Developer agrees to complete all off-site improvements specified in funding and City agreements along with related supporting detail documents.

The City Council of the City of Coachella approved this conditional loan commitment for the above-referenced project at a regularly scheduled meeting on January 26, 2022. This letter shall serve as an enforceable funding commitment for the loan. The loan will be made as permanent funding for the project.

Should you have any questions, please do not hesitate to contact the City at 760-398-3502.

Sincerely,

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**STAFF REPORT**  
**1/26/2022**

**TO:** Honorable Mayor and City Council Members

**FROM:** Maritza Martinez, Public Works Director

**SUBJECT:** Adopt Resolution No. 2022-13 Authorizing the City Manager to Submit an Application to CalRecycle to Assist with the Implementation of Regulation Requirements Associated with SB 1383

**STAFF RECOMMENDATION:**

Staff recommends that the City Council consider adopting Resolution No. 2022-13, authorizing the City Manager to submit an application to CalRecycle to assist with the implementation of regulation requirements associated with SB 1383.

**BACKGROUND:**

In September 2016, Governor Edmund Brown Jr. set methane emissions reduction targets for California (SB 1383 Lara, Chapter 395, Statutes of 2016) in a statewide effort to reduce emissions of short-lived climate pollutants (SLCP). The targets must:

- ✓ Achieve a 50% reduction in the level of the statewide disposal of organic waste from the 2014 level by 2020 and 75% by 2025;
- ✓ Rescue for people to eat at least 20% of currently disposed surplus food by 2025.

Organics like food scraps, yard trimmings, paper, and cardboard make up half of what Californians dump in landfills. Reducing Short-Lived Climate Super Pollutants like organic waste will have the fastest impact on the climate crisis. Cities will be expected to educate all residents and businesses about collection requirements, including what materials to put in curbside bins. Education to residents and businesses may be provided electronically, through hard copy materials, or through direct outreach.

The Department of Resources Recycling and Recovery (CalRecycle) is offering the SB 1383 Local Assistance Grant Program pursuant to Chapter 395, Statutes of 2016. This non-competitive grant program will provide one-time funding to local jurisdictions like the City of Coachella to assist with the implementation of regulation requirements associated with SB 1383. The City's estimated allocation is \$63,747. The project timeline is:

|             |  |
|-------------|--|
| Feb 1, 2022 | Applications due in GMS  |
| Mar 1, 2022 | Secondary due date for First Round Funding (approved Resolution) |
| Apr 1, 2022 | Grants awarded for First Round Funding                           |

Apr 2, 2024 Grant term end for First Round Funding

Eligible projects/products include: (the City will propose to use funds for collection and education/outreach)

- Capacity Planning
- Collection
- Edible Food Recovery
- Education and outreach (includes organic waste & edible food recovery)
- Enforcement and Inspection
- Program Evaluation/Gap Analysis
- Procurement Requirements (using recycled organic products – compost, mulch, electricity, and/or renewable gas and recycled paper and paper products)
- Record Keeping

### **DISCUSSION/ANALYSIS:**

Since landfills are the third largest producer of methane, the State's SLCP strategy includes managing organic waste. Food scraps, green waste, paper, and cardboard are organic materials that account for a significant portion of California's overall waste stream. Increasing food waste prevention, encouraging edible food rescue, and expanding the composting and in-vessel digestion of organic waste will reduce methane from landfill operations. In addition to setting specific emissions reduction goals, SB 1383 mandates cities and counties to:

- Provide organic waste collection services to all residents and businesses
- Develop and adopt an enforcement mechanism or ordinance by April 1, 2022
- Establish an edible food recovery program
- Update the City's procurement policy to purchase recycled content paper and recycled organic waste products (e.g., compost, mulch, and renewable natural gas) at a volume of 0.08 tons/resident
- Provide outreach and education for generators, haulers, facilities, edible food recovery organizations, and municipal departments
- Plan and secure access for recycling and edible food recovery capacity
- Monitor compliance and conduct enforcement
- Maintain accurate compliance records

To meet the SB 1383 regulations, jurisdictions throughout the State are required to adopt an ordinance or other similarly enforceable mechanism by April 1, 2022. The ordinance will mandate that organic waste generators, haulers, and other entities subject to the requirements of SB 1383 regulations and subject to the jurisdiction's authority, comply with SB 1383 regulatory requirements. It will also help reduce food insecurity by requiring Commercial Edible Food Generators to arrange to have the maximum amount of their edible food, that would otherwise be disposed, be recovered for human consumption.

In addition to adopting an organic waste recycling and food recovery ordinance, SB 1383 requires that the City adopt an ordinance or other enforceable mechanism that requires compliance with Sections 492.6(a)(3)(B) (C), (D), and (G) of the Model Water Efficient Landscaping Ordinance (MWELo) as amended September 15, 2015 (MWELo SB 1383 Baseline Requirements. MWELo requires new construction and landscaping projects to meet water efficient landscape standards for compost and mulch application. Incorporating organic matter like compost and mulch in landscaping increases water retention and promotes productive plant growth. Compost and mulch also provide many direct and indirect benefits when utilized in landscaping and as a component of systems and treatments designed for carbon sequestration, erosion control, fire remediation, stormwater management, and other uses.

**ALTERNATIVES:**

No alternatives are recommended. Chapter 12 of Title 14, Division 7 of the California Code of Regulations (CCR) requires the City of Coachella to adopt this resolution or the City could face fines up to \$10,000 per day for non-enforcement/non-cooperation with this State mandate.

**FISCAL IMPACT:**

There is no fiscal impact with the recommended action.

**ATTACHMENTS:**

Resolution No. 2022-13

Individual Applicant – Combined CalRecycle Grants and Payment Program Resolution

**RESOLUTION NO. 2022-13**

**Resolution of the City Council of the City of Coachella authorizing submittal of application(s) for all CalRecycle Grant and Payment Programs for which the City of Coachella is eligible**

**Whereas**, Public Resources Code sections 48000 et seq., 14581, and 42023.1(g), authorize the Department of Resources Recycling and Recovery (CalRecycle) to administer various grant and payment programs in furtherance of the State of California's (state) efforts to reduce, recycle and reuse solid waste generated in the state thereby preserving landfill capacity and protecting public health and safety and the environment; and

**Whereas**, in furtherance of this authority, CalRecycle is required to establish procedures governing the administration of the payment programs; and administration of the application, awarding, and management of the grant programs; and

**Whereas**, CalRecycle's procedures for administering payment and grant programs require, among other things, an applicant's governing body to declare by resolution certain authorizations related to the administration of the payment and grant program.

**Now, therefore, be it resolved** that the City of Coachella is authorized to submit an application to CalRecycle for any and all grant and payment programs offered; and

**Be it further resolved** that the City Manager is hereby authorized and empowered to execute in the name of the City of Coachella all documents, including but not limited to, applications, agreements, amendments and requests for payment, necessary to secure funds and implement the approved grant or payment project; and

**Be it further resolved** that these authorizations are effective from the date of adoption through January 26, 2027.

**PASSED, APPROVED and ADOPTED** this 26<sup>th</sup> day of January 2022.

\_\_\_\_\_  
Steven A. Hernandez  
Mayor

**ATTEST:**

\_\_\_\_\_  
Angela M. Zepeda  
City Clerk

**APPROVED AS TO FORM:**

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Carlos Campos  
City Attorney

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

**I HEREBY CERTIFY** that the foregoing Resolution No. 2022-13 was duly adopted by the City Council of the City of Coachella at a regular meeting thereof, held on the 26<sup>th</sup> day of January 2022, by the following vote of Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Andrea J. Carranza, MMC  
Deputy City Clerk



**STAFF REPORT**  
**1/26/2022**

**TO:** Honorable Mayor and City Council Members

**FROM:** Cástulo R. Estrada, Utilities Manager

**SUBJECT:** Resolution No. WA-2022-02, a Resolution of the Board of Directors of the Coachella Water Authority Authorizing the Grant Application, Acceptance, and Execution for the Groundwater Well Project

**STAFF RECOMMENDATION:**

Adopt Resolution No. WA-2022-02, a Resolution of the Board of Directors of the Coachella Water Authority Authorizing the Grant Application, Acceptance, and Execution for the Groundwater Well Project

**EXECUTIVE SUMMARY:**

DWR is administering approximately \$200 million in drought relief funding to support projects that provide interim and immediate drought relief to urban communities and for multibenefit projects. The grants are intended to provide water to communities that face the loss or contamination of water supplies, to address immediate impacts on human health and safety, and to protect fish and wildlife resources. The Final Proposal Solicitation Package (PSP) for the Urban and Multibenefit Drought Grants was released on October 28, 2021.

Coachella Water Authority (CWA) is a joint powers authority formed by the City of Coachella and Coachella Redevelopment Agency to provide potable water service to the City of Coachella and surrounding areas. CWA's water supply consists solely of groundwater, which is pumped from six wells within the Indio Subbasin of the Coachella Valley Groundwater Basin. CWA recently partnered with the three other water purveyors in the Indio Subbasin to prepare the Indio Subbasin Water Management Plan Update ([www.IndioSubbasinSGMA.org](http://www.IndioSubbasinSGMA.org)) that will guide sustainable basin management, including protection of groundwater quality and reliability.

To ensure safe, clean drinking water for residents within its service area, CWA is in the process of consolidating small water systems (SWSs) that rely on individual, private groundwater wells into its potable water system. These SWSs often have poor water quality, poor water supply reliability, lack redundancy, and are small, disadvantaged communities (DACs). In the next year, CWA is planning to consolidate Shady Lane Mobile Home Park (MHP), Mesquite Mutual Water Company (MMWC), and Castro's Mobile Home Community. All three SWSs previously relied

on private, on-site wells to provide domestic water to a total of approximately 102 residential connections, as well as irrigation services. However, all three private wells exceeded the maximum contaminant level (MCL) for the hexavalent chromium drinking water standard and have failed in the past six years leaving the residents with no water supply. Temporary emergency water supplies have since been provided by CWA and adjacent parcels; for example, two of these SWS are currently being served by a high line from nearby CWA fire hydrants. As the lack of dedicated water supplies and lack of redundancy put the residents of each of the SWSs at risk, consolidation into CWA's water system was found to be the most feasible and long-lasting alternative. The SWSs are at risk of experiencing more severe drought impacts since they already have limited and unreliable supplies and poor water quality – issues that can be further exacerbated during times of drought.

The CWA Groundwater Well Project (Project) consists of the construction of one new groundwater well, which will increase CWA's overall capacity, improve operational flexibility by increasing the number of wells CWA has access to and can pump as needed to meet demands, and assist CWA in responding to drought impacts within its service area. The Project will ensure SWSs can be served with a high-quality, reliable water supply while alleviating the SWSs' susceptibility to drought conditions, as many lack the ability to purchase alternative water supplies, drill deeper wells, or repair wells should issues arise. Furthermore, the improved water supply reliability resulting from the Project will benefit all customers served by CWA and ensure adequate supply for new, planned connections including those for low and very low income populations.

**FISCAL IMPACT:**

No fiscal impact at this time.

**RESOLUTION NO. WA-2022-02**

**RESOLUTION NO. WA-2022-02, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE COACHELLA WATER AUTHORITY AUTHORIZING THE GRANT APPLICATION, ACCEPTANCE, AND EXECUTION FOR THE GROUNDWATER WELL PROJECT**

**WHEREAS;** Coachella Water Authority (CWA) proposes to implement the Groundwater Well Project (“Project”); and

**WHEREAS;** CWA has the legal authority and is authorized to enter into a funding agreement with the State of California; and

**WHEREAS;** CWA intends to apply for grant funding from the California Department of Water Resources for the Project.

**THEREFORE, BE IT RESOLVED** by the Board of Directors of CWA as follows:

1. That pursuant and subject to all of the terms and provisions of Budget Act of 2021 (Stats. 2021, ch. 240, § 80), CWA's Executive Director, or designee is hereby authorized and directed to prepare and file an application for funding with the Department of Water Resources, and take such other actions necessary or appropriate to obtain grant funding.

2. CWA’s Executive Director, or designee is hereby authorized and directed to execute the funding agreement with the Department of Water Resources and any amendments thereto.

3. CWA’s Executive Director, or designee is hereby authorized and directed to submit any required documents, invoices, and reports required to obtain grant funding.

**PASSED, APPROVED and ADOPTED** this 26<sup>th</sup> day of January 2022.

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Steven A Hernandez  
President

**ATTEST:**

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Angela M. Zepeda  
Secretary

**APPROVED AS TO FORM:**

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Carlos Campos  
Authority Attorney

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

**I HEREBY CEERTIFY** that the foregoing Resolution No. WA-2022-02 was duly adopted by the Board of Directors of the Coachella Water Authority at a regular meeting thereof held on the 26<sup>th</sup> day of January 2022, by the following vote of the Board:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Andrea J. Carranza, MMC  
Deputy City Clerk



## Eligibility Criteria Self-Certification Form

As an applicant with the Department of Water Resources' (DWRs) Financial Assistance Branch, you must complete this self-certification form as a condition to enter into a Grant Agreement with DWR to receive grant funds. Failure to meet and continue to comply with these conditions and requirements may result in DWR revoking the grant award, withholding grant funding, stopping invoice payment, and/or terminating the Grant Agreement. An answer of "No" to certain questions below may make you ineligible to enter into an agreement with DWR. If any question is going to be answered as "No" please contact DWR at [urbandrought@water.ca.gov](mailto:urbandrought@water.ca.gov).

### 1. Applicant Eligibility

Applicant Name: Coachella Water Authority

Applicant Entity Type: Public Utility

| Applicant/Local Project Sponsor Name | Applicant/Local Project Sponsor Entity Type |
|--------------------------------------|---|
| Coachella Water Authority            | Public Utility                              |

If the Applicant or any Local Project Sponsor is a mutual water company or public utility, does their proposed project have a clear and definite public purpose that benefits the customers of the water system or other public utility and not the investors?

Yes ☒ No ☐

If yes, please state the public purpose and explain how it benefits the customers:

The Groundwater Well Project will improve water supply reliability throughout Coachella Water Authority's service area by drilling a new groundwater well, which will increase the system's overall supply capacity available to all ratepayers and water customers in its service area.

### 2. Authorizing Resolution

A resolution adopted by the applicant's governing body authorizing the application for a grant under this program that designates a representative to sign the application, and in the event of an award of grant funds, a representative to execute the funding agreement and all necessary documentation (e.g., invoices, progress reports, etc.) is required. A signed, certified resolution must be received prior to the execution of a grant agreement with the State.

Is the authorizing resolution complete and included with the application? If there is not a resolution included at time of application, please provide an estimate for when it will be complete.

The authorizing resolution is expected to be brought to the Board of Directors meeting on January 26, 2022 and should be signed and available by February 2, 2022.

### 3. Urban Water Management Compliance

List the urban water suppliers (UWS), as defined by Water Code section 10617, that will receive funding if the application is awarded funds. Does each UWS have a current Urban



Water Management Plan (UWMP) verified by DWR that addresses the requirements of the California Water Code? Each UWS must also have a complete and validated water loss audit report verified by DWR in accordance with Senate Bill (SB) No. 555 (Stats. 2015, ch. 679). Additionally, each UWS proposing wastewater projects, water use efficiency projects, or drinking water projects must be compliant with the water metering requirements contained in Water Code section 525 et seq.

| Urban Water Supplier      | Date UWMP verified by DWR  |
|---------------------------|--|
| Coachella Water Authority | 2015 UWMP verified by DWR on 03/02/2017<br>2017 Validated Water Loss Audit Report verified by DWR on 09/21/2018<br>2020 UWMP submitted to DWR on 07/01/2021; not yet verified by DWR |

Are all Urban Water Suppliers compliant with all requirements for Urban Water Suppliers including but not limited to metering requirements (Water Code, § 525 et seq.), water loss audits, and monthly reporting to the State Water Resources Control Board (SWRCB)?

Yes ☒ No ☐

If a supplier isn't compliant with the requirements, please explain:

N/A

#### 4. Water Shortage Contingency Plan (WSCP)

List the urban water suppliers that will receive funding if the application is awarded funds. Does each UWS have an activated Water Shortage Contingency Plan to a stage appropriate for their water conditions? DWR will verify the status with the water board.

| Urban Water Supplier      | Date WSCP was activated  |
|---------------------------|--|
| Coachella Water Authority | 2020 Water Shortage Contingency Plan Stage 1 activated in October 2021 |



**5. Agricultural Water Management and Measurement Compliance**

List the agricultural water suppliers, as defined by Water Code section 10608.12(a), that will receive funding if the application is awarded funds. If there are none, please indicate so. Each supplier must have a completed Agricultural Water Management Plan (AWMP) that has been verified by DWR. If the supplier provides less than 25,000 irrigated acres, they will be exempt from the AWMP requirement.

| <b>Agricultural Water Supplier</b> | <b>Date AWMP verified by DWR, or exempt</b> |
|------------------------------------|---|
| N/A                                | N/A   |

Are all Agricultural Water Suppliers compliant with all other requirements of an Agricultural Water Supplier including but not limited to farm gate delivery reports, Efficient Water Management Practices, Water Measurement regulations, etc.?

Yes ☐ No ☐

If a supplier isn't compliant with the requirements, please explain:

N/A

**6. Surface Water Diverter Compliance**

List the surface water diverters that will receive funding if the application is awarded funds. If there are none, please indicate so. For the listed surface water diverters, state whether each diverter has submitted their latest annual and monthly surface water diversion reports in compliance with requirements outlined in Water Code section 5100 et seq., and their Use Reports as set forth in the California Code of Regulations, title 23, section 907 et seq., to the SWRCB.

| <b>Surface Water Diverter</b> | <b>Has Surface Water Diverter submitted all required reports to SWRCB to remain up to date? (Yes/No)</b> |
|-------------------------------|--|
| N/A                           | N/A  |

**7. Groundwater Management Compliance**

List any projects that directly affect groundwater levels or quality. You can find your groundwater basin and the priority by going to the following link:

<https://sgma.water.ca.gov/webgis/?appid=SGMADataViewer#gwlevels%C2%A0>

| <b>Project Name</b> | <b>Grantee/Local Project Sponsor</b> | <b>Groundwater Basin</b> | <b>Priority of the basin</b> |
|---------------------|--------------------------------------|--------------------------|------------------------------|
|                     |                                      |                          |                              |



|                          |                           |   |   |
|--------------------------|---------------------------|---|---|
| Groundwater Well Project | Coachella Water Authority | Coachella Valley Groundwater Basin (DWR Basin No. 7-21) | Medium Priority, not critically overdrafted (Indio Subbasin; DWR Subbasin No. 7-021.01) |
|--------------------------|---------------------------|---|---|

## 8. Groundwater Management Compliance Self-Certification

Groundwater Management Compliance: The Applicant and any Local Project Sponsors must maintain continuing eligibility with the current Sustainable Groundwater Management Act (SGMA, Water Code, § 10720 et seq.) requirements as they come into effect.

☒ Yes, the Applicant and Local Project Sponsors agree to maintain continuing eligibility with the most current SGMA requirements, as applicable.

☐ No, the Applicant and Local Project Sponsors do not agree to maintain continuing eligibility with the most current SGMA requirements, as applicable. DWR cannot enter into a Grant Agreement.

## 9. California Statewide Groundwater Elevation Monitoring (CASGEM) Compliance

Please fill out the following table for any projects located in a high or medium priority groundwater basin as identified by the CASGEM program. Projects in high and medium priority groundwater basins that do not have a CASGEM monitoring entity will not be eligible for funding if the grant applicant and Local Project Sponsor are listed as potential monitoring entities in Water Code section 10927. The same applies to counties whose jurisdictions include unmonitored high and medium priority groundwater basins (Water Code, § 10933.7(a)).

| Project                  | Basin Monitoring Entity   | If there is no monitoring entity, is the Local Project Sponsor is an eligible monitoring entity per Water Code section 10928? |
|--------------------------|---------------------------|---|
| Groundwater Well Project | Coachella Water Authority | N/A   |

## 10. Stormwater Projects

If a project is a stormwater and/or dry weather runoff capture project, is it included in a Stormwater Resource Plan or functionally equivalent plan (FEP) if applicable? Projects that benefit a DAC with a population of 20,000 or less are exempt from this requirement. However, they must not be a co-permittee for a municipal separate Storm Sewer System (MS4) National



Pollutant Discharge Elimination System (NPDES) permit issued to a municipality with a population greater than 20,000 (Water Code, § 10563(c)(2)(B)).

| <b>Project (only list stormwater and/or dry weather runoff capture projects)</b> | <b>Project Included in a Stormwater Resource Plan or FEP?</b> |
|--|---|
| N/A  | N/A   |



### 11. Agreement Template

Have you and your counsel reviewed the agreement template and all terms and conditions?

Yes ☒ No ☐

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I understand that the Department of Water Resources will rely on this signed certification in order to approve funding and that false and/or inaccurate representations in this Self-Certification may result in revocation of the award of funds or loss of all funds awarded to the Grantee. and that reimbursement of any grant funds is reliant upon the Grantee and all local project sponsors to meet and maintain all eligibility requirements outlined within this Self-Certification form, the 2021 Urban and Multibenefit Drought Relief Program Guideline and Proposal Solicitation Package, and the Grant Agreement terms and conditions. Additionally, for the aforementioned reasons, the Department of Water Resources may withhold disbursement of grant funds and/or pursue any other applicable legal remedies.

Dr. Gabriel D. Martin

Name of Authorized Representative

Signature

*Gabriel Martin*

City Manager

01/13/2022

Title

Date

## PROJECT INFORMATION FORM

**Please complete a unique Project Information Form for each project in the application. There are no character limits on specific questions but the Project Information Form as a whole may not exceed 10 pages.**

1. Project Name: Coachella Water Authority (CWA) Groundwater Well Project
2. Local Project Sponsor (if different than grantee): N/A
3. Please provide the latitude and longitude of the project site. For linear projects or those covering a large area, report the coordinates for a central point. If this information is confidential, it must be clearly labeled "confidential." You can find the latitude and longitude easily using google maps. You can find instructions at the following link:  
<https://support.google.com/maps/answer/18539?hl=en&co=GENIE.Platform%3DDesktop>.

Latitude: 33.6931

Longitude: -116.2077

4. Please briefly describe the proposed project.

**Coachella Water Authority (CWA) is a joint powers authority formed by the City of Coachella and Coachella Redevelopment Agency to provide potable water service to the City of Coachella and surrounding areas. CWA's water supply consists solely of groundwater, which is pumped from six wells within the Indio Subbasin of the Coachella Valley Groundwater Basin. CWA recently partnered with the three other water purveyors in the Indio Subbasin to prepare the Indio Subbasin Water Management Plan Update ([www.IndioSubbasinSGMA.org](http://www.IndioSubbasinSGMA.org)) that will guide sustainable basin management, including protection of groundwater quality and reliability.**

**To ensure safe, clean drinking water for residents within its service area, CWA is in the process of consolidating small water systems (SWSs) that rely on individual, private groundwater wells into its potable water system. These SWSs often have poor water quality, poor water supply reliability, lack redundancy, and are small, disadvantaged communities (DACs). In the next year, CWA is planning to consolidate Shady Lane Mobile Home Park (MHP), Mesquite Mutual Water Company (MMWC), and Castro's Mobile Home Community. All three SWSs previously relied on private, on-site wells to provide domestic water to a total of approximately 102 residential connections, as well as irrigation services. However, all three private wells exceeded the maximum contaminant level (MCL) for the hexavalent chromium drinking water standard and have failed in the past six years leaving the residents with no water supply. Temporary emergency water supplies have since been provided by CWA and adjacent parcels; for example, two of these SWS are currently being served by a high line from nearby CWA fire hydrants. As the lack of dedicated water supplies and lack of redundancy put the residents of each of the SWSs at risk, consolidation into CWA's water system was found to be the most feasible and long-lasting alternative. The SWSs are at risk of experiencing more severe drought impacts since they already have limited and unreliable supplies and poor water quality – issues that can be further exacerbated during times of drought.**

In the future, CWA will continue to consolidate SWSs to improve water supply reliability and water quality for these small DACs. Additionally, CWA will continue expanding its service to new customers within its service area consistent with its local planning documents. According to the City of Coachella 2021 Housing Element (<https://www.coachellahousingelement.com/documents>), it is estimated that the City will require over 7,500 new housing units to meet its projected need for the 2021 to 2029 planning period, with over 2,000 of the units set aside for very low or low income populations. This represents a potential increase of over 50% in total households in Coachella by 2030, which would significantly increase demands on the CWA water system.

As consolidations with small DACs and new customer connections continue, new water supplies will be needed to meet the increased demand on CWA's system. The entirety CWA's service area is designated as a severely disadvantaged community (SDAC), as shown in Attachment 1, consisting of predominantly Hispanic, Spanish-speaking communities with a median household income of \$36,124 and a child poverty rate of 40 percent. Additionally, approximately 12.7% of Coachella residents are unemployed, which ranks as the highest unemployment rate in the County of Riverside.

The CWA Groundwater Well Project (Project) consists of the construction of one new groundwater well, which will increase CWA's overall capacity, improve operational flexibility by increasing the number of wells CWA has access to and can pump as needed to meet demands, and assist CWA in responding to drought impacts within its service area. The Project will ensure SWSs can be served with a high-quality, reliable water supply while alleviating the SWSs' susceptibility to drought conditions, as many lack the ability to purchase alternative water supplies, drill deeper wells, or repair wells should issues arise. Furthermore, the improved water supply reliability resulting from the Project will benefit all customers served by CWA and ensure adequate supply for new, planned connections including those for low and very low income populations.

5. Does this project respond to an existing emergency to humans and/or wildlife? If so, please describe the emergency and how this project is addressing it.

**Yes, the Project responds to the existing drought emergency within the State of California, as well as an emergency to humans – specifically those living within the SWSs that are in the process of being consolidated into CWA's potable water system.**

In October 2021, CWA initiated Stage 1 of its Water Shortage Contingency Plan (WSCP), recognizing a shortage of up to 10 percent. The move to Stage 1 was prompted by the rapidly evolving drought conditions and the Proclamation of a State of Emergency by Governor Newsom on October 19, 2021, which calls on residents statewide to voluntarily reduce water use by 15 percent. According to the U.S. Drought Monitor, CWA's service area is experiencing moderate drought.

The Project benefits small DACs to address existing water supply challenges and builds local resilience should drought conditions continue by ensuring SWSs can access a high-quality, reliable water supply. The Project will alleviate the SWSs' susceptibility to drought conditions by adding redundancy to their water supply systems, as many lack the ability to purchase alternative water supplies, drill deeper

**wells, or repair wells should issues arise. Additionally, the improved water supply reliability that will result from the Project will benefit all customers served by CWA and furthers CWA's continued investment to deliver value to all customers and communities served by providing safe, reliable, economical, and environmentally sustainable water services.**

6. Each project must meet one of the following purposes as it relates to drought. Please select the appropriate purpose for your project.
- ☒ Address immediate impacts on human health and safety, including providing or improving availability of food, water, or shelter.
  - ☐ Address immediate impacts on fish and wildlife resources.
  - ☒ Provide water to persons or communities that lose or are threatened with the loss or contamination of water supplies.
7. Each project must enhance regional drought resilience and align with the goals and objectives of the relevant approved Integrated Regional Water Management Plan. You can find the relevant IRWM Region by using the map at the following link:  
<https://gis.water.ca.gov/app/dacs/>

The IRWM Plans can be found at the following link: <https://water.ca.gov/Work-With-Us/Grants-And-Loans/IRWM-Grant-Programs/Plan-Review-Process>. If you have any questions about the IRWM region the contact list can be found at the following link: <https://water.ca.gov/Work-With-Us/Grants-And-Loans/IRWM-Grant-Programs>. Applicants are encouraged to contact and coordinate with the applicable RWMG for the IRWM region in which the project is located

Please identify the IRWM objective your project addresses.

CWA is a planning partner of the Coachella Valley Regional Water Management Group. The 2018 Coachella Valley Integrated Regional Water Management and Stormwater Resource Plan (IRWM/SRP; [www.cvrwmg.org/irwm/irwm-plan](http://www.cvrwmg.org/irwm/irwm-plan)) includes five goals:

1. Optimize water supply reliability,
2. Protect or improve water quality,
3. Provide stewardship of water-related natural resources,
4. Coordinate and integrate water resource management, and
5. Ensure cultural, social, and economic sustainability of water in the Coachella Valley.

The Project contributes to goals 1 (Optimize water supply reliability) and 5 (Ensure cultural, social, and economic sustainability of water in the Coachella Valley) by addressing the following objectives of the IRWM/SRP:

A. Provide reliable water supply for residential and commercial, agricultural community and tourism needs. The Project directly supports the consolidation of several SWSs that have MCL violations within their drinking water wells into CWA's potable water system, thereby providing a safe and reliable municipal water supply to DAC residents.

L. Address water and sanitation needs of DACs, including those in remote areas. The Project directly serves the water needs of DACs in the City of Coachella, the entirety of which is considered a SDAC.

M. Maintain affordability of water. Provision of a reliable local supply of groundwater for City of Coachella residents ensures that water rates will remain stable and affordable.

8. Describe the Primary Benefit of the project.

Quantified benefit: 2500

Units (Drop down): Acre feet per year If other please enter:

Benefit Type: Water Supply - Ground If other please enter:

9. Describe the Secondary Benefit of the project:

Quantified benefit: 45522

Units (Drop down): Other If other please enter: persons

Benefit Type: Water Supply Reliability If other please enter:

10. Please briefly describe how the project will achieve the claimed benefits.

The Project consists of the construction of a groundwater well to provide 2,500 acre-feet per year (AFY) of additional potable water supply to CWA's system. This addition of groundwater production in the Low Zone pressure zone of the water system will directly support multiple SWS consolidations. The Project will provide high-quality, reliable water supply to the small DACs currently being served by privately owned SWSs that historically depended on private wells that produced unreliable and often unsafe water supply. Additionally, the improved water supply reliability that will result from the Project will benefit all of the approximately 45,522 customers served by CWA.

11. Briefly describe how the community/area benefiting from this project is being impacted by the current drought.

In October 2021, CWA initiated Stage 1 of its WSCP, recognizing a shortage of up to 10 percent. The move to Stage 1 was prompted by the rapidly evolving drought conditions and the Proclamation of a State of Emergency by Governor Newsom on October 19, 2021, which calls on residents statewide to voluntarily reduce water use by 15 percent. Approximately 22% of Riverside County, where CWA is located, is experiencing severe drought, while 78% is in moderate drought. If drought conditions continue to increase in severity, additional restrictions may be implemented by the State of California and CWA may move to higher stages of the WSCP.

CWA is in the process of consolidating SWSs that rely on individual, private groundwater wells into its potable water system. In the next year, CWA will consolidate three SWSs that have experienced poor water quality, poor water supply reliability, and lack of redundancy:

- Shady Lane MHP is currently receiving temporary replacement bottled water after its on-site well failed in 2019 and its subsequent emergency water supplier, Amezcua Garcia Water, received a Citation and Compliance Order from the County of Riverside Department of Environmental Health (DEH) for hexavalent chromium concentrations exceeding the MCL.
- MMWC is currently receiving an emergency water supply from CWA via a fire hydrant and high-line fire hose after its on-site well failed in July 2015. Additionally, in August 2015, MMWC received a Citation and Compliance Order from the County of Riverside DEH for hexavalent chromium concentrations exceeding the MCL.
- Castro's Mobile Home Community is currently receiving an emergency water supply from CWA via a fire hydrant and high-line fire hose after its on-site well collapsed in 2017. Additionally, Castro's received a Citation and Compliance Order from the County of Riverside DEH.

The wells at each SWS were past their usable life and were not able to provide the needed water supply, water quality, or flow rate without substantial retrofits. Furthermore, while the lack of permanent, dedicated water supplies and lack of redundancy put the residents of each of the SWSs at risk, as SDACs, the residents of each SWS do not have the resources to pursue additional sources of supply independently. These communities are currently receiving emergency water supplies from CWA; but if they weren't, the drought would impact them further by reducing groundwater storage and concentrating contaminants that are already in exceedance of MCLs. It is critical that CWA increase water supply capacity within its system so that it can continue to serve these small DACs and existing customers within its service area a reliable water supply even during times of drought.

12. How will this project alleviate the impacts described in your answer to Question 11?

The Project consists of the construction of a new groundwater well to provide 2,500 AFY of additional potable water supply to CWA's system. By drilling a new well to increase supply, CWA will be able to serve new SWS consolidations and provide a high quality, reliable water supply for the residents of these small SDACs. The conversion from community wells to CWA's system will guarantee that residents receive potable water that is strictly regulated and meets drinking water standards. The Project will enable safe, reliable water distribution to meet the required fire flows plus the maximum day demand for existing dwelling units in the community.

The Project provides support to small, underrepresented communities to address existing water supply challenges. By ensuring SWSs can be served with a high-quality, reliable water supply upon consolidation with CWA, local resiliency during drought conditions is enhanced. The SWSs' susceptibility to drought conditions will be alleviated by adding redundancy, as many SWSs lack the ability to purchase alternative water supplies, drill deeper wells, or repair existing private wells should wells go dry or other issues arise.

Additionally, the improved water supply reliability that will result from the Project will further CWA's continued investment to deliver value to all customers and communities served by providing safe, reliable, economical, and environmentally sustainable water services.

13. Please complete the following budget table for the project. (Identify funding sources in Question 15)

|            | <b>BUDGET CATEGORY</b>  | <b>Grant Amount</b> | <b>All Other Cost</b> | <b>Total Cost</b> |
|------------|---|---------------------|-----------------------|-------------------|
| <b>(a)</b> | Project Administration  | 40,000              | 0                     | 40,000            |
| <b>(b)</b> | Land Purchase / Easement                                      | 0                   | 0                     | <b>0</b>          |
| <b>(c)</b> | Planning / Design / Engineering / Environmental Documentation | 100,000             | 0                     | 100,000           |
| <b>(d)</b> | Construction / Implementation                                 | 2,615,291           | 1,000,000             | 3,615,291         |
|            | <b>TOTAL COSTS</b>  | 2,755,291           | 1,000,000             | 3,755,291         |

14. Please describe why state funding is needed for this project. If state funding is not secured, what will happen to the project?

The Project is ready to proceed pending funding. If state funding is secured through the Urban and Multibenefit Drought Grant Program, work on the Project can begin immediately. If state funding is not secured, the project would not begin until subsequent grant funding is secured.

15. Will the applicant provide cost share (encouraged but not required) and/or will this project require any additional funding from sources other than this solicitation? If so, please describe the funding source and indicate if the funding has been secured. If the funding has not been secured, please describe the plan to secure the necessary funding.

A cost share of \$1,000,000 is being provided by CWA local funds to contribute to construction and implementation costs. The cost share is sourced from CWA reserve funds and development impact fees and has been secured.

16. Is land acquisition or landowner permission required for this project? If so, please briefly describe the status of the acquisition or agreement with the landowner. If the acquisition is not complete or permission not secured at the time of application, please describe the plan to complete it.

No land acquisition or landowner permission is required for the Project; the Project will be implemented at one of two sites owned by CWA (see Attachment 1) and the location will be finalized during the preliminary design stage.

17. Has planning and design for this project been completed? If not, please describe the status of planning and design.

Planning and design for the Project began in January 2017 with the preparation of a Well Siting Evaluation (completed in May 2017). Design for the Project is expected to begin upon receipt of State grant funding in March 2022 and be complete by March 2023. CWA will hire a consultant to prepare 30%, 60%, 90% and Final plans and specifications for the project. During the preliminary design phase, CWA and its consultant will select the site based on the Well Siting Evaluation previously completed.

18. Are the CEQA (and NEPA if applicable) and permitting processes for this project complete? If not, please briefly describe the permits and CEQA (or NEPA) documents to be completed and projected schedule for completion.

CEQA and the permitting processes for the Project are expected to be complete by March 2023. NEPA is not applicable.

The Project is anticipated to be exempt from environmental review under CEQA pursuant to Title 14 of the California Code of Regulations, State CEQA Guidelines § 15303 (Class 3: New Construction). This Class 3 exemption allows for the construction and location of limited numbers of new, small facilities or structures; installation of small new equipment and facilities in small structures; and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure; the Project consists of the construction of a well on a CWA-owned parcel.

Necessary permits may include:

- Permit to Construct, SCAQMD
- Fugitive Dust Control Plan, SCAQMD

- General Permit for Stormwater Discharge, SWRCB
- General Permit for Construction Discharges, RWQCB

The CEQA document and permits will be identified during the design process. CWA will acquire all necessary permits prior to the start of construction and operation. CWA will file the Notice of Exemption with the County of Riverside and State Clearinghouse prior to construction.

19. Please briefly describe the necessary construction/implementation for this project.

Following the completion of design, CEQA, and permit acquisition, CWA will conduct the bid process to retain a contractor to construct the new groundwater well at one of two sites, both of which are currently owned by CWA. The construction contracting process is expected to take approximately three months. Construction will consist of drilling, testing, casing, and developing an approximately 2,200-gallon per minute (gpm) groundwater well that will be approximately 1,300 feet deep with an approximately 18-inch diameter casing and screen. The exact depth and casing diameter will be determined during the design and implementation process. The Project will also construct the well manifold piping, pump house, electrical building, installation of the electrical motor control center, hydropneumatic tank, emergency backup generator, chlorination equipment, site grading, other related aboveground and underground appurtenances, and connection to CWA's existing domestic water distribution system. Based on local knowledge and experience drilling wells in the Coachella Valley, it is estimated the construction duration will be approximately 18 months.

20. Please complete the schedule below for the project. Projects must be complete by March 31, 2026, to allow time for final invoice processing and retention payment before the State funds expire on June 30, 2026. Project administration should end at least three months after construction.

|     | Categories   | Start Date | End Date  |
|-----|--|------------|-----------|
| (a) | Project Administration                                       | 3/1/2022   | 4/1/2025  |
| (b) | Land Purchase / Easement                                     |            |           |
| (c) | Planning/ Design / Engineering / Environmental Documentation | 1/1/2017   | 3/31/2023 |
| (d) | Construction/ Implementation                                 | 4/1/2023   | 1/1/2025  |



December 27, 2021

To Whom It May Concern,

On behalf of Indio Subbasin Groundwater Sustainability Agencies (GSAs) – comprised of Coachella Valley Water District (CVWD), Desert Water Agency (DWA), Indio Water Authority (IWA), and Coachella Water Authority (CWA) – we are pleased to submit this letter of support for CWA's Groundwater Well Project (Project). The improved water supply reliability that will result from the Project is vital to the communities within the basin – specifically to CWA's service area and small disadvantaged communities that are being consolidated into CWA's potable water system.

The Indio Subbasin plan area includes the entirety of the Indio Subbasin of the Coachella Valley Groundwater Basin. The Subbasin is unadjudicated and designated as a medium-priority subbasin by the California Department of Water Resources (DWR). In January 2017, CVWD, DWA, CWA, and IWA collaboratively submitted the 2010 *CVWMP Update* as an Alternative (Alternative Plan) to a Groundwater Sustainability Plan (GSP) for the Subbasin, which was subsequently approved by DWR on July 17, 2019. Since establishing as GSAs, CVWD, DWA, CWA, and IWA have worked together to implement Sustainable Groundwater Management Act (SGMA) requirements.

CWA is in the process of consolidating small water systems (SWSs) that rely on individual, private groundwater wells into its potable water system. These SWSs often have poor water quality with maximum contaminant level (MCL) exceedances for arsenic and fluoride, as well as poor water supply reliability. In the next year, CWA is consolidating Castro's Mobile Home Community, the Mesquite Mutual Water Company and the Shady Lane Mobile Home Park. In the future, it will continue to consolidate SWSs to improve water supply reliability and water quality to these communities. In order to meet demands of the small DACs within the SWSs, CWA plans to implement the Groundwater Well Project which will increase the system's overall capacity and ensure the SWSs can be served a high quality, reliable water supply, including during drought conditions. Furthermore, the project will remedy the SWSs' susceptibility to drought conditions, as many lack the ability to purchase alternative water supplies, drill deeper wells, or repair wells should issues arise.

In conclusion, we support CWA's *2021 Urban and Multibenefit Drought Relief Program Grant Application* and encourage DWR to fully fund the grant request.

Sincerely,

Mark S. Krause  
[mkrause@dwa.org](mailto:mkrause@dwa.org)  
 General Manager – Chief Engineer  
 Desert Water Agency

Jim Barrett  
[jbarrett@cvwd.org](mailto:jbarrett@cvwd.org)  
 General Manager  
 Coachella Valley Water District

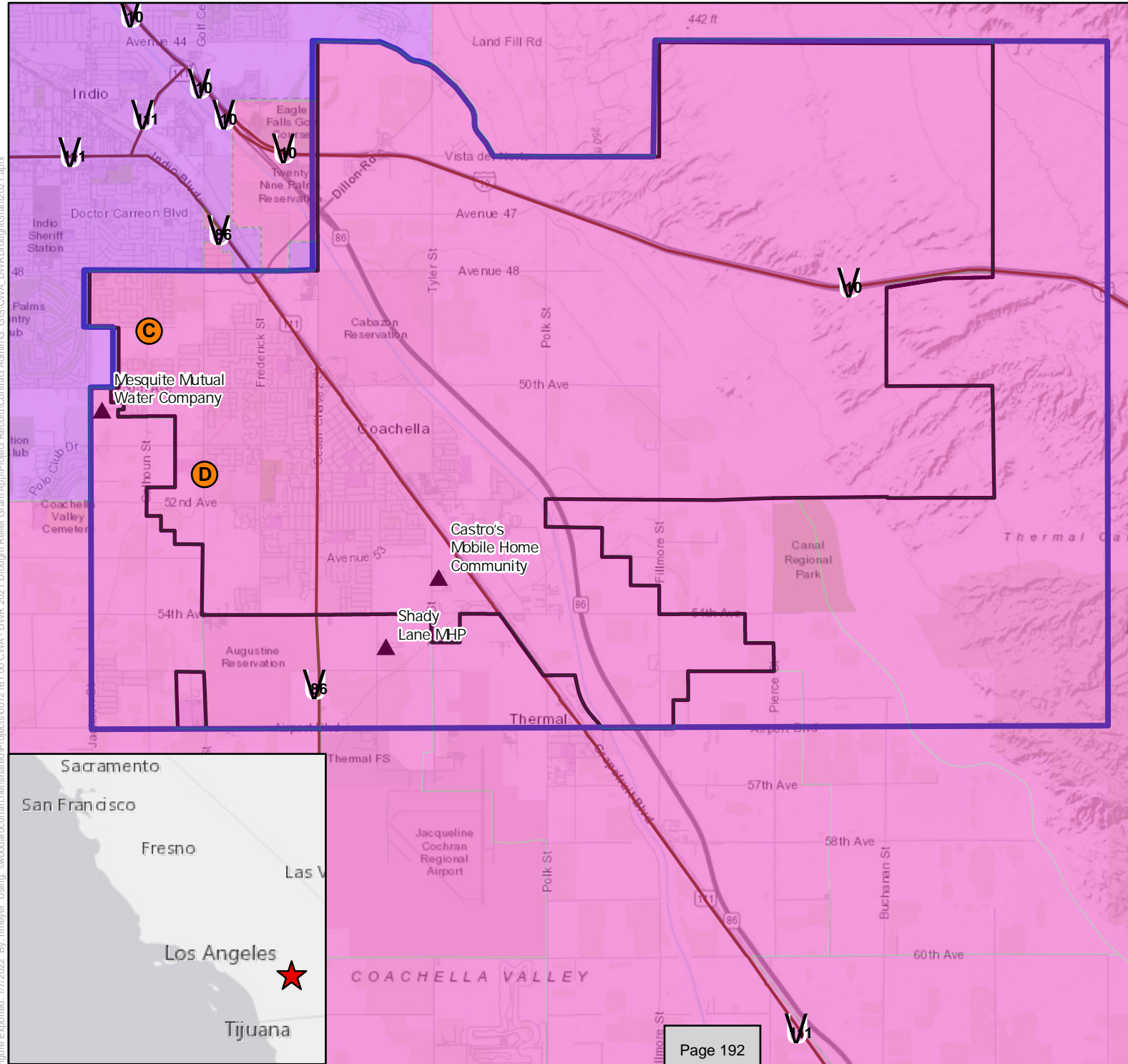
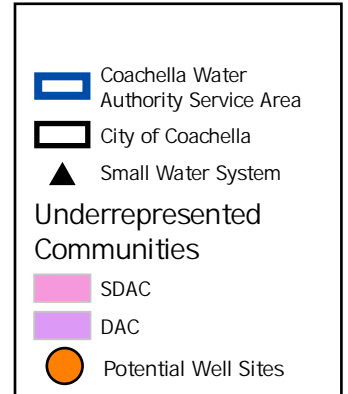


Dr. Gabriel Martin  
[gmartin@coachella.org](mailto:gmartin@coachella.org)  
Executive Director  
Coachella Water Authority



Reymundo Trejo  
[rtrejo@indio.org](mailto:rtrejo@indio.org)  
General Manager  
Indio Water Authority

# DWR Urban & Multi-Use Drought Relief Program Coachella Water Authority Groundwater Well Project



Date Created: January 2022  
Data Sources: US Census



### APPLICANT INFORMATION

Please complete the following summary form for the application. This form should be saved and submitted with the forms intact via email to [urbandrought@water.ca.gov](mailto:urbandrought@water.ca.gov). Please do not print to pdf or scan this form. If the application contains more than five projects, please contact DWR for an expanded form. A Project Information Form should be complete for each project in addition to this summary form.

Applicant Name Coachella Water Authority

Primary Contact Name Castulo Estrada

Title Utilities Manager

E-mail [cestrada@coachella.org](mailto:cestrada@coachella.org)

Address 53462 Enterprise Way

City Coachella

Zip Code 92236

Telephone ( 760 ) 501-8113

Total State Funding Requested: \$2,755,291

Does this application include project(s) benefitting underrepresented communities/Tribes?

Pull down: Yes

Provide a summary of the budget for the application including other cost share (if applicable), for all projects included in the application. Please note that there is no required non-state cost share, but cost share is encouraged. Applicants are required to show other cost share to account for the full project budget. Funding source(s) for cost share must be described for each project in Question 15 on the Project Information Form.

### APPLICATION BUDGET SUMMARY

|   | PROJECTS   | Grant Amount | Other Cost Share | Total Cost |
|---|--|--------------|------------------|------------|
|   | Grant Administration   | 40,000       | 0                | 40,000     |
| 1 | Project Name: Coachella Water Authority Groundwater Well Project | 2,715,291    | 1,000,000        | 3,715,291  |
| 2 | Project Name:  |              |                  |            |
| 3 | Project Name:  |              |                  |            |
| 4 | Project Name:  |              |                  |            |
| 5 | Project Name:  |              |                  |            |

|  |                    |                  |                  |                  |
|--|--------------------|------------------|------------------|------------------|
|  | <b>GRAND TOTAL</b> | <b>2,755,291</b> | <b>1,000,000</b> | <b>3,755,291</b> |
|--|--------------------|------------------|------------------|------------------|



**STAFF REPORT**  
**1/26/2022**

**TO:** Honorable Mayor and City Council Members

**FROM:** Maritza Martinez, Public Works Director

**SUBJECT:** Approve professional services agreement between City of Coachella and the Greater Coachella Valley Chamber of Commerce for fiscal year 2021-2022.

**STAFF RECOMMENDATION:**

Approve professional services agreement between City of Coachella and the Greater Coachella Valley Chamber of Commerce for fiscal year 2021-2022.

**EXECUTIVE SUMMARY:**

The City of Coachella has partnered with the Greater Coachella Valley Chamber of Commerce (Chamber), as a private business support organization within the City to provide professional services. The City renews the service agreement annually with the Chamber, which commemorates the services the Chamber will provide to the City each fiscal year. These services include supporting the City's economic development efforts by providing: business services, various community and city events, and further development of Coachella's tourism market. The budget and the services identified in the attached professional services agreement total \$60,700 which is more than the agreement for 2020/2021 as city events were canceled due to COVID-19 restrictions and the 2021/2022 agreement also reflects an increased cost in Chamber business costs. The services described in the proposed 2021/2022 Agreement include the following services and final costs to the City after any available revenues are deducted per service/event:

- Visitor Center (\$41,500)
  - Staffed Mon-Thu, 8:30 - 4:30; Visitor Center is responsible for marketing the City of Coachella to guests and visitors at the center. Services include local directory, city and relocation information, and general business related guidance.
- State of the City/Business Awards (\$8,200)
  - Chamber will organize and manage: Business Expo; ticket sales/sponsors, and business awards.
- General Promotion / Marketing (\$2,000)
  - Video Footage as needed.
- Holiday Parade (\$2,500)
  - Provide food vendors, judges and assist in soliciting convertible cars for dignitaries.
- Coachella Tacos Tequila and Chavelas Festival (\$6,500)

- Provide stipend and monetary prizes to participating businesses. Provide and staff ticketing for both presale and door entry tickets.

**FISCAL IMPACT:**

The recommended action will not have a fiscal impact as funding for the recommended action has been appropriated in the approved fiscal year 2021/2022 budget.

Attachment: 2021/2022 Professional Services Agreement

City of Coachella  
Professional Services Agreement Fiscal Year 2021-22  
With Greater Coachella Valley Chamber of Commerce

Section 1. Parties

This agreement is made and entered into when executed herein by and between the City of Coachella ("City") and the Greater Coachella Valley Chamber of Commerce ("Chamber"). City and Chamber are sometimes individually referred to as "Party" and collectively as "Parties".

Section 2. Purpose

- a. The purpose of this agreement is to enter into a partnership between the City of Coachella and the Greater Coachella Valley Chamber of Commerce for the purpose of undertaking the planning and implementation of economic development, marketing and business development services and providing assistance to retain business and generally strengthen and expand the business climate and economic opportunities in the City of Coachella.
- b. The City will provide such assistance and guidance as may be required to support the objective set forth in this Agreement and will provide the funding and in-kind services for the services and activities set forth in this agreement.
- c. The Chamber will provide professional and qualified staff and volunteers that will work to disseminate appropriate information to existing and prospective businesses and community members and operate within agreed upon hours.

Section 3. Scope of Work

The Chamber shall

- a. Pro-actively represent the City of Coachella to potential business and industry which will add to the tax base of the City.
- b. Encourage tourist interest in Coachella and promote tourism through the Visitor Center. The Chamber will provide visitor information services for the benefit of its residents as well as all business, retail, restaurant, hotel and other related establishments.
- c. Establish, coordinate and operate various "Business Services and Events, Tourism and Cultural Activities" including business development, Tourism Events, and Cultural Celebrations as described in Exhibit "A", attached hereto and incorporated herein by this reference.
- d. Provide quarterly reports to the City Council on economic development and Chamber activities within the City. Specifically, these quarterly reports should be coordinated with the agreed consideration noted in Section 5, and submitted to the City Liaison by the end of September, December, March and June.

Section 4. Duration of Contract

The term of this agreement shall commence on July 1, 2021 and expire June 30, 2022.

Section 5. Consideration

As consideration for the services provided in Section 3, the City will compensate the Chamber the sum of \$15,175 on a quarterly basis (disbursed in July, October, January, April), for a total amount of \$60,700.

Section 6. Independent Contractor

The City and Chamber intend that an independent contractor relationship be created by this Agreement. The Chamber and anyone affiliated with the Chamber for the purpose of this agreement is not considered an employee of the City for any purpose, and neither the Chamber nor any of its employees shall be entitled to any of the benefits of the City provides to employees, including health insurance, sick time, annual leave, or workers compensation. The Chamber specifically represents and stipulates that it is engaged in the business of providing the services set forth in this agreement, whether or not for profit, and that the Chamber is fully registered and legally authorized to conduct such business and pays all necessary taxes and assessments levied against such business.

Section 7. Suspension, Termination and Close Out

If the Chamber fails to comply with the terms and conditions of this agreement, the City may pursue such remedies as are legally available, including but not limited to, the suspension or termination of this agreement with a 60-day notice.

Section 8. Changes, Amendments, and Modifications

The City may, from time to time, request changes and modifications to Section 3, Scope of Work, referring to any additional events and services, to be performed hereunder.

Section 9. Assignability

The Chamber shall not assign any interest in this agreement, and shall not transfer any interests in the agreement without prior written consent of the City.

Section 10. Reports and Information

The Chamber shall at such time and in such form as the City may require, furnish the City periodic reports, including an accounting for the expenditures of the City funds, as it may request pertaining to the services rendered pursuant to this agreement, the costs and obligations incurred or to be incurred in connection therewith, or for any other matters covered by this agreement.

Section 11. Compliance and Local Laws

The Chamber shall comply with all applicable laws, ordinances, and codes of the state and local government and the Chamber shall hold and save the City harmless with respect to any damages arising from any tort done in performing and of the work embraced by this agreement.

Section 12. Liability and Indemnification

The Chamber agrees to hold the City harmless and shall indemnify and defend all claims. Demands, or suits of law or equity arising from negligent or intentional wrongful actions or omissions of the Chamber or the Chamber's officials or agents in providing services under this agreement except to the extent arising in whole or in part from the actions of the City or City's officials or agents.

This Agreement contains all terms and conditions agreed to by the City of Coachella and the Greater Coachella Valley Chamber of Commerce.

In Witness Whereof, the City of Coachella and the Greater Coachella Valley Chamber of Commerce have executed this Agreement as of the date and year last written below:

City of Coachella

Greater Coachella Valley Chamber of Commerce

\_\_\_\_\_  
Steven Hernandez  
Mayor

\_\_\_\_\_  
Emily Falappino  
President and CEO

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

Attest: \_\_\_\_\_ Date: \_\_\_\_\_  
Andrea Carranza, Deputy City Clerk

Approved As To Form

\_\_\_\_\_  
Carlos Campos, City Attorney

## Exhibit "A"

## Business Services and Events, Tourism and Cultural Services

1. Business Services

- a. Business Advocate - Generally, promote the economic interests of the City through advocacy and business marketing.
- b. Visitor Center - Direct, staff and run the City's Visitor Center. Hours of operation are Monday through Thursday, 8:30 AM to 4:30 PM.
- c. Directory of Business - Make available through digital and/or printed products, as well as direct customer support, a directory of businesses in Coachella.
- d. Information Regarding Economic Development - Supply and make on hand information from the City regarding local economic initiatives, programs and support.
- e. Housing Information - Supply and make on hand information from the City and local property management companies information regarding local housing.
- f. Business License Information - Supply and make on hand information from the City regarding acquiring business license.
- g. Public Outreach – Supply and make on hand information from the City regarding General Plan, City Business Initiatives/Programs.
- h. Digital Campaigns - Support Local Restaurant, Hospitality or Other Relevant Business, to include social media and other digital platforms.

2. Events

- a. Coachella State of the City and Business Awards Gala – Plan, Market and Execute event on behalf of the City. City will offer input and guidance on event agenda, working in cooperation with the Mayor of Coachella. Chamber will retain operational control, including purchasing decisions, price points and revenues.
- b. Support the City's Holiday Christmas Parade – Secure donated vehicles for dignitaries, not to exceed twelve (12), including drivers for vehicles. Identify no more than five (5) food vendors to service event, including facilitating health permits. Secure three (3) judges for the holiday parade. Chamber retains all revenue from services rendered.
- c. Tacos and Tequila Festival – Plan, help market, and execute event, to include vendors, prize money, permits, insurance, ticketing, security, and facilitating county health permits. Chamber retains all revenue from ticket and group (sponsorship) sales.

3. Cultural Activities

- a. Promote the City's Movies in the Park Program – Utilize marketing avenues to raise public awareness.
- b. Promote the City's Day of the Young Child Event – Utilize marketing avenues to raise public awareness.
- c. Promote the Run with los Muertos Event – Utilize marketing avenues to raise public awareness.
- d. Work with City to Develop and Propose New Events

4. Tourism

- a. Support the City's Tourism Outreach for Local Events and Businesses through Visitor Center and marketing outlets.
- b. Support City's Mexicali Sister Cities Agreement

\* City shall provide financial support and/or in-kind services from entities such as Fire, Police, and Public Works, City Streets and Parks where applicable.

\*\*Due to the COVID-19 public health crisis, some services may be altered, delayed or not executed. Services not rendered may be supplemented with a new or different program or event as mutually agreed upon between both parties.

## EXHIBIT "B"

## Rates for Services

**BUSINESS SERVICES / TOURISM / CULTURAL****Visitor Center | \$41,500**

GCVCC will staff the Coachella Resource & Visitor's Center Monday – Thursday from 8:30am-4:30pm, weekly. Bilingual support will be made available to guide visitors with information and resources related to tourism, doing business in Coachella, living in Coachella, and downtown.

GCVCC rate increases account for increasing cost of labor, operational overhead, as well as intended upgrades to the resource center.

**General Promotion / Marketing | \$2,000**

GCVCC will look for ways to enhance its marketing materials, circulation, and impressions made by marketing the City of Coachella. Despite increasing costs of labor and production resources, GCVCC does not propose an increase to this budget this year.

**EVENTS****State of the City / Business Awards | \$8,200**

GCVCC will coordinate a unique outdoor State of the City Event. This will include the design, planning, and coordination of the event along with some degree of vendor management. GCVCC will work with City staff to plan and produce this event.

This event is quoted with an increase. The 2021 State of the City event will include significant changes that require more planning, additional resources, and added costs. Additionally, pricing reflects consideration of the general increases associated with the cost of food, beverage, event rentals, and event resources through outside vendors. The Chamber will provide the City with two tables of seating. Additional tables to be billed as ordered by the City.

**Holiday Christmas Parade | \$2,500**

GCVCC will contribute to the annual Holiday parade for residents of Coachella. Services will include the coordinating food vendors, securing judges, soliciting convertible or open aired vehicles involved with the event. GCVCC introduces a small stipend for this event to offset the cost of staff hours to produce and recruit businesses for this event. In the event that rental fees or additional costs are incurred for securing vehicles, such fees and costs will be in addition to the base stipend.

**Tacos & Tequila | \$6,500**

GCVCC staff will work alongside City Staff to plan, coordinate, produce, and resource for the annual Tacos & Tequila event. Given COVID-19 restrictions, GCVCC will incur increased costs and limited revenue. Pricing reflects consideration of the general increases associated with the cost of staffing, outside vendors, and includes significant

increases to the stipends offered to participating businesses, as well as a general increase in monetary prizes.

**GCVCC Annual Golf Tournament | \$0**

GCVCC will provide the City of Coachella with a foursome at its Annual Golf Tournament. The City of Coachella agrees to participate with at least four individuals. Event registration may not be gifted to any party other than City staff or council.

**2022 GCVCC Annual Awards & Installation Dinner | \$0**

GCVCC will provide the City of Coachella with seating for four at its Annual Awards and Installation Dinner. The City of Coachella agrees to participate with at least four individuals. Event registration may not be gifted to any party other than City staff or council.

## EXHIBIT "C"

## Optional Services

*(Services below will be in addition to the contract as currently written on Page 2, Section 5)*

**ADDITIONAL SERVICE OPTIONS****ESL / Hispanic Business Support | \$35,000**

GCVCC will dedicate personnel resources to supporting the Hispanic business community through grassroots efforts, printed and posted business resources in Spanish, Spanish educational workshops, and general business support for the Hispanic business community. GCVCC will produce a one-of-a-kind, strategic effort that fosters an approachable business resource and network for Hispanic business owners. The Chamber will create metrics of measurement to adapt its programs and ensure successful outcomes.

**Recurring Events, Programs, & Initiatives | \$18,000**

GCVCC will launch a new variety of recurring business events, programs, and initiatives through the calendar year at a higher frequency to serve the local business community and the City's overall economic development interests. Recurring events will be designed and hosted in live, online, and hybrid formats. Additionally, events will be facilitated with an intentional effort to occasionally include and/or feature City Staff and Council with the business community. Examples of such events may include: specialty mixers, coffee with the city events, city walks (business visits), and business education events – all hosted specifically for the City of Coachella. The frequency of such events will be coordinated with City Staff.

**Collateral Creation | \$1,500**

GCVCC will create and design Relocation Packets, Infographics and marketing pieces on "Doing Business in City of Coachella" and limited social media and digital marketing pieces to assist the City in its PR and marketing efforts. All collateral will be designed with City approval. Designs are intended to promote business and visitation throughout City of Coachella. Printing, production, and advertising costs are not included.

**Site Visits & Business Visitation | \$8,000**

GCVCC will coordinate with the City Staff and/or Council to arrange site visits of large employers, new businesses, and/or industry innovators. Arrangements will account for a City Staff Member and/or City Council Member's participation to view, tour, and get to know a local Coachella business. GCVCC will photo document each visit to market, promote, and share.



**STAFF REPORT**  
**1/26/2022**

**TO:** Honorable Mayor and City Council Members

**FROM:** Nathan Statham, Finance Director

**SUBJECT:** Investment Report – October 2021

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**STAFF RECOMMENDATION:**

Staff recommends that the City Council receive and file the investment report for October of 2021

**EXECUTIVE SUMMARY:**

On June 23, 2021, the City of Coachella along with its component units (Sanitary District, Educational & Governmental Access Cable Corporation, Fire Protection District and Water Authority) approved and adopted the current “Statement of Investment Policy”.

Pursuant to Section 16 of that policy, the City Treasurer shall provide to the City Council a monthly investment report which provides a clear picture of the status of the current investment portfolio. This report shall include, at a minimum, the following information for each type of investment held in the City’s investment portfolio: the issuer; amount of investment; current market value; yield on investment; income generated from investments; dollar amount invested on all securities, investments and moneys held by the local agency; and shall additionally include a description of any of the local agency’s funds, investments, or programs; and a description of unusual investment activity or developments during the month for which the report is prepared. This information shall be provided for all City and component unit pooled investments, as well as for bond accounts, which are managed by outside Fiscal Agents.

The interest rates presented are the most current rates available as of the date of these reports. The market values presented for pooled City investments are based on closing prices for the related investments as of the date of these reports. This information was obtained from the Wall Street Journal or other reliable sources of market prices.

The Market values presented for investments managed by fiscal agents are based on amounts reported by the fiscal agent on their investment statements. The purchase date and type of investment are not included for funds held by fiscal agents.

Attached is the Treasurer's Report of Investments which includes an overview on investments which provides information on investment activity, withdrawals and deposits, interest earned, payment of interest and payment of principal as of the months ended October 31, 2021. In addition, this report includes detailed information and current activity on individual investments.

All City investments are in compliance with the guidelines established for Authorized Investments as specified in the Investment Policy, Section 8.

There was no unusual investment activity to report.

The City and Districts have sufficient moneys to meet their expenditure requirements for the next six months.

**FISCAL IMPACT:**

None, this report is receive and file only.

**CITY OF COACHELLA**  
**TREASURER'S REPORT - INVESTMENT REPORT**  
**As of October 31, 2021**  
**Fiscal Year 2021-2022**

| DESCRIPTION                         | CURRENT<br>YIELD | BALANCE AS OF<br>9/30/2021 | NET: DEPOSITS/<br>(WITHDRAWALS) | INTEREST EARNED /<br>CHANGE IN VALUE | PAYMENT OF<br>INTEREST | PAYMENT OF<br>PRINCIPAL | BALANCE AS OF<br>10/31/2021 |
|-------------------------------------|------------------|----------------------------|---------------------------------|--------------------------------------|------------------------|-------------------------|-----------------------------|
| <b>CASH ON HAND</b>                 |                  |                            |                                 |                                      |                        |                         |                             |
| Wells Fargo-General Checking        | N/A              | 10,528,265.44              | 1,762,589.55                    | -                                    | -                      | -                       | 12,290,854.99               |
| Wells Fargo-Road Maintenance        | N/A              | 665,956.67                 | 89,844.76                       | -                                    | -                      | -                       | 755,801.43                  |
| Wells Fargo-Gas Tax                 | N/A              | 565,453.19                 | (356,400.00)                    | -                                    | -                      | -                       | 209,053.19                  |
| Mechanics Bank - Payroll Acct       | N/A              | 111,793.66                 | 90,789.01                       | -                                    | -                      | -                       | 202,582.67                  |
| Mechanics Bank-Gas Tax              | N/A              | 121,172.80                 | (16.59)                         | -                                    | -                      | -                       | 121,156.21                  |
| Petty Cash                          | N/A              | 3,500.00                   | -                               | -                                    | -                      | -                       | 3,500.00                    |
| <b>Total Cash on Hand</b>           |                  | <b>11,996,141.76</b>       | <b>1,586,806.73</b>             | <b>-</b>                             | <b>-</b>               | <b>-</b>                | <b>13,582,948.49</b>        |
| <b>INVESTMENTS</b>                  |                  |                            |                                 |                                      |                        |                         |                             |
| State of California - LAIF          | 0.20%            | 8,794,952.89               | (897,000.00)                    | 4,673.97                             | -                      | -                       | 7,902,626.86                |
| Investment Management Acct          | 1.34%            | 20,480,592.35              | (110,246.87)                    |                                      | -                      | -                       | 20,370,345.48               |
| <b>Total Investments</b>            |                  | <b>29,275,545.24</b>       | <b>(1,007,246.87)</b>           | <b>4,673.97</b>                      | <b>-</b>               | <b>-</b>                | <b>28,272,972.34</b>        |
| <b>CASH WITH FISCAL AGENT</b>       |                  |                            |                                 |                                      |                        |                         |                             |
| Union Bank of California            | varies           | 5,291,302.82               | (6.00)                          | 0.17                                 | (65,087.51)            | -                       | 5,226,209.48 ①              |
| Wells Fargo Bank, N.A.              | 5.83%            | 3.84                       | -                               | -                                    | -                      | -                       | 3.84 ②                      |
| Wilmington Trust, N. A.             | 0.03%            | -                          | -                               | -                                    | -                      | -                       | - ③                         |
| <b>Total Cash with Fiscal Agent</b> |                  | <b>5,291,306.66</b>        | <b>(6.00)</b>                   | <b>0.17</b>                          | <b>(65,087.51)</b>     | <b>-</b>                | <b>5,226,213.32</b>         |
| <b>Grand Total</b>                  |                  | <b>46,562,993.66</b>       | <b>579,553.86</b>               | <b>4,674.14</b>                      | <b>(65,087.51)</b>     | <b>-</b>                | <b>47,082,134.15</b>        |

Completed By:

Carmin Torres

Reviewed By:

Nathan Statham-Finance Director

**CITY OF COACHELLA**  
**TREASURER'S REPORT - INVESTMENT REPORT**  
 As of October 31, 2021  
 Fiscal Year 2021-2022

| DESCRIPTION   | CURRENT<br>YIELD | BALANCE AS OF<br>9/30/2021 | NET: DEPOSITS/<br>(WITHDRAWALS) | INTEREST EARNED /<br>CHANGE IN VALUE | PAYMENT OF<br>INTEREST | PAYMENT OF<br>PRINCIPAL | BALANCE AS OF<br>10/31/2021 |
|---|------------------|----------------------------|---------------------------------|--------------------------------------|------------------------|-------------------------|-----------------------------|
| <b>CASH WITH FISCAL AGENT</b>   |                  |                            |                                 |                                      |                        |                         |                             |
| US Bank   |                  |                            |                                 |                                      |                        |                         |                             |
| COACHELLA WATER AUTHORITY   |                  |                            |                                 |                                      |                        |                         |                             |
| <b><u>CITY OF COACHELLA WATER: WATER REFUNDING BONDS 2012 SERIES</u></b>          |                  |                            |                                 |                                      |                        |                         |                             |
| A/C #: 6712016201 Bond Fund   | 0.00%            | 1.18                       | (1.00)                          | -                                    | -                      | -                       | 0.18                        |
| A/C #: 6712016202 Interest Account  | 0.00%            | 0.06                       | -                               | -                                    | -                      | -                       | 0.06                        |
| A/C #: 6712016203 Principal Account   | 0.00%            | 0.21                       | -                               | -                                    | -                      | -                       | 0.21                        |
| A/C #: 6712016204 Reserve Fund  | 0.00%            | 777,000.00                 | -                               | -                                    | -                      | -                       | 777,000.00                  |
| COACHELLA FINANCING AUTHORITY   |                  |                            |                                 |                                      |                        |                         |                             |
| <b><u>Successor Agency to the Coachella Redevelopments Agency 2014 Series</u></b> |                  |                            |                                 |                                      |                        |                         |                             |
| A/C #: 6712104701 Debt Service Fund   | 0.00%            | 1.47                       | (1.00)                          | -                                    | -                      | -                       | 0.47                        |
| A/C #: 6712104702 Interest Account  | 0.00%            | -                          | -                               | -                                    | -                      | -                       | -                           |
| A/C #: 6712104703 Principal Account   | 0.00%            | -                          | -                               | -                                    | -                      | -                       | -                           |
| A/C #: 6712104704 Reserve Account   | 0.00%            | 827,612.50                 | -                               | -                                    | -                      | -                       | 827,612.50                  |
| COACHELLA SANITARY DISTRICT   |                  |                            |                                 |                                      |                        |                         |                             |
| <b><u>WASTEWATER SERIES 2015A</u></b>   |                  |                            |                                 |                                      |                        |                         |                             |
| A/C #: 6712148601 Bond Fund   | 0.03%            | 1.00                       | (0.97)                          | 0.03                                 | -                      | -                       | 0.06                        |
| A/C #: 6712148602 Interest Account  | 0.03%            | 65,087.51                  | (0.03)                          | 0.03                                 | (65,087.51)            | -                       | -                           |
| A/C #: 6712148603 Principal Account   | 0.03%            | -                          | -                               | -                                    | -                      | -                       | -                           |
| A/C #: 6712148604 Reserve Account   | 0.03%            | 310,175.00                 | -                               | -                                    | -                      | -                       | 310,175.00                  |
| A/C #: 6712148605 Redemption Fund   | 0.03%            | -                          | -                               | -                                    | -                      | -                       | -                           |
| <b><u>COACHELLA SANITARY DISTRICT: PROJECT FUND 2011</u></b>                      |                  |                            |                                 |                                      |                        |                         |                             |
| A/C #: 6711963500 Project Fund 2011   | 0.0004%          | 25,269.75                  | -                               | 0.11                                 | -                      | -                       | 25,269.86                   |

**CITY OF COACHELLA**  
**TREASURER'S REPORT - INVESTMENT REPORT**  
 As of October 31, 2021  
 Fiscal Year 2021-2022

| DESCRIPTION  | CURRENT<br>YIELD | BALANCE AS OF<br>9/30/2021 | NET: DEPOSITS/<br>(WITHDRAWALS) | INTEREST EARNED /<br>CHANGE IN VALUE | PAYMENT OF<br>INTEREST | PAYMENT OF<br>PRINCIPAL | BALANCE AS OF<br>10/31/2021 |
|--|------------------|----------------------------|---------------------------------|--------------------------------------|------------------------|-------------------------|-----------------------------|
| <b>COACHELLA SUCCESSOR AGENCY</b>  |                  |                            |                                 |                                      |                        |                         |                             |
| <b><u>MERGED PROJECT AREAS BONDS 98 &amp; 99: BONDS 2013</u></b>           |                  |                            |                                 |                                      |                        |                         |                             |
| A/C #: 6712071401 Interest Account   | 0.00%            | 1.30                       | (1.00)                          | -                                    | -                      | -                       | 0.30                        |
| A/C #: 6712071402 Interest Account   | 0.00%            | -                          | -                               | -                                    | -                      | -                       | -                           |
| A/C #: 6712071403 Principal Account  | 0.00%            | -                          | -                               | -                                    | -                      | -                       | -                           |
| A/C #: 6712071404 Reserve Account  | 0.00%            | 525,984.89                 | -                               | -                                    | -                      | -                       | 525,984.89                  |
| <b><u>SA TO COACHELLA RDA REFUNDING BONDS SERIES 2016A &amp; 2016B</u></b> |                  |                            |                                 |                                      |                        |                         |                             |
| A/C #: 6712160601 Debt Service   | 0.00%            | 2.22                       | (1.00)                          | -                                    | -                      | -                       | 1.22                        |
| A/C #: 6712160602 Interest Account   | 0.00%            | -                          | -                               | -                                    | -                      | -                       | -                           |
| A/C #: 6712160603 Principal Account  | 0.00%            | -                          | -                               | -                                    | -                      | -                       | -                           |
| A/C #: 6712160604 Reserve Account  | 0.00%            | 2,147,669.03               | -                               | -                                    | -                      | -                       | 2,147,669.03                |
| <b><u>COACHELLA LEASE BONDS 2016</u></b>                                   |                  |                            |                                 |                                      |                        |                         |                             |
| A/C #: 6712179801 Payment Account  | 0.00%            | 5.03                       | (1.00)                          | -                                    | -                      | -                       | 4.03                        |
| A/C #: 6712179802 Interest Account   | 0.00%            | -                          | -                               | -                                    | -                      | -                       | -                           |
| A/C #: 6712179803 Principal Account  | 0.00%            | -                          | -                               | -                                    | -                      | -                       | -                           |
| A/C #: 6712179804 Reserve Account  | 0.00%            | 612,331.26                 | -                               | -                                    | -                      | -                       | 612,331.26                  |
| A/C #: 6712179805 Project Fund   | 0.02%            | 160.41                     | -                               | -                                    | -                      | -                       | 160.41                      |
| <b>TOTAL US BANK</b>   |                  | <b>5,291,302.82</b>        | <b>(6.00)</b>                   | <b>0.17</b>                          | <b>(65,087.51)</b>     | <b>-</b>                | <b>5,226,209.48</b> ①       |
| <b>WELLS FARGO BANK, N.A.</b>  |                  |                            |                                 |                                      |                        |                         |                             |
| <b><u>GAS TAX BONDS SERIES 2019</u></b>                                    |                  |                            |                                 |                                      |                        |                         |                             |
| A/C #: 83925300 Debt Service Fund  | 0.00%            | 2.46                       | -                               | -                                    | -                      | -                       | 2.46                        |
| A/C #: 83925301 Interest Account   | 0.00%            | 0.47                       | -                               | -                                    | -                      | -                       | 0.47                        |
| A/C #: 83925302 Principal Account  | 0.00%            | 0.91                       | -                               | -                                    | -                      | -                       | 0.91                        |
| A/C #: 83925304 Reserve Fund   | 0.00%            | -                          | -                               | -                                    | -                      | -                       | -                           |
| <b>TOTAL WELLS FARGO BANK, N.A.</b>  |                  | <b>3.84</b>                | <b>-</b>                        | <b>-</b>                             | <b>-</b>               | <b>-</b>                | <b>3.84</b> ②               |

CITY OF COACHELLA  
TREASURER'S REPORT - INVESTMENT REPORT  
As of October 31, 2021  
Fiscal Year 2021-2022

| DESCRIPTION  | CURRENT<br>YIELD | BALANCE AS OF<br>9/30/2021 | NET: DEPOSITS/<br>(WITHDRAWALS) | INTEREST EARNED /<br>CHANGE IN VALUE | PAYMENT OF<br>INTEREST | PAYMENT OF<br>PRINCIPAL | BALANCE AS OF<br>10/31/2021 |
|--|------------------|----------------------------|---------------------------------|--------------------------------------|------------------------|-------------------------|-----------------------------|
| WILMINGTON TRUST, N. A.                            |                  |                            |                                 |                                      |                        |                         |                             |
| CITY OF COACHELLA TAXABLE PENSION OBLIGATION BONDS |                  |                            |                                 |                                      |                        |                         |                             |
| A/C #: 144613-001 Interest Account                 | 0.00%            | -                          | -                               | -                                    | -                      | -                       | -                           |
| A/C #: 144613-002 Principal Account                | 0.00%            | -                          | -                               | -                                    | -                      | -                       | -                           |
| A/C #: 144613-003 Cost of Issuance                 | 0.00%            | -                          | -                               | -                                    | -                      | -                       | -                           |
| A/C #: 144613-004 Unfunded Liability               | 0.00%            | -                          | -                               | -                                    | -                      | -                       | -                           |
| TOTAL WILMINGTON TRUST BANK, N.A.                  |                  | -                          | -                               | -                                    | -                      | -                       | -                           |
|  |                  |                            |                                 |                                      |                        |                         |                             |
| TOTAL CASH WITH FISCAL AGENT                       |                  | 5,291,306.66               | (6.00)                          | 0.17                                 | (65,087.51)            | -                       | 5,226,213.32                |

③

Managed Account Detail of Securities Held

For the Month Ending **October 31, 2021**

CITY OF COACHELLA - OPERATING PORTFOLIO - 995343 - (14201484)

| Security Type/Description<br>Dated Date/Coupon/Maturity | CUSIP     | Par        | S&P<br>Rating | Moody's<br>Rating | Trade<br>Date | Settle<br>Date | Original<br>Cost | YTM<br>at Cost | Accrued<br>Interest | Amortized<br>Cost | Market<br>Value |
|---|-----------|------------|---------------|-------------------|---------------|----------------|------------------|----------------|---------------------|-------------------|-----------------|
| <b>U.S. Treasury Bond / Note</b>                        |           |            |               |                   |               |                |                  |                |                     |                   |                 |
| US TREASURY NOTES<br>DTD 02/01/2016 1.750% 01/31/2023   | 912828P38 | 25,000.00  | AA+           | Aaa               | 10/02/18      | 10/04/18       | 23,806.64        | 2.93           | 110.56              | 24,655.59         | 25,464.85       |
| US TREASURY NOTES<br>DTD 02/29/2016 1.500% 02/28/2023   | 912828P79 | 520,000.00 | AA+           | Aaa               | 07/02/18      | 07/05/18       | 491,968.75       | 2.74           | 1,335.91            | 512,014.64        | 528,287.50      |
| US TREASURY NOTES<br>DTD 03/31/2016 1.500% 03/31/2023   | 912828Q29 | 185,000.00 | AA+           | Aaa               | 02/08/19      | 02/12/19       | 178,185.35       | 2.44           | 243.96              | 182,672.72        | 188,064.06      |
| US TREASURY NOTES<br>DTD 08/01/2016 1.250% 07/31/2023   | 912828S92 | 140,000.00 | AA+           | Aaa               | 04/02/19      | 04/04/19       | 134,071.88       | 2.28           | 442.26              | 137,608.48        | 142,012.50      |
| US TREASURY NOTES<br>DTD 11/15/2013 2.750% 11/15/2023   | 912828WE6 | 355,000.00 | AA+           | Aaa               | 03/06/19      | 03/08/19       | 358,591.60       | 2.52           | 4,509.85            | 356,559.92        | 371,085.94      |
| US TREASURY NOTES<br>DTD 11/30/2016 2.125% 11/30/2023   | 912828U57 | 460,000.00 | AA+           | Aaa               | 01/07/19      | 01/09/19       | 451,770.31       | 2.52           | 4,112.98            | 456,502.61        | 475,165.65      |
| US TREASURY NOTES<br>DTD 12/31/2018 2.625% 12/31/2023   | 912828U00 | 70,000.00  | AA+           | Aaa               | 01/30/19      | 01/31/19       | 70,207.81        | 2.56           | 619.16              | 70,091.46         | 73,095.32       |
| US TREASURY NOTES<br>DTD 05/01/2017 2.000% 04/30/2024   | 912828X70 | 655,000.00 | AA+           | Aaa               | 06/03/19      | 06/05/19       | 657,967.97       | 1.90           | 36.19               | 656,509.67        | 676,901.56      |
| US TREASURY NOTES<br>DTD 07/31/2017 2.125% 07/31/2024   | 912828N9  | 125,000.00 | AA+           | Aaa               | 08/01/19      | 08/05/19       | 126,933.59       | 1.80           | 671.28              | 126,064.43        | 129,843.75      |
| US TREASURY NOTES<br>DTD 08/31/2017 1.875% 08/31/2024   | 912828U3  | 165,000.00 | AA+           | Aaa               | 09/03/19      | 09/05/19       | 169,299.02       | 1.33           | 529.87              | 167,439.73        | 170,310.94      |
| US TREASURY NOTES<br>DTD 10/02/2017 2.125% 09/30/2024   | 912828Y5  | 295,000.00 | AA+           | Aaa               | 10/01/19      | 10/03/19       | 303,815.43       | 1.50           | 551.10              | 300,142.33        | 306,707.81      |
| US TREASURY NOTES<br>DTD 10/31/2019 1.500% 10/31/2024   | 912828YM6 | 195,000.00 | AA+           | Aaa               | 01/11/21      | 01/12/21       | 203,630.27       | 0.33           | 8.08                | 201,808.46        | 199,265.63      |
| US TREASURY NOTES<br>DTD 11/30/2017 2.125% 11/30/2024   | 912828J7  | 425,000.00 | AA+           | Aaa               | 01/03/20      | 01/07/20       | 434,844.73       | 1.63           | 3,800.03            | 431,190.79        | 442,332.01      |
| US TREASURY NOTES<br>DTD 11/30/2017 2.125% 11/30/2024   | 912828J7  | 580,000.00 | AA+           | Aaa               | 12/02/19      | 12/04/19       | 591,917.19       | 1.69           | 5,185.93            | 587,354.27        | 603,653.10      |

Managed Account Detail of Securities Held

For the Month Ending **October 31, 2021**

CITY OF COACHELLA - OPERATING PORTFOLIO - 995343 - (14201484)

| Security Type/Description<br>Dated Date/Coupon/Maturity           | CUSIP     | Par                 | S&P<br>Rating | Moody's<br>Rating | Trade<br>Date | Settle<br>Date | Original<br>Cost    | YTM<br>at Cost | Accrued<br>Interest | Amortized<br>Cost   | Market<br>Value     |
|---|-----------|---------------------|---------------|-------------------|---------------|----------------|---------------------|----------------|---------------------|---------------------|---------------------|
| <b>U.S. Treasury Bond / Note</b>                                  |           |                     |               |                   |               |                |                     |                |                     |                     |                     |
| US TREASURY NOTES<br>DTD 02/17/2015 2.000% 02/15/2025             | 912828J27 | 130,000.00          | AA+           | Aaa               | 03/02/20      | 03/04/20       | 137,205.86          | 0.85           | 551.09              | 134,787.97          | 134,875.00          |
| US TREASURY NOTES<br>DTD 08/31/2020 0.250% 08/31/2025             | 91282CAJ0 | 555,000.00          | AA+           | Aaa               | 08/02/21      | 08/06/21       | 548,799.61          | 0.53           | 237.64              | 549,162.62          | 539,217.19          |
| US TREASURY NOTES<br>DTD 09/30/2020 0.250% 09/30/2025             | 91282CAM3 | 460,000.00          | AA+           | Aaa               | 09/07/21      | 09/09/21       | 452,273.44          | 0.67           | 101.10              | 452,549.76          | 446,487.50          |
| US TREASURY NOTES<br>DTD 10/31/2020 0.250% 10/31/2025             | 91282CAT8 | 410,000.00          | AA+           | Aaa               | 10/04/21      | 10/06/21       | 401,319.53          | 0.78           | 2.83                | 401,471.41          | 397,251.54          |
| US TREASURY NOTES<br>DTD 12/31/2020 0.375% 12/31/2025             | 91282CBC4 | 190,000.00          | AA+           | Aaa               | 04/05/21      | 04/07/21       | 185,494.92          | 0.89           | 240.08              | 186,036.88          | 184,537.50          |
| US TREASURY NOTES<br>DTD 12/31/2020 0.375% 12/31/2025             | 91282CBC4 | 350,000.00          | AA+           | Aaa               | 01/11/21      | 01/12/21       | 347,867.19          | 0.50           | 442.26              | 348,211.68          | 339,937.50          |
| US TREASURY NOTES<br>DTD 01/31/2019 2.625% 01/31/2026             | 9128286A3 | 255,000.00          | AA+           | Aaa               | 02/04/21      | 02/08/21       | 282,063.87          | 0.47           | 1,691.63            | 278,104.03          | 271,335.94          |
| US TREASURY NOTES<br>DTD 01/31/2021 0.375% 01/31/2026             | 91282CBH3 | 270,000.00          | AA+           | Aaa               | 02/26/21      | 02/26/21       | 264,410.16          | 0.80           | 255.88              | 265,180.32          | 261,857.83          |
| US TREASURY NOTES<br>DTD 01/31/2021 0.375% 01/31/2026             | 91282CBH3 | 475,000.00          | AA+           | Aaa               | 07/02/21      | 07/07/21       | 465,871.09          | 0.80           | 450.15              | 466,511.04          | 460,675.80          |
| US TREASURY NOTES<br>DTD 02/28/2021 0.500% 02/28/2026             | 91282CBO3 | 310,000.00          | AA+           | Aaa               | 03/05/21      | 03/09/21       | 305,676.95          | 0.79           | 265.47              | 306,240.83          | 302,007.83          |
| US TREASURY N/B NOTES<br>DTD 05/31/2021 0.750% 05/31/2026         | 91282CCF6 | 420,000.00          | AA+           | Aaa               | 06/02/21      | 06/04/21       | 419,081.25          | 0.79           | 1,325.41            | 419,156.89          | 412,518.75          |
| <b>Security Type Sub-Total</b>                                    |           | <b>8,020,000.00</b> |               |                   |               |                | <b>8,007,074.41</b> | <b>1.39</b>    | <b>27,720.70</b>    | <b>8,018,028.53</b> | <b>8,082,893.00</b> |
| <b>Supra-National Agency Bond / Note</b>                          |           |                     |               |                   |               |                |                     |                |                     |                     |                     |
| INTL BK RECON & DEVELOP NOTES<br>DTD 11/24/2020 0.250% 11/24/2023 | 459058JM6 | 150,000.00          | AAA           | Aaa               | 11/17/20      | 11/24/20       | 149,677.50          | 0.32           | 163.54              | 149,778.23          | 149,191.95          |
| INTER-AMERICAN DEVEL BK NOTES<br>DTD 09/23/2021 0.500% 09/23/2024 | 4581X0DZ8 | 300,000.00          | AAA           | Aaa               | 09/15/21      | 09/23/21       | 299,778.00          | 0.52           | 158.33              | 299,785.90          | 297,912.90          |

Managed Account Detail of Securities Held

For the Month Ending **October 31, 2021**

CITY OF COACHELLA - OPERATING PORTFOLIO - 995343 - (14201484)

| Security Type/Description<br>Dated Date/Coupon/Maturity                  | CUSIP     | Par               | S&P<br>Rating | Moody's<br>Rating | Trade<br>Date | Settle<br>Date | Original<br>Cost  | YTM<br>at Cost | Accrued<br>Interest | Amortized<br>Cost | Market<br>Value   |
|--|-----------|-------------------|---------------|-------------------|---------------|----------------|-------------------|----------------|---------------------|-------------------|-------------------|
| <b>Supra-National Agency Bond / Note</b>                                 |           |                   |               |                   |               |                |                   |                |                     |                   |                   |
| <b>Security Type Sub-Total</b>   |           | <b>450,000.00</b> |               |                   |               |                | <b>449,455.50</b> | <b>0.46</b>    | <b>321.87</b>       | <b>449,564.13</b> | <b>447,104.85</b> |
| <b>Municipal Bond / Note</b>   |           |                   |               |                   |               |                |                   |                |                     |                   |                   |
| CA ST TXBL GO BONDS<br>DTD 10/24/2019 2.400% 10/01/2023                  | 13063DRJ9 | 190,000.00        | AA-           | Aa2               | 10/16/19      | 10/24/19       | 193,801.90        | 1.87           | 380.00              | 191,848.07        | 197,193.40        |
| MS ST TXBL GO BONDS<br>DTD 08/06/2020 0.565% 11/01/2024                  | 605581MZ7 | 200,000.00        | AA            | Aa2               | 07/24/20      | 08/06/20       | 200,000.00        | 0.57           | 565.00              | 200,000.00        | 197,672.00        |
| OR ST DEPT TRANS TXBL REV BONDS<br>DTD 09/17/2020 0.566% 11/15/2024      | 68607DVA0 | 135,000.00        | AAA           | Aa1               | 09/11/20      | 09/17/20       | 135,000.00        | 0.57           | 352.34              | 135,000.00        | 133,801.20        |
| FL ST BOARD OF ADMIN TXBL REV BONDS<br>DTD 09/16/2020 1.258% 07/01/2025  | 341271AD6 | 40,000.00         | AA            | Aa3               | 09/03/20      | 09/16/20       | 40,282.80         | 1.11           | 167.73              | 40,216.34         | 40,031.20         |
| FL ST BOARD OF ADMIN TXBL REV BONDS<br>DTD 09/16/2020 1.258% 07/01/2025  | 341271AD6 | 110,000.00        | AA            | Aa3               | 09/03/20      | 09/16/20       | 110,000.00        | 1.26           | 461.27              | 110,000.00        | 110,085.80        |
| LOS ANGELES CCD, CA TXBL GO BONDS<br>DTD 11/10/2020 0.773% 08/01/2025    | 54438CYK2 | 80,000.00         | AA+           | Aaa               | 10/30/20      | 11/10/20       | 80,000.00         | 0.77           | 154.60              | 80,000.00         | 79,342.40         |
| NJ TURNPIKE AUTHORITY TXBL REV BONDS<br>DTD 02/04/2021 1.047% 01/01/2026 | 646140DP5 | 40,000.00         | A+            | A2                | 01/22/21      | 02/04/21       | 40,000.00         | 1.05           | 139.60              | 40,000.00         | 39,379.60         |
| <b>Security Type Sub-Total</b>   |           | <b>795,000.00</b> |               |                   |               |                | <b>799,084.70</b> | <b>1.06</b>    | <b>2,220.54</b>     | <b>797,064.41</b> | <b>797,505.60</b> |
| <b>Federal Agency Commercial Mortgage-Backed Security</b>                |           |                   |               |                   |               |                |                   |                |                     |                   |                   |
| FHLMC MULTIFAMILY STRUCTURED P<br>DTD 05/01/2015 2.791% 01/01/2022       | 3137BHYX8 | 75,372.27         | AA+           | Aaa               | 05/16/19      | 05/21/19       | 75,843.35         | 2.54           | 175.30              | 75,402.33         | 75,543.00         |
| FHLMC MULTIFAMILY STRUCTURED P<br>DTD 11/01/2015 2.716% 06/01/2022       | 3137BLUR7 | 95,730.10         | AA+           | Aaa               | 04/02/19      | 04/05/19       | 95,969.43         | 2.63           | 216.67              | 95,774.11         | 96,459.25         |
| FHLMC SERIES K721 A2<br>DTD 12/01/2015 3.090% 08/01/2022                 | 3137BM6P6 | 92,759.35         | AA+           | Aaa               | 04/04/18      | 04/09/18       | 93,549.25         | 2.88           | 238.86              | 92,896.27         | 93,900.55         |
| FHLMC MULTIFAMILY STRUCTURED P<br>DTD 12/01/2012 2.307% 08/01/2022       | 3137AWOH1 | 100,000.00        | AA+           | Aaa               | 09/04/19      | 09/09/19       | 101,476.56        | 1.78           | 192.25              | 100,381.36        | 101,160.00        |

# Managed Account Detail of Securities Held

For the Month Ending **October 31, 2021**

## CITY OF COACHELLA - OPERATING PORTFOLIO - 995343 - (14201484)

| Security Type/Description<br>Dated Date/Coupon/Maturity                 | CUSIP     | Par               | S&P<br>Rating | Moody's<br>Rating | Trade<br>Date | Settle<br>Date | Original<br>Cost  | YTM<br>at Cost | Accrued<br>Interest | Amortized<br>Cost | Market<br>Value   |
|---|-----------|-------------------|---------------|-------------------|---------------|----------------|-------------------|----------------|---------------------|-------------------|-------------------|
| <b>Federal Agency Commercial Mortgage-Backed Security</b>               |           |                   |               |                   |               |                |                   |                |                     |                   |                   |
| FANNIEMAE-ACES<br>DTD 04/01/2014 3.346% 03/01/2024                      | 3136AJB54 | 93,329.05         | AA+           | Aaa               | 12/13/19      | 12/18/19       | 97,864.26         | 2.14           | 260.23              | 95,843.36         | 98,045.84         |
| FHMS K043 A2<br>DTD 03/01/2015 3.062% 12/01/2024                        | 3137BGK24 | 110,000.00        | AA+           | Aaa               | 03/19/20      | 03/25/20       | 115,448.44        | 1.95           | 280.68              | 113,583.49        | 116,412.53        |
| <b>Security Type Sub-Total</b>  |           | <b>567,190.77</b> |               |                   |               |                | <b>580,151.29</b> | <b>2.29</b>    | <b>1,363.99</b>     | <b>573,880.92</b> | <b>581,521.17</b> |
| <b>Federal Agency Bond / Note</b>                                       |           |                   |               |                   |               |                |                   |                |                     |                   |                   |
| FANNIE MAE NOTES<br>DTD 05/22/2020 0.250% 05/22/2023                    | 3135G04Q3 | 255,000.00        | AA+           | Aaa               | 05/20/20      | 05/22/20       | 254,232.45        | 0.35           | 281.56              | 254,602.56        | 254,512.70        |
| FREDDIE MAC NOTES<br>DTD 06/11/2018 2.750% 06/19/2023                   | 3137EAEN5 | 500,000.00        | AA+           | Aaa               | 01/07/19      | 01/09/19       | 503,510.00        | 2.58           | 5,041.67            | 501,287.58        | 518,999.50        |
| FREDDIE MAC NOTES<br>DTD 06/26/2020 0.250% 06/26/2023                   | 3137EAES4 | 175,000.00        | AA+           | Aaa               | 06/24/20      | 06/26/20       | 174,489.00        | 0.35           | 151.91              | 174,719.07        | 174,530.30        |
| FANNIE MAE NOTES<br>DTD 07/10/2020 0.250% 07/10/2023                    | 3135G05G4 | 280,000.00        | AA+           | Aaa               | 07/08/20      | 07/10/20       | 279,398.00        | 0.32           | 215.83              | 279,661.34        | 279,136.76        |
| FREDDIE MAC NOTES<br>DTD 08/21/2020 0.250% 08/24/2023                   | 3137EAEV7 | 185,000.00        | AA+           | Aaa               | 08/19/20      | 08/21/20       | 184,811.30        | 0.28           | 86.08               | 184,886.40        | 184,288.68        |
| FANNIE MAE NOTES<br>DTD 09/14/2018 2.875% 09/12/2023                    | 3135G0U43 | 330,000.00        | AA+           | Aaa               | 12/03/18      | 12/06/18       | 329,333.40        | 2.92           | 1,291.35            | 329,739.64        | 344,627.58        |
| FEDERAL FARM CREDIT BANK (CALLABLE)<br>DTD 09/21/2020 0.250% 09/21/2023 | 3133EMAM4 | 250,000.00        | AA+           | Aaa               | 10/07/20      | 10/09/20       | 249,575.00        | 0.31           | 69.44               | 249,728.11        | 248,786.00        |
| FEDERAL HOME LOAN BANKS NOTES<br>DTD 12/09/2013 3.375% 12/08/2023       | 3130A0F70 | 190,000.00        | AA+           | Aaa               | 01/30/19      | 01/31/19       | 195,600.04        | 2.72           | 2,547.19            | 192,423.95        | 201,234.13        |
| FEDERAL HOME LOAN BANK NOTES<br>DTD 04/16/2020 0.500% 04/14/2025        | 3130AJHU6 | 200,000.00        | AA+           | Aaa               | 04/15/20      | 04/16/20       | 199,008.00        | 0.60           | 47.22               | 199,314.74        | 197,396.40        |
| FANNIE MAE NOTES<br>DTD 04/24/2020 0.625% 04/22/2025                    | 3135G03U5 | 260,000.00        | AA+           | Aaa               | 04/22/20      | 04/24/20       | 259,464.40        | 0.67           | 40.63               | 259,627.66        | 257,703.94        |
| FANNIE MAE NOTES<br>DTD 04/24/2020 0.625% 04/22/2025                    | 3135G03U5 | 360,000.00        | AA+           | Aaa               | 06/03/20      | 06/05/20       | 361,843.20        | 0.52           | 56.25               | 361,311.55        | 356,820.84        |

Managed Account Detail of Securities Held

For the Month Ending **October 31, 2021**

CITY OF COACHELLA - OPERATING PORTFOLIO - 995343 - (14201484)

| Security Type/Description<br>Dated Date/Coupon/Maturity              | CUSIP     | Par                 | S&P<br>Rating | Moody's<br>Rating | Trade<br>Date | Settle<br>Date | Original<br>Cost    | YTM<br>at Cost | Accrued<br>Interest | Amortized<br>Cost   | Market<br>Value     |
|--|-----------|---------------------|---------------|-------------------|---------------|----------------|---------------------|----------------|---------------------|---------------------|---------------------|
| <b>Federal Agency Bond / Note</b>                                    |           |                     |               |                   |               |                |                     |                |                     |                     |                     |
| FREDDIE MAC NOTES (CALLABLE)<br>DTD 05/29/2020 0.750% 05/28/2025     | 3134GVB31 | 200,000.00          | AA+           | Aaa               | 06/05/20      | 06/09/20       | 199,400.00          | 0.81           | 637.50              | 199,568.69          | 198,380.20          |
| FANNIE MAE NOTES<br>DTD 06/19/2020 0.500% 06/17/2025                 | 3135G04Z3 | 175,000.00          | AA+           | Aaa               | 07/02/20      | 07/07/20       | 175,201.25          | 0.48           | 325.69              | 175,147.54          | 172,361.00          |
| FANNIE MAE NOTES<br>DTD 06/19/2020 0.500% 06/17/2025                 | 3135G04Z3 | 225,000.00          | AA+           | Aaa               | 10/01/20      | 10/05/20       | 226,055.25          | 0.40           | 418.75              | 225,814.19          | 221,607.00          |
| FANNIE MAE NOTES<br>DTD 06/19/2020 0.500% 06/17/2025                 | 3135G04Z3 | 305,000.00          | AA+           | Aaa               | 06/17/20      | 06/19/20       | 304,368.65          | 0.54           | 567.64              | 304,541.72          | 300,400.60          |
| FREDDIE MAC NOTES<br>DTD 07/23/2020 0.375% 07/21/2025                | 3137EAEU9 | 185,000.00          | AA+           | Aaa               | 07/21/20      | 07/23/20       | 184,078.70          | 0.48           | 192.71              | 184,314.08          | 180,944.80          |
| FANNIE MAE NOTES<br>DTD 08/27/2020 0.375% 08/25/2025                 | 3135G05X7 | 195,000.00          | AA+           | Aaa               | 08/25/20      | 08/27/20       | 194,087.40          | 0.47           | 134.06              | 194,303.04          | 190,475.22          |
| FANNIE MAE NOTES<br>DTD 08/27/2020 0.375% 08/25/2025                 | 3135G05X7 | 420,000.00          | AA+           | Aaa               | 10/21/20      | 10/22/20       | 417,727.80          | 0.49           | 288.75              | 418,209.74          | 410,254.32          |
| FREDDIE MAC NOTES<br>DTD 09/25/2020 0.375% 09/23/2025                | 3137EAEX3 | 285,000.00          | AA+           | Aaa               | 09/23/20      | 09/25/20       | 284,142.15          | 0.44           | 112.81              | 284,331.22          | 278,469.23          |
| FANNIE MAE NOTES<br>DTD 11/12/2020 0.500% 11/07/2025                 | 3135G06G3 | 185,000.00          | AA+           | Aaa               | 11/09/20      | 11/12/20       | 184,337.70          | 0.57           | 447.08              | 184,466.45          | 181,108.16          |
| <b>Security Type Sub-Total</b>                                       |           | <b>5,160,000.00</b> |               |                   |               |                | <b>5,160,663.69</b> | <b>0.94</b>    | <b>12,954.12</b>    | <b>5,157,999.27</b> | <b>5,152,037.36</b> |
| <b>Corporate Note</b>  |           |                     |               |                   |               |                |                     |                |                     |                     |                     |
| APPLE INC CORP NOTES<br>DTD 02/09/2017 2.500% 02/09/2022             | 037833CM0 | 240,000.00          | AA+           | Aa1               | 01/07/19      | 01/09/19       | 236,438.40          | 3.01           | 1,366.67            | 239,683.98          | 241,056.00          |
| BB&T CORP (CALLABLE) NOTES<br>DTD 03/21/2017 2.750% 04/01/2022       | 05531FAX1 | 185,000.00          | A-            | A3                | 04/03/18      | 04/05/18       | 181,564.55          | 3.25           | 423.96              | 184,643.96          | 186,387.32          |
| UNITED PARCEL SERVICE CORP NOTES<br>DTD 09/27/2012 2.450% 10/01/2022 | 911312AO9 | 275,000.00          | A-            | A2                | 03/01/18      | 03/05/18       | 268,545.75          | 3.00           | 561.46              | 273,709.92          | 280,342.15          |

Managed Account Detail of Securities Held

For the Month Ending **October 31, 2021**

CITY OF COACHELLA - OPERATING PORTFOLIO - 995343 - (14201484)

| Security Type/Description<br>Dated Date/Coupon/Maturity                         | CUSIP     | Par        | S&P<br>Rating | Moody's<br>Rating | Trade<br>Date | Settle<br>Date | Original<br>Cost | YTM<br>at Cost | Accrued<br>Interest | Amortized<br>Cost | Market<br>Value |
|---|-----------|------------|---------------|-------------------|---------------|----------------|------------------|----------------|---------------------|-------------------|-----------------|
| <b>Corporate Note</b>   |           |            |               |                   |               |                |                  |                |                     |                   |                 |
| ADOBE INC CORP NOTE<br>DTD 02/03/2020 1.700% 02/01/2023                         | 00724PAA7 | 100,000.00 | A+            | A2                | 01/22/20      | 02/03/20       | 99,863.00        | 1.75           | 425.00              | 99,942.77         | 101,508.70      |
| PFIZER INC CORP NOTES<br>DTD 03/11/2019 2.950% 03/15/2024                       | 717081ES8 | 260,000.00 | A+            | A2                | 04/02/19      | 04/04/19       | 263,146.00       | 2.69           | 980.06              | 261,479.22        | 272,725.96      |
| MORGAN STANLEY CORP NOTES<br>(CALLABLE)<br>DTD 04/22/2021 0.731% 04/05/2024     | 61772BAA1 | 25,000.00  | BBB+          | A1                | 04/19/21      | 04/22/21       | 25,000.00        | 0.73           | 13.20               | 25,000.00         | 24,979.10       |
| MORGAN STANLEY CORP NOTES<br>(CALLABLE)<br>DTD 04/22/2021 0.731% 04/05/2024     | 61772BAA1 | 75,000.00  | BBB+          | A1                | 04/20/21      | 04/22/21       | 75,094.50        | 0.69           | 39.59               | 75,068.92         | 74,937.30       |
| AMAZON.COM INC CORPORATE NOTES<br>DTD 05/12/2021 0.450% 05/12/2024              | 023135BW5 | 115,000.00 | AA            | A1                | 05/10/21      | 05/12/21       | 114,832.10       | 0.50           | 242.94              | 114,858.60        | 114,022.16      |
| WALMART INC CORPORATE NOTES<br>DTD 04/23/2019 2.850% 07/08/2024                 | 931142EL3 | 360,000.00 | AA            | Aa2               | 07/10/19      | 07/12/19       | 371,235.60       | 2.19           | 3,220.50            | 364,337.12        | 378,881.28      |
| JPMORGAN CHASE & CO CORPORATE<br>NOTES (CAL<br>DTD 09/16/2020 0.653% 09/16/2024 | 46647PBS4 | 115,000.00 | A-            | A2                | 09/09/20      | 09/16/20       | 115,000.00       | 0.65           | 93.87               | 115,000.00        | 114,823.13      |
| BANK OF AMERICA CORP (CALLABLE)<br>CORPORAT<br>DTD 10/21/2020 0.810% 10/24/2024 | 06051GJH3 | 150,000.00 | A-            | A2                | 10/16/20      | 10/21/20       | 150,000.00       | 0.81           | 23.63               | 150,000.00        | 149,801.25      |
| MICROSOFT CORP (CALLABLE) NOTES<br>DTD 02/12/2015 2.700% 02/12/2025             | 594918BB9 | 190,000.00 | AAA           | Aaa               | 03/15/21      | 03/17/21       | 202,921.90       | 0.92           | 1,125.75            | 200,706.99        | 199,597.66      |
| TOYOTA MOTOR CREDIT CORP CORP<br>NOTES<br>DTD 02/13/2020 1.800% 02/13/2025      | 89236TGT6 | 60,000.00  | A+            | A1                | 05/20/20      | 05/26/20       | 60,586.20        | 1.58           | 234.00              | 60,408.03         | 61,219.98       |
| TOYOTA MOTOR CREDIT CORP CORP<br>NOTES<br>DTD 02/13/2020 1.800% 02/13/2025      | 89236TGT6 | 90,000.00  | A+            | A1                | 05/20/20      | 05/26/20       | 90,879.30        | 1.58           | 351.00              | 90,612.04         | 91,829.97       |
| NOVARTIS CAPITAL CORP<br>DTD 02/14/2020 1.750% 02/14/2025                       | 66989HAP3 | 295,000.00 | AA-           | A1                | 05/06/20      | 05/08/20       | 305,504.95       | 0.98           | 1,104.20            | 302,179.20        | 300,724.77      |

Managed Account Detail of Securities Held

For the Month Ending **October 31, 2021**

CITY OF COACHELLA - OPERATING PORTFOLIO - 995343 - (14201484)

| Security Type/Description<br>Dated Date/Coupon/Maturity                        | CUSIP     | Par                 | S&P<br>Rating | Moody's<br>Rating | Trade<br>Date | Settle<br>Date | Original<br>Cost    | YTM<br>at Cost | Accrued<br>Interest | Amortized<br>Cost   | Market<br>Value     |
|--|-----------|---------------------|---------------|-------------------|---------------|----------------|---------------------|----------------|---------------------|---------------------|---------------------|
| <b>Corporate Note</b>  |           |                     |               |                   |               |                |                     |                |                     |                     |                     |
| CITIGROUP INC CORPORATE NOTES<br>DTD 05/04/2021 0.981% 05/01/2025              | 172967MX6 | 50,000.00           | BBB+          | A3                | 04/27/21      | 05/04/21       | 50,000.00           | 0.98           | 241.16              | 50,000.00           | 49,687.75           |
| CITIGROUP INC CORPORATE NOTES<br>DTD 05/04/2021 0.981% 05/01/2025              | 172967MX6 | 55,000.00           | BBB+          | A3                | 04/28/21      | 05/04/21       | 55,145.75           | 0.91           | 265.28              | 55,127.66           | 54,656.53           |
| GOLDMAN SACHS GROUP INC CORPORATE<br>NOTES<br>DTD 05/22/2015 3.750% 05/22/2025 | 38148LAE6 | 135,000.00          | BBB+          | A2                | 02/12/21      | 02/17/21       | 150,819.30          | 0.94           | 2,235.94            | 148,046.07          | 144,892.13          |
| JPMORGAN CHASE & CO CORPORATE<br>NOTES<br>DTD 06/01/2021 0.824% 06/01/2025     | 46647PCH7 | 115,000.00          | A-            | A2                | 05/24/21      | 06/01/21       | 115,000.00          | 0.82           | 394.83              | 115,000.00          | 113,788.82          |
| JPMORGAN CHASE & CO CORPORATE<br>NOTES<br>DTD 08/10/2021 0.768% 08/09/2025     | 46647PCM6 | 50,000.00           | A-            | A2                | 08/03/21      | 08/10/21       | 50,000.00           | 0.77           | 86.40               | 50,000.00           | 49,277.60           |
| BRISTOL-MYERS SQUIBB CO CORPORATE<br>NOTES<br>DTD 11/13/2020 0.750% 11/13/2025 | 110122DN5 | 72,000.00           | A+            | A2                | 06/17/21      | 06/21/21       | 71,282.88           | 0.98           | 252.00              | 71,342.27           | 70,518.17           |
| <b>Security Type Sub-Total</b>   |           | <b>3,012,000.00</b> |               |                   |               |                | <b>3,052,860.18</b> | <b>1.75</b>    | <b>13,681.44</b>    | <b>3,047,146.75</b> | <b>3,075,657.73</b> |
| <b>Certificate of Deposit</b>  |           |                     |               |                   |               |                |                     |                |                     |                     |                     |
| SUMITOMO MITSUI BANK NY CERT DEPOS<br>DTD 07/14/2020 0.700% 07/08/2022         | 86565CKU2 | 155,000.00          | A-1           | P-1               | 07/10/20      | 07/14/20       | 155,000.00          | 0.70           | 349.61              | 155,000.00          | 155,460.51          |
| NORDEA BANK ABP NEW YORK CERT DEPOS<br>DTD 08/29/2019 1.850% 08/26/2022        | 65558TLL7 | 280,000.00          | A-1+          | P-1               | 08/27/19      | 08/29/19       | 280,000.00          | 1.84           | 964.06              | 280,000.00          | 283,593.80          |
| SKANDINAV ENSKILDA BANK LT CD<br>DTD 09/03/2019 1.860% 08/26/2022              | 83050PDR7 | 295,000.00          | A-1           | P-1               | 08/29/19      | 09/03/19       | 295,000.00          | 1.85           | 1,021.19            | 295,000.00          | 298,810.52          |
| DNB BANK ASA/NY LT CD<br>DTD 12/06/2019 2.040% 12/02/2022                      | 23341VZT1 | 145,000.00          | AA-           | Aa2               | 12/05/19      | 12/06/19       | 145,000.00          | 2.03           | 1,248.93            | 145,000.00          | 147,657.71          |
| CREDIT SUISSE NEW YORK CERT DEPOS<br>DTD 03/23/2021 0.590% 03/17/2023          | 22552G3C2 | 155,000.00          | A+            | A1                | 03/19/21      | 03/23/21       | 155,000.00          | 0.59           | 566.48              | 155,000.00          | 155,352.16          |

# Managed Account Detail of Securities Held

For the Month Ending **October 31, 2021**

## CITY OF COACHELLA - OPERATING PORTFOLIO - 995343 - (14201484)

| Security Type/Description<br>Dated Date/Coupon/Maturity            | CUSIP     | Par                 | S&P<br>Rating | Moody's<br>Rating | Trade<br>Date | Settle<br>Date | Original<br>Cost    | YTM<br>at Cost | Accrued<br>Interest | Amortized<br>Cost   | Market<br>Value     |
|--|-----------|---------------------|---------------|-------------------|---------------|----------------|---------------------|----------------|---------------------|---------------------|---------------------|
| <b>Security Type Sub-Total</b>                                     |           | <b>1,030,000.00</b> |               |                   |               |                | <b>1,030,000.00</b> | <b>1.51</b>    | <b>4,150.27</b>     | <b>1,030,000.00</b> | <b>1,040,874.70</b> |
| <b>Asset-Backed Security</b>                                       |           |                     |               |                   |               |                |                     |                |                     |                     |                     |
| HAROT 2019-1 A3<br>DTD 02/27/2019 2.830% 03/20/2023                | 43814WAC9 | 32,121.93           | AAA           | NR                | 02/19/19      | 02/27/19       | 32,121.07           | 2.83           | 32.83               | 32,121.64           | 32,371.45           |
| HYUNDAI AUTO RECEIVABLES TRUST<br>DTD 04/10/2019 2.660% 06/15/2023 | 44932NAD2 | 25,622.91           | AAA           | NR                | 04/03/19      | 04/10/19       | 25,619.54           | 2.66           | 30.29               | 25,621.61           | 25,792.35           |
| HAROT 2019-2 A3<br>DTD 05/29/2019 2.520% 06/21/2023                | 43815MAC0 | 45,993.27           | NR            | Aaa               | 05/21/19      | 05/29/19       | 45,991.55           | 2.52           | 32.20               | 45,992.58           | 46,403.80           |
| TAOT 2019-A A3<br>DTD 02/13/2019 2.910% 07/15/2023                 | 89239AAD5 | 55,733.39           | AAA           | Aaa               | 02/05/19      | 02/13/19       | 55,723.24           | 2.91           | 72.08               | 55,729.48           | 56,237.29           |
| ALLYA 2019-1 A3<br>DTD 02/13/2019 2.910% 09/15/2023                | 02004WAC5 | 19,370.97           | NR            | Aaa               | 02/05/19      | 02/13/19       | 19,368.63           | 2.91           | 25.05               | 19,370.02           | 19,517.43           |
| NAROT 2019-A A3<br>DTD 02/13/2019 2.900% 10/15/2023                | 65479KAD2 | 44,684.35           | NR            | Aaa               | 02/05/19      | 02/13/19       | 44,677.58           | 2.90           | 57.59               | 44,681.52           | 45,196.41           |
| COPAR 2019-1 A3<br>DTD 05/30/2019 2.510% 11/15/2023                | 14042WAC4 | 42,023.45           | AAA           | Aaa               | 05/21/19      | 05/30/19       | 42,014.93           | 2.51           | 46.88               | 42,019.56           | 42,394.21           |
| NAROT 2019-B A3<br>DTD 05/28/2019 2.500% 11/15/2023                | 65479HAC1 | 52,142.40           | NR            | Aaa               | 05/21/19      | 05/28/19       | 52,130.61           | 2.51           | 57.94               | 52,137.03           | 52,627.32           |
| HAROT 2020-1 A3<br>DTD 02/26/2020 1.610% 04/22/2024                | 43813RAC1 | 105,000.00          | NR            | Aaa               | 02/19/20      | 02/26/20       | 104,979.42          | 1.61           | 46.96               | 104,987.75          | 105,901.36          |
| TAOT 2020-A A3<br>DTD 02/12/2020 1.660% 05/15/2024                 | 89232HAC9 | 139,823.95          | AAA           | Aaa               | 02/04/20      | 02/12/20       | 139,813.85          | 1.66           | 103.16              | 139,817.93          | 140,983.47          |
| CARMX 2020-1 A3<br>DTD 01/22/2020 1.890% 12/16/2024                | 14315XAC2 | 100,000.00          | AAA           | NR                | 01/14/20      | 01/22/20       | 99,980.38           | 1.89           | 84.00               | 99,987.49           | 101,128.45          |
| HAROT 2021-1 A3<br>DTD 02/24/2021 0.270% 04/21/2025                | 43813GAC5 | 55,000.00           | NR            | Aaa               | 02/17/21      | 02/24/21       | 54,998.99           | 0.27           | 4.13                | 54,999.16           | 54,749.73           |
| HART 2021-A A3<br>DTD 04/28/2021 0.380% 09/15/2025                 | 44933LAC7 | 45,000.00           | AAA           | NR                | 04/20/21      | 04/28/21       | 44,995.27           | 0.38           | 7.60                | 44,995.82           | 44,750.56           |
| CARMX 2021-1 A3<br>DTD 01/27/2021 0.340% 12/15/2025                | 14316NAC3 | 30,000.00           | AAA           | NR                | 01/20/21      | 01/27/21       | 29,994.07           | 0.34           | 4.53                | 29,994.99           | 29,861.55           |

## Managed Account Detail of Securities Held

For the Month Ending **October 31, 2021**

### CITY OF COACHELLA - OPERATING PORTFOLIO - 995343 - (14201484)

| Security Type/Description<br>Dated Date/Coupon/Maturity | CUSIP     | Par                    | S&P<br>Rating | Moody's<br>Rating | Trade<br>Date | Settle<br>Date | Original<br>Cost       | YTM<br>at Cost | Accrued<br>Interest | Amortized<br>Cost      | Market<br>Value        |
|---|-----------|------------------------|---------------|-------------------|---------------|----------------|------------------------|----------------|---------------------|------------------------|------------------------|
| <b>Asset-Backed Security</b>                            |           |                        |               |                   |               |                |                        |                |                     |                        |                        |
| TAOT 2021-C A3<br>DTD 09/27/2021 0.430% 01/15/2026      | 89239BAC5 | 70,000.00              | AAA           | Aaa               | 09/21/21      | 09/27/21       | 69,994.42              | 0.43           | 13.38               | 69,994.54              | 69,416.94              |
| CARMX 2021-2 A3<br>DTD 04/21/2021 0.520% 02/17/2026     | 14314OAC8 | 65,000.00              | AAA           | NR                | 04/13/21      | 04/21/21       | 64,985.99              | 0.52           | 15.02               | 64,987.53              | 64,814.09              |
| DCENT 2021-A1 A1<br>DTD 09/27/2021 0.580% 09/15/2026    | 254683CP8 | 55,000.00              | AAA           | Aaa               | 09/20/21      | 09/27/21       | 54,988.22              | 0.58           | 14.18               | 54,988.45              | 54,406.89              |
| <b>Security Type Sub-Total</b>                          |           | <b>982,516.62</b>      |               |                   |               |                | <b>982,377.76</b>      | <b>1.62</b>    | <b>647.82</b>       | <b>982,427.10</b>      | <b>986,553.30</b>      |
| <b>Managed Account Sub-Total</b>                        |           | <b>20,016,707.39</b>   |               |                   |               |                | <b>20,061,667.53</b>   | <b>1.34</b>    | <b>63,060.75</b>    | <b>20,056,111.11</b>   | <b>20,164,147.71</b>   |
| <b>Money Market Mutual Fund</b>                         |           |                        |               |                   |               |                |                        |                |                     |                        |                        |
| PFM Funds - Govt Select, Instl Cl                       |           | 206,197.77             | AAAm          | NR                |               |                | 206,197.77             |                | 0.00                | 206,197.77             | 206,197.77             |
| <b>Liquid Sub-Total</b>                                 |           | <b>206,197.77</b>      |               |                   |               |                | <b>206,197.77</b>      |                | <b>0.00</b>         | <b>206,197.77</b>      | <b>206,197.77</b>      |
| <b>Securities Sub-Total</b>                             |           | <b>\$20,222,905.16</b> |               |                   |               |                | <b>\$20,267,865.30</b> | <b>1.34%</b>   | <b>\$63,060.75</b>  | <b>\$20,262,308.88</b> | <b>\$20,370,345.48</b> |
| <b>Accrued Interest</b>                                 |           |                        |               |                   |               |                |                        |                |                     |                        | <b>\$63,060.75</b>     |
| <b>Total Investments</b>                                |           |                        |               |                   |               |                |                        |                |                     |                        | <b>\$20,433,406.23</b> |

Managed Account Security Transactions & Interest

For the Month Ending **October 31, 2021**

CITY OF COACHELLA - OPERATING PORTFOLIO - 995343 - (14201484)

| Transaction Type           |          | Security Description  | CUSIP     | Par        | Principal Proceeds | Accrued Interest | Total        | Realized G/L Cost | Realized G/L Amort Cost | Sale Method |
|----------------------------|----------|---|-----------|------------|--------------------|------------------|--------------|-------------------|-------------------------|-------------|
| Trade                      | Settle   |   |           |            |                    |                  |              |                   |                         |             |
| BUY                        |          |   |           |            |                    |                  |              |                   |                         |             |
| 10/04/21                   | 10/06/21 | US TREASURY NOTES<br>DTD 10/31/2020 0.250% 10/31/2025                       | 91282CAT8 | 410,000.00 | (401,319.53)       | (442.87)         | (401,762.40) |                   |                         |             |
| Transaction Type Sub-Total |          |   |           | 410,000.00 | (401,319.53)       | (442.87)         | (401,762.40) |                   |                         |             |
| INTEREST                   |          |   |           |            |                    |                  |              |                   |                         |             |
| 10/01/21                   | 10/01/21 | UNITED PARCEL SERVICE CORP NOTES<br>DTD 09/27/2012 2.450% 10/01/2022        | 911312AO9 | 275,000.00 | 0.00               | 3,368.75         | 3,368.75     |                   |                         |             |
| 10/01/21                   | 10/01/21 | BB&T CORP (CALLABLE) NOTES<br>DTD 03/21/2017 2.750% 04/01/2022              | 05531FAX1 | 185,000.00 | 0.00               | 2,543.75         | 2,543.75     |                   |                         |             |
| 10/01/21                   | 10/01/21 | CA ST TXBL GO BONDS<br>DTD 10/24/2019 2.400% 10/01/2023                     | 13063DRJ9 | 190,000.00 | 0.00               | 2,280.00         | 2,280.00     |                   |                         |             |
| 10/01/21                   | 10/25/21 | FHMS K043 A2<br>DTD 03/01/2015 3.062% 12/01/2024                            | 3137BGK24 | 110,000.00 | 0.00               | 280.69           | 280.69       |                   |                         |             |
| 10/01/21                   | 10/25/21 | FANNIEMAE-ACES<br>DTD 04/01/2014 3.346% 03/01/2024                          | 3136AJB54 | 101,135.05 | 0.00               | 420.59           | 420.59       |                   |                         |             |
| 10/01/21                   | 10/25/21 | FHLMC MULTIFAMILY STRUCTURED P<br>DTD 12/01/2012 2.307% 08/01/2022          | 3137AWOH1 | 100,000.00 | 0.00               | 192.25           | 192.25       |                   |                         |             |
| 10/01/21                   | 10/25/21 | FHLMC MULTIFAMILY STRUCTURED P<br>DTD 05/01/2015 2.791% 01/01/2022          | 3137BHXY8 | 126,223.51 | 0.00               | 293.57           | 293.57       |                   |                         |             |
| 10/01/21                   | 10/25/21 | FHLMC MULTIFAMILY STRUCTURED P<br>DTD 11/01/2015 2.716% 06/01/2022          | 3137BLUR7 | 95,911.02  | 0.00               | 217.08           | 217.08       |                   |                         |             |
| 10/01/21                   | 10/25/21 | FHLMC SERIES K721 A2<br>DTD 12/01/2015 3.090% 08/01/2022                    | 3137BM6P6 | 95,228.71  | 0.00               | 245.21           | 245.21       |                   |                         |             |
| 10/05/21                   | 10/05/21 | MORGAN STANLEY CORP NOTES<br>(CALLABLE)<br>DTD 04/22/2021 0.731% 04/05/2024 | 61772BAA1 | 100,000.00 | 0.00               | 330.98           | 330.98       |                   |                         |             |
| 10/14/21                   | 10/14/21 | FEDERAL HOME LOAN BANK NOTES<br>DTD 04/16/2020 0.500% 04/14/2025            | 3130AJHU6 | 200,000.00 | 0.00               | 500.00           | 500.00       |                   |                         |             |
| 10/15/21                   | 10/15/21 | DCENT 2021-A1 A1<br>DTD 09/27/2021 0.580% 09/15/2026                        | 254683CP8 | 55,000.00  | 0.00               | 15.95            | 15.95        |                   |                         |             |
| 10/15/21                   | 10/15/21 | NAROT 2019-B A3<br>DTD 05/28/2019 2.500% 11/15/2023                         | 65479HAC1 | 57,420.72  | 0.00               | 119.63           | 119.63       |                   |                         |             |
| 10/15/21                   | 10/15/21 | HYUNDAI AUTO RECEIVABLES TRUST<br>DTD 04/10/2019 2.660% 06/15/2023          | 44932NAD2 | 29,621.93  | 0.00               | 65.66            | 65.66        |                   |                         |             |

Managed Account Security Transactions & Interest

For the Month Ending **October 31, 2021**

CITY OF COACHELLA - OPERATING PORTFOLIO - 995343 - (14201484)

| Transaction Type | Trade    | Settle   | Security Description  | CUSIP     | Par        | Principal Proceeds | Accrued Interest | Total    | Realized G/L Cost | Realized G/L Amort Cost | Sale Method |
|------------------|----------|----------|---|-----------|------------|--------------------|------------------|----------|-------------------|-------------------------|-------------|
| <b>INTEREST</b>  |          |          |   |           |            |                    |                  |          |                   |                         |             |
|                  | 10/15/21 | 10/15/21 | CARMX 2021-2 A3<br>DTD 04/21/2021 0.520% 02/17/2026                             | 14314QAC8 | 65,000.00  | 0.00               | 28.17            | 28.17    |                   |                         |             |
|                  | 10/15/21 | 10/15/21 | ALLYA 2019-1 A3<br>DTD 02/13/2019 2.910% 09/15/2023                             | 02004WAC5 | 22,125.71  | 0.00               | 53.65            | 53.65    |                   |                         |             |
|                  | 10/15/21 | 10/15/21 | CARMX 2021-1 A3<br>DTD 01/27/2021 0.340% 12/15/2025                             | 14316NAC3 | 30,000.00  | 0.00               | 8.50             | 8.50     |                   |                         |             |
|                  | 10/15/21 | 10/15/21 | COPAR 2019-1 A3<br>DTD 05/30/2019 2.510% 11/15/2023                             | 14042WAC4 | 46,978.15  | 0.00               | 98.26            | 98.26    |                   |                         |             |
|                  | 10/15/21 | 10/15/21 | HART 2021-A A3<br>DTD 04/28/2021 0.380% 09/15/2025                              | 44933LAC7 | 45,000.00  | 0.00               | 14.25            | 14.25    |                   |                         |             |
|                  | 10/15/21 | 10/15/21 | CARMX 2020-1 A3<br>DTD 01/22/2020 1.890% 12/16/2024                             | 14315XAC2 | 100,000.00 | 0.00               | 157.50           | 157.50   |                   |                         |             |
|                  | 10/15/21 | 10/15/21 | NAROT 2019-A A3<br>DTD 02/13/2019 2.900% 10/15/2023                             | 65479KAD2 | 50,190.48  | 0.00               | 121.29           | 121.29   |                   |                         |             |
|                  | 10/15/21 | 10/15/21 | TAOT 2020-A A3<br>DTD 02/12/2020 1.660% 05/15/2024                              | 89232HAC9 | 140,000.00 | 0.00               | 193.67           | 193.67   |                   |                         |             |
|                  | 10/15/21 | 10/15/21 | TAOT 2021-C A3<br>DTD 09/27/2021 0.430% 01/15/2026                              | 89239BAC5 | 70,000.00  | 0.00               | 15.05            | 15.05    |                   |                         |             |
|                  | 10/15/21 | 10/15/21 | TAOT 2019-A A3<br>DTD 02/13/2019 2.910% 07/15/2023                              | 89239AAD5 | 62,389.99  | 0.00               | 151.30           | 151.30   |                   |                         |             |
|                  | 10/18/21 | 10/18/21 | HAROT 2019-1 A3<br>DTD 02/27/2019 2.830% 03/20/2023                             | 43814WAC9 | 37,032.10  | 0.00               | 87.33            | 87.33    |                   |                         |             |
|                  | 10/21/21 | 10/21/21 | HAROT 2020-1 A3<br>DTD 02/26/2020 1.610% 04/22/2024                             | 43813RAC1 | 105,000.00 | 0.00               | 140.88           | 140.88   |                   |                         |             |
|                  | 10/21/21 | 10/21/21 | HAROT 2019-2 A3<br>DTD 05/29/2019 2.520% 06/21/2023                             | 43815MAC0 | 51,344.96  | 0.00               | 107.82           | 107.82   |                   |                         |             |
|                  | 10/21/21 | 10/21/21 | HAROT 2021-1 A3<br>DTD 02/24/2021 0.270% 04/21/2025                             | 43813GAC5 | 55,000.00  | 0.00               | 12.38            | 12.38    |                   |                         |             |
|                  | 10/22/21 | 10/22/21 | FANNIE MAE NOTES<br>DTD 04/24/2020 0.625% 04/22/2025                            | 3135G03U5 | 620,000.00 | 0.00               | 1,937.50         | 1,937.50 |                   |                         |             |
|                  | 10/24/21 | 10/24/21 | BANK OF AMERICA CORP (CALLABLE)<br>CORPORAT<br>DTD 10/21/2020 0.810% 10/24/2024 | 06051GJH3 | 150,000.00 | 0.00               | 607.50           | 607.50   |                   |                         |             |

# Managed Account Security Transactions & Interest

For the Month Ending **October 31, 2021**

## CITY OF COACHELLA - OPERATING PORTFOLIO - 995343 - (14201484)

| Transaction Type | Trade    | Settle   | Security Description                                  | CUSIP     | Par        | Principal Proceeds | Accrued Interest | Total    | Realized G/L Cost | Realized G/L Amort Cost | Sale Method |
|------------------|----------|----------|---|-----------|------------|--------------------|------------------|----------|-------------------|-------------------------|-------------|
| <b>INTEREST</b>  |          |          |   |           |            |                    |                  |          |                   |                         |             |
|                  | 10/31/21 | 10/31/21 | US TREASURY NOTES<br>DTD 10/31/2020 0.250% 10/31/2025 | 91282CAT8 | 410,000.00 | 0.00               | 512.50           | 512.50   |                   |                         |             |
|                  | 10/31/21 | 10/31/21 | US TREASURY NOTES<br>DTD 10/31/2019 1.500% 10/31/2024 | 912828YM6 | 195,000.00 | 0.00               | 1,462.50         | 1,462.50 |                   |                         |             |
|                  | 10/31/21 | 10/31/21 | US TREASURY NOTES<br>DTD 05/01/2017 2.000% 04/30/2024 | 912828X70 | 655,000.00 | 0.00               | 6,550.00         | 6,550.00 |                   |                         |             |

|                                   |  |  |  |  |                     |             |                  |                  |  |  |  |
|-----------------------------------|--|--|--|--|---------------------|-------------|------------------|------------------|--|--|--|
| <b>Transaction Type Sub-Total</b> |  |  |  |  | <b>4,630,602.33</b> | <b>0.00</b> | <b>23,134.16</b> | <b>23,134.16</b> |  |  |  |
|-----------------------------------|--|--|--|--|---------------------|-------------|------------------|------------------|--|--|--|

|                 |          |          |  |           |           |           |      |           |          |      |  |
|-----------------|----------|----------|--|-----------|-----------|-----------|------|-----------|----------|------|--|
| <b>PAYDOWNS</b> |          |          |  |           |           |           |      |           |          |      |  |
|                 | 10/01/21 | 10/25/21 | FANNIEMAE-ACES<br>DTD 04/01/2014 3.346% 03/01/2024                 | 3136AJB54 | 7,806.00  | 7,806.00  | 0.00 | 7,806.00  | (379.32) | 0.00 |  |
|                 | 10/01/21 | 10/25/21 | FHLMC MULTIFAMILY STRUCTURED P<br>DTD 11/01/2015 2.716% 06/01/2022 | 3137BLUR7 | 180.92    | 180.92    | 0.00 | 180.92    | (0.45)   | 0.00 |  |
|                 | 10/01/21 | 10/25/21 | FHLMC MULTIFAMILY STRUCTURED P<br>DTD 05/01/2015 2.791% 01/01/2022 | 3137BHY8  | 50,851.24 | 50,851.24 | 0.00 | 50,851.24 | (317.82) | 0.00 |  |
|                 | 10/01/21 | 10/25/21 | FHLMC SERIES K721 A2<br>DTD 12/01/2015 3.090% 08/01/2022           | 3137BM6P6 | 2,469.36  | 2,469.36  | 0.00 | 2,469.36  | (21.03)  | 0.00 |  |
|                 | 10/15/21 | 10/15/21 | NAROT 2019-B A3<br>DTD 05/28/2019 2.500% 11/15/2023                | 65479HAC1 | 5,278.32  | 5,278.32  | 0.00 | 5,278.32  | 1.19     | 0.00 |  |
|                 | 10/15/21 | 10/15/21 | TAOT 2019-A A3<br>DTD 02/13/2019 2.910% 07/15/2023                 | 89239AAD5 | 6,656.60  | 6,656.60  | 0.00 | 6,656.60  | 1.21     | 0.00 |  |
|                 | 10/15/21 | 10/15/21 | COPAR 2019-1 A3<br>DTD 05/30/2019 2.510% 11/15/2023                | 14042WAC4 | 4,954.70  | 4,954.70  | 0.00 | 4,954.70  | 1.00     | 0.00 |  |
|                 | 10/15/21 | 10/15/21 | HYUNDAI AUTO RECEIVABLES TRUST<br>DTD 04/10/2019 2.660% 06/15/2023 | 44932NAD2 | 3,999.02  | 3,999.02  | 0.00 | 3,999.02  | 0.53     | 0.00 |  |
|                 | 10/15/21 | 10/15/21 | ALLYA 2019-1 A3<br>DTD 02/13/2019 2.910% 09/15/2023                | 02004WAC5 | 2,754.74  | 2,754.74  | 0.00 | 2,754.74  | 0.33     | 0.00 |  |
|                 | 10/15/21 | 10/15/21 | NAROT 2019-A A3<br>DTD 02/13/2019 2.900% 10/15/2023                | 65479KAD2 | 5,506.13  | 5,506.13  | 0.00 | 5,506.13  | 0.83     | 0.00 |  |
|                 | 10/15/21 | 10/15/21 | TAOT 2020-A A3<br>DTD 02/12/2020 1.660% 05/15/2024                 | 89232HAC9 | 176.05    | 176.05    | 0.00 | 176.05    | 0.01     | 0.00 |  |
|                 | 10/18/21 | 10/18/21 | HAROT 2019-1 A3<br>DTD 02/27/2019 2.830% 03/20/2023                | 43814WAC9 | 4,910.17  | 4,910.17  | 0.00 | 4,910.17  | 0.13     | 0.00 |  |

# Managed Account Security Transactions & Interest

For the Month Ending **October 31, 2021**

## CITY OF COACHELLA - OPERATING PORTFOLIO - 995343 - (14201484)

| Transaction Type            |          | Security Description                                | CUSIP     | Par        | Principal Proceeds | Accrued Interest | Total      | Realized G/L | Realized G/L | Sale Method |
|-----------------------------|----------|---|-----------|------------|--------------------|------------------|------------|--------------|--------------|-------------|
| Trade                       | Settle   |   |           |            |                    |                  |            | Cost         | Amort Cost   |             |
| PAYDOWNS                    |          |   |           |            |                    |                  |            |              |              |             |
| 10/21/21                    | 10/21/21 | HAROT 2019-2 A3<br>DTD 05/29/2019 2.520% 06/21/2023 | 43815MAC0 | 5,351.69   | 5,351.69           | 0.00             | 5,351.69   | 0.20         | 0.00         |             |
| Transaction Type Sub-Total  |          |   |           | 100,894.94 | 100,894.94         | 0.00             | 100,894.94 | (713.19)     | 0.00         |             |
| SELL                        |          |   |           |            |                    |                  |            |              |              |             |
| 10/04/21                    | 10/06/21 | IBM CORP BONDS<br>DTD 01/27/2017 2.500% 01/27/2022  | 459200J05 | 400,000.00 | 402,912.00         | 1,916.67         | 404,828.67 | 2,072.00     | 2,859.82     | FIFO        |
| Transaction Type Sub-Total  |          |   |           | 400,000.00 | 402,912.00         | 1,916.67         | 404,828.67 | 2,072.00     | 2,859.82     |             |
| Managed Account Sub-Total   |          |   |           |            | 102,487.41         | 24,607.96        | 127,095.37 | 1,358.81     | 2,859.82     |             |
| Total Security Transactions |          |   |           |            | 102,487.41         | 24,607.96        | 127,095.37 | 1,358.81     | 2,859.82     |             |



**STAFF REPORT**  
**1/26/2022**

**TO:** Honorable Mayor and City Council Members

**FROM:** Andrea J. Carranza, Deputy City Clerk

**SUBJECT:** Amendment to Committee Member assignment to the Imperial Irrigation District (IID) Energy Consumers Advisory Committee (ECAC) to Appoint City Engineer Andrew Simmons.

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**STAFF RECOMMENDATION:**

The recommendation by the City Manager is to appoint City Engineer Andrew Simmons as a member to fill a vacancy on the Imperial Irrigation District (IID) Energy Consumers Advisory Committee (ECAC), representing the City of Coachella, with a term to end December 2024.

**BACKGROUND:**

Created in 1994, IID's Energy Consumers Advisory Committee provides advice and recommendations to the IID Board of Directors regarding fiscal, strategic planning, and Board policy matters that affect the Energy Department.

The committee is comprised of 20 representatives with diverse backgrounds and expertise. In the Imperial Valley, each director is responsible for the selection of two appointees for his or her division—totaling 10 representatives. The remaining 10 members represent the Coachella Valley; nominated by the cities and the county of Riverside. Indio, Coachella and La Quinta are allowed two nominations each, while Palm Desert and Rancho Mirage share a delegate. Three representatives nominated by the county serve the unincorporated areas. After nomination, the IID board then ratifies each representative.

On December 8, 2021, the City Council approved the annual appointments and committee list, and removed Neftali Galarza and Denise Delgado, Coachella's two representatives, from the ECAC assignments. Jacob Alvarez was appointed to fill outgoing ECAC Member Galarza's term, leaving the vacancy on ECAC Member Delgado's term. This appointment will fill the second vacancy.

ECAC meetings are held at 6:00 p.m. on the first Monday of each month. Meetings alternate between El Centro and La Quinta, and are currently following COVID-19 safety protocols. There is no stipend, but members do receive mileage reimbursement.

The appointment as Coachella's representative must reside within the IID electrical service of the Coachella Valley. After Council's approval, the IID Board will then ratify the representative before the term takes effect.

This assignment to the ECAC does not fall into the category required to update the Fair Political Practices Commission (FPPC) Form 806, as there is no stipend.

**FISCAL IMPACT:**

There is no fiscal impact to the General Fund

Attachment: IID Boundary Map for the Coachella Valley





**STAFF REPORT**  
**1/26/2022**

**TO:** Honorable Mayor and City Council Members

**FROM:** Maritza Martinez, Public Works Director

**SUBJECT:** Authorize facility use permit fee waiver for Coachella Valley Community Tax Services.

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**STAFF RECOMMENDATION:**

Authorize facility use fee waiver for Coachella Valley Community Tax Services.

**EXECUTIVE SUMMARY:**

The Coachella Valley Community Tax Services (CVCTS), a non-profit organization, has submitted a facility use permit and is requesting all permit fees be waived. CVCTS provides free tax services throughout the Coachella Valley. Individuals must income-qualify to be eligible to use the offered services. The requested facility use permit is for a total of 40 different rental dates needed to provide tax services in 2022, starting in February – May 2022; use request totals 323 hours of facility use fees totaling \$9,528.50. CVCTS provided their free services to Coachella residents for the last three tax seasons (2019, 2020, 2021) and the services were well received and utilized.

**FISCAL IMPACT:**

Approval of the recommended action would waive \$9,528.50 in facility use fees for the requested permitted use of the Coachella Library and City Hall Council Chambers.



**STAFF REPORT**  
**1/26/2022**

**TO:** Honorable Mayor and City Council Members

**FROM:** Gabriel Perez, Development Services Director

**SUBJECT:** Authorize the City Manager to execute Professional Services Agreements with RG Planning Consultants and Terra Nova Planning & Research for Professional Planning Consultant Services.

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**STAFF RECOMMENDATION:**

Staff recommends that the City Council authorize the City Manager to execute the attached Professional Services Agreements with RG Planning Consultants and Terra Nova Planning & Research for On-Call Professional Planning Consultant Services.

**BACKGROUND:**

On October 13, 2021, the City Council authorized the Development Services Department to advertise a Request for Qualifications (RFQ) for Professional Planning Consultant Services to assist with Project Management/Entitlements, Long Range Planning, Environmental Review Analysis, Fiscal Impact Analysis, Design Review, and Landscape Architecture. The City received fourteen planning consultant proposals and City Staff qualified all fourteen consultants after a review of their qualification based on the RFQ evaluation criteria. City staff added the fourteen consultants to a qualified list that the will be used by staff on an as needed basis for professional planning services.

**DISCUSSION/ANALYSIS:**

Attached to this staff report are Professional Services Agreements for RG Planning Consultants and Terra Nova Planning & Research to provide on-call professional planning consultant services for a term of 3 years until 2025. Both consultants will provide assistance with project management to the Planning Division. In addition to project management experience, Terra Nova Planning & Research also has specialized expertise in environmental review services. RG Planning Consultants currently provides project management support for the Desert Lakes Specific Plan project and will continue to provide such support under the professional services agreement.

**ALTERNATIVES:**

1. Authorize the City Manager to execute Professional Services Agreements with RG Planning Consultants and Terra Nova Planning & Research.

2. Continue this item and provide staff direction.

**FISCAL IMPACT:**

The fiscal impact of this action cannot be directly determined. Planning services from the planning consultants will be secured on an as needed basis based on the fee schedule provided in the PSA. The Desert Lakes Specific Plan project has provided a deposit to the City of Coachella to pay for project management services provided by RG Planning Consultants. Costs will be paid from City Council approved appropriations either through the approved annual budget or through specific appropriation action.

**RECOMMENDED ALTERNATIVE(S):**

Staff recommends Alternative #1 as noted above.

Attachment:

1. Professional Services Agreement (PSA) with RG Planning Consultants
2. Professional Services Agreement (PSA) with Terra Nova Planning & Research

**CITY OF COACHELLA  
PROFESSIONAL SERVICES AGREEMENT  
FOR REOCCURRING AS NEEDED SERVICES**

**1. PARTIES AND DATE.**

This Agreement is made and entered into this 26th day of January, 2022, by and between the City of Coachella, a municipal corporation organized under the laws of the State of California with its principal place of business at 1515 6<sup>th</sup> Street, Coachella, California 92236, County of Riverside, State of California ("City") and RC Planning Consultants with its principal place of business at 7008 Edgewild Drive ("Consultant"). City and Consultant are sometimes individually referred to herein as "Party" and collectively as "Parties."

**2. RECITALS.**

**2.1 Consultant.**

Consultant desires to perform and assume responsibility for the provision of certain professional services required by the City on the terms and conditions set forth in this Agreement. Consultant represents that it is experienced in providing project management/entitlement services to public clients, is licensed in the State of California, and is familiar with the plans of City.

**2.2 Project.**

City desires to engage Consultant to render such professional services for the current planning project management ("Project") as set forth in this Agreement.

**3. TERMS.**

**3.1 Scope of Services and Term.**

3.1.1 General Scope of Services. Consultant promises and agrees to furnish to the City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the professional planning consulting services necessary for the Project described in Exhibit "A" attached hereto and incorporated herein by reference ("Services"). The Services shall be more particularly described in the individual Task Order issued by the City or its designee. No Services shall be performed unless authorized by a fully executed Task Order in the form attached hereto as Exhibit "B". All Services shall be subject to, and performed in accordance with, this Agreement, each Task Order, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Agreement shall be from January 27, 2022 to January 27, 2025, unless earlier terminated as provided herein. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the Services.

**3.2 Compensation.**

3.2.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth

in Exhibit "C" attached hereto and incorporated herein by reference. The maximum compensation for Services to be provided pursuant to each Task Order shall be set forth in the relevant Task Order. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

**3.2.2 Payment of Compensation.** Consultant shall submit to City a monthly invoice which indicates work completed and hours of Services rendered by Consultant. The invoice shall describe the amount of Services provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the invoice. City shall, within 30 days of receiving such invoice, review the invoice and pay all non-disputed and approved charges. If the City disputes any of Consultant's fees, the City shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth therein. Payment shall not constitute acceptance of any Services completed by Consultant. The making of final payment shall not constitute a waiver of any claims by the City for any reason whatsoever.

**3.2.3 Reimbursement for Expenses.** Consultant shall not be reimbursed for any expenses unless authorized in writing by City, or included in Exhibit "C" of this Agreement.

**3.2.4 Extra Work.** At any time during the term of this Agreement, City may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Project, but which the Parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from the City.

### **3.3 Responsibilities of Consultant.**

**3.3.1 Independent Contractor; Control and Payment of Subordinates.** The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. City retains Consultant on an independent contractor basis and not as an employee. Any personnel performing the Services on behalf of Consultant shall not be employees of City and shall at all times be under Consultant's exclusive direction and control. Neither City, or any of its officials, officers, directors, employees or agents shall have control over the conduct of Consultant or any of Consultants officers, employees or agents, except as set forth in this Agreement. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

**3.3.2 Schedule of Services.** Consultant shall perform the Services in a prompt and timely manner. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines set forth in each individual Task Order issued by the City. Consultant represents that it has the professional and technical personnel required to perform the Services expeditiously. Upon request of City, Consultant shall provide a more detailed schedule of anticipated performance to meet the established schedules and deadlines.

3.3.3 Conformance to Applicable Requirements. All work prepared by Consultant shall be subject to the approval of City.

3.3.4 Substitution of Key Personnel. Consultant has represented to City that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of City. In the event that City and Consultant cannot agree as to the substitution of key personnel, City shall be entitled to terminate this Agreement for cause. The key personnel for performance of this Agreement are as follows:

- Ron Goldman, President

3.3.5 City's Representative. The City hereby designates Gabriel Perez, Development Services Director, or his/her designee, to act as its representative in all matters pertaining to the administration and performance of this Agreement ("City's Representative"). City's Representative shall have the power to act on behalf of the City for review and approval of all products submitted by Consultant but not the authority to enlarge the Scope of Services or change the total compensation due to Consultant under this Agreement. The City Manager shall be authorized to act on City's behalf and to execute all necessary documents which enlarge the Scope of Services or change the Consultant's total compensation subject to the provisions contained in this Agreement. Consultant shall not accept direction or orders from any person other than the City Manager, City's Representative or his/her designee.

3.3.6 Consultant's Representative. Consultant hereby designates Ron Goldman, President or his/her designee, to act as its representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his/her best skill and attention, and shall be responsible for all means, methods, techniques, sequences, and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

3.3.7 Coordination of Services. Consultant agrees to work closely with City staff in the performance of Services and shall be available to City's staff, consultants and other staff at all reasonable times.

3.3.8 Standard of Care; Performance of Employees. Consultant shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Services. Consultant warrants that all employees and subconsultants shall have sufficient skill and experience to perform the Services assigned to them. Consultant represents that it, its employees and subconsultants have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, and that such licenses and approvals shall be maintained throughout the term of this Agreement. Consultant shall perform, at its own cost and expense and without reimbursement from the City, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein. Any employee of the Consultant or its subconsultants who is determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any

employee who fails or refuses to perform the Services in a manner acceptable to the City, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

### 3.3.9 Period of Performance.

3.3.9.1 Consultant shall perform and complete all Services under this Agreement within the term set forth in Section 3.1.2 above ("Performance Time"). Consultant shall also perform the Services in strict accordance with any completion schedule or Project milestones described in Exhibits "A" or "B" attached hereto, or which may be separately agreed upon in writing by the City and Consultant ("Performance Milestones"). Consultant agrees that if the Services are not completed within the aforementioned Performance Time and/or pursuant to any such Performance Milestones developed pursuant to provisions of this Agreement, it is understood, acknowledged and agreed that the City will suffer damage.

3.3.9.2 Neither City nor Consultant shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing Party. For purposes of this Agreement, such circumstances include a Force Majeure Event. A Force Majeure Event shall mean an event that materially affects a Party's performance and is one or more of the following: (1) Acts of God or other natural disasters; (2) terrorism or other acts of a public enemy; (3) orders of governmental authorities (including, without limitation, unreasonable and unforeseeable delay in the issuance of permits or approvals by governmental authorities that are required for the services); (4) strikes and other organized labor action occurring at the site and the effects thereof on the services, only to the extent such strikes and other organized labor action are beyond the control of Consultant and its subcontractors, and to the extent the effects thereof cannot be avoided by use of replacement workers; and (5) pandemics, epidemics or quarantine restrictions. For purposes of this section, "orders of governmental authorities," includes ordinances, emergency proclamations and orders, rules to protect the public health, welfare and safety, and other actions of a public agency applicable to the services and Agreement.

3.3.9.3 Should a Force Majeure Event occur, the non-performing Party shall, within a reasonable time of being prevented from performing, give written notice to the other Party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement. Force Majeure Events and/or delays, regardless of the Party responsible for the delay, shall not entitle Consultant to any additional compensation. Notwithstanding the foregoing in this section, the City may still terminate this Agreement in accordance with the termination provisions of this Agreement.

### 3.3.10 Laws and Regulations; Employee/Labor Certification.

3.3.10.1 Compliance with Laws. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with the Services and this Agreement. All violations of such laws and regulations shall be grounds for the City to terminate the Agreement for cause.

3.3.10.2 Employment Eligibility; Consultant. Consultant certifies that it fully complies with all requirements and restrictions of state and federal law respecting the

employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time and shall require all subconsultants and sub-subconsultants to comply with the same. Consultant certifies that it has not committed a violation of any such law within the five (5) years immediately preceding the date of execution of this Agreement, and shall not violate any such law at any time during the term of the Agreement.

3.3.10.3 Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of City's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

3.3.10.4 Air Quality. To the extent applicable, Consultant must fully comply with all applicable laws, rules and regulations in furnishing or using equipment and/or providing services, including, but not limited to, emissions limits and permitting requirements imposed by the South Coast Air Quality Management District (SCAQMD) and/or California Air Resources Board (CARB). Consultant shall indemnify City against any fines or penalties imposed by SCAQMD, CARB, or any other governmental or regulatory agency for violations of applicable laws, rules and/or regulations by Consultant, its subconsultants, or others for whom Consultant is responsible under its indemnity obligations provided for in this Agreement.

3.3.10.5 Water Quality Management and Compliance. Consultant shall keep itself and all subcontractors, staff, and employees fully informed of and in compliance with all local, state and federal laws, rules and regulations that may impact, or be implicated by the performance of the Services including, without limitation, all applicable provisions of the City's ordinances regulating water quality and storm water; the Federal Water Pollution Control Act (33 U.S.C. § 1251, *et seq.*); the California Porter-Cologne Water Quality Control Act (Water Code § 13000 *et seq.*); and any and all regulations, policies, or permits issued pursuant to any such authority. Consultant must additionally comply with the lawful requirements of the City, and any other municipality, drainage district, or other local agency with jurisdiction over the location where the Services are to be conducted, regulating water quality and storm water discharges. City may seek damages from Consultant for delay in completing the Services caused by Consultant's failure to comply with the laws, regulations and policies described in this Section, or any other relevant water quality law, regulation, or policy.

3.3.10.6 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed.

### 3.3.11 Insurance.

3.3.11.1 Time for Compliance. Consultant shall not commence work under this Agreement until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. In addition, Consultant shall not allow any subconsultant to commence work on any subcontract until it has provided evidence satisfactory to the City that the

subconsultant has secured all insurance required under this section. Failure to provide and maintain all required insurance shall be grounds for the City to terminate this Agreement for cause.

3.3.11.2 Types of Insurance Required. As a condition precedent to the effectiveness of this Agreement for work to be performed hereunder, and without limiting the indemnity provisions of the Agreement, the Consultant, in partial performance of its obligations under such Agreement, shall procure and maintain in full force and effect during the term of the Agreement the following policies of insurance. If the existing policies do not meet the insurance requirements set forth herein, Consultant agrees to amend, supplement or endorse the policies to do so.

(A) Commercial General Liability: Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office "occurrence" form CG 00 01, or the exact equivalent, with limits of not less than \$1,000,000 per occurrence and no less than \$2,000,000 in the general aggregate. Defense costs shall be paid in addition to the limits. The policy shall contain no endorsements or provisions (1) limiting coverage for contractual liability; (2) excluding coverage for claims or suits by one insured against another (cross-liability); (3) products/completed operations liability; or (4) containing any other exclusion(s) contrary to the terms or purposes of this Agreement.

(B) Automobile Liability Insurance: Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 00 01 covering "Any Auto" (Symbol 1), or the exact equivalent, covering bodily injury and property damage for all activities with limits of not less than \$1,000,000 combined limit for each occurrence.

(C) Workers' Compensation: Workers' Compensation Insurance, as required by the State of California and Employer's Liability Insurance with a limit of not less than \$1,000,000 per accident for bodily injury and disease.

(D) Professional Liability (Errors & Omissions): Professional Liability insurance or Errors & Omissions insurance appropriate to Consultant's profession with limits of not less than \$1,000,000. Covered professional services shall specifically include all work to be performed under the Agreement and delete any exclusions that may potentially affect the work to be performed (for example, any exclusions relating to lead, asbestos, pollution, testing, underground storage tanks, laboratory analysis, soil work, etc.). If coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the initial Agreement and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least five (5) years from termination or expiration of this Agreement.

3.3.11.3 Insurance Endorsements. Required insurance policies shall contain the following provisions, or Consultant shall provide endorsements on forms approved by the City to add the following provisions to the insurance policies:

(A) Commercial General Liability: (1) Additional Insured: The City, its officials, officers, employees, agents, and volunteers shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Agreement. Additional Insured Endorsements shall not (1) be restricted to "ongoing operations"; (2) exclude "contractual liability"; (3) restrict coverage to "sole" liability of Consultant; or (4) contain any other exclusions contrary to the terms or purposes of this Agreement. For all policies of Commercial General Liability insurance, Consultant shall provide endorsements in the form of ISO CG 20 10

10 01 and 20 37 10 01 (or endorsements providing the exact same coverage) to effectuate this requirement. (2) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

(B) Automobile Liability. (1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

(C) Professional Liability (Errors & Omissions): 1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium. (2) Contractual Liability Exclusion Deleted: This insurance shall include contractual liability applicable to this Agreement. The policy must "pay on behalf of" the insured and include a provision establishing the insurer's duty to defend.

(D) Workers' Compensation: (1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium. (2) Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights of subrogation against the City, its officials, officers, employees, agents, and volunteers.

3.3.11.4 Primary and Non-Contributing Insurance. All policies of Commercial General Liability and Automobile Liability insurance shall be primary and any other insurance, deductible, or self-insurance maintained by the City, its officials, officers, employees, agents, or volunteers shall not contribute with this primary insurance. Policies shall contain or be endorsed to contain such provisions.

3.3.11.5 Waiver of Subrogation. All required insurance coverages, except for the professional liability coverage, shall contain or be endorsed to waiver of subrogation in favor of the City, its officials, officers, employees, agents, and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

3.3.11.6 Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be approved in writing by the City and shall protect the City, its officials, officers, employees, agents, and volunteers in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.

3.3.11.7 Evidence of Insurance. The Consultant, concurrently with the execution of the Agreement, and as a condition precedent to the effectiveness thereof, shall deliver either certified copies of the required policies, or original certificates on forms approved by the City, together with all endorsements affecting each policy. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the City for approval. The certificates and endorsements for each insurance policy

shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15 days) prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced and not replaced immediately so as to avoid a lapse in the required coverage, Consultant shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

3.3.11.8 Acceptability of Insurers. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to transact business of insurance in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

3.3.11.9 Enforcement of Agreement Provisions (non estoppel). Consultant acknowledges and agrees that actual or alleged failure on the part of the City to inform Consultant of non-compliance with any requirement imposes no additional obligation on the City nor does it waive any rights hereunder.

3.3.11.10 Requirements Not Limiting. Requirement of specific coverage or minimum limits contained in this Section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance.

#### 3.3.11.11 Additional Insurance Provisions

(A) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by the City, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Consultant pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(B) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Consultant or City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, City may cancel this Agreement.

(C) The City may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.

(D) Neither the City nor any of its officials, officers, employees, agents or volunteers shall be personally responsible for any liability arising under or by virtue of this Agreement.

(E) The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. Further the limits set forth herein shall not be construed to relieve the Consultant from liability in excess of such coverage, nor shall it limit the Consultant's indemnification obligations

to the City and shall not preclude the City from taking such other actions available to the City under other provisions of the Agreement or law.

(F) Consultant shall report to the City, in addition to Consultant's insurer, any and all insurance claims submitted by Consultant in connection with the Services under this Agreement.

**3.3.11.12 Insurance for Subconsultants.** Consultant shall include all subconsultants engaged in any work for Consultant relating to this Agreement as additional insureds under the Consultant's policies, or the Consultant shall be responsible for causing subconsultants to purchase the appropriate insurance in compliance with the terms of these Insurance Requirements, including adding the City, its officials, officers, employees, agents, and volunteers as additional insureds to the subconsultant's policies. All policies of Commercial General Liability insurance provided by Consultant's subconsultants performing work relating to this Agreement shall be endorsed to name the City, its officials, officers, employees, agents and volunteers as additional insureds using endorsement form ISO CG 20 38 04 13 or an endorsement providing equivalent coverage. Consultant shall not allow any subconsultant to commence work on any subcontract relating to this Agreement until it has received satisfactory evidence of subconsultant's compliance with all insurance requirements under this Agreement, to the extent applicable. The Consultant shall provide satisfactory evidence of compliance with this section upon request of the City.

### **3.4 Labor Code Requirements.**

**3.4.1 Prevailing Wages.** Consultant is aware of the requirements of California Labor Code Section 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 "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. City shall provide Consultant with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Consultant's principal place of business and at the project site. It is the intent of the parties to effectuate the requirements of sections 1771, 1774, 1775, 1776, 1777.5, 1813, and 1815 of the Labor Code within this Agreement, and Consultant shall therefore comply with such Labor Code sections to the fullest extent required by law. Consultant shall defend, indemnify and hold the City, its officials, officers, employees, agents, and volunteers free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

**3.4.2 Registration/DIR Compliance.** If the Services are being performed on a public works project of over \$25,000 when the project is for construction, alteration, demolition, installation, or repair work, or a public works project of over \$15,000 when the project is for maintenance work, in addition to the foregoing, then pursuant to Labor Code sections 1725.5 and 1771.1, the Consultant and all subconsultants must be registered with the Department of Industrial Relations ("DIR"). Consultant shall maintain registration for the duration of the Project and require the same of any subconsultants.

**3.4.3 Compliance Monitoring.** This Project may also be subject to compliance monitoring and enforcement by the DIR. It shall be Consultant's sole responsibility to comply with all applicable registration and labor compliance requirements, including the submission of payroll records directly to the DIR. Any stop orders issued by the DIR against Consultant or any subconsultant that affect Consultant's performance of services, including any delay, shall be Consultant's sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered Consultant caused delay and shall not be compensable by the City. Consultant shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claim or liability arising out of stop orders issued by the DIR against Consultant or any subconsultant.

**3.4.4 Labor Certification.** By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

### **3.5 Termination of Agreement.**

**3.5.1.1 Grounds for Termination.** City may, by written notice to Consultant, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Consultant of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Consultant shall be compensated only for those Services which have been adequately rendered to City, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Agreement except for cause. The rights and remedies of the City provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law, equity or under this Agreement.

**3.5.1.2 Effect of Termination.** If this Agreement is terminated as provided herein, City may require Consultant to provide all finished or unfinished Documents and Data and other information of any kind prepared by Consultant in connection with the performance of Services under this Agreement. Consultant shall be required to provide such document and other information within fifteen (15) days of the request.

**3.5.1.3 Additional Services.** In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

### **3.6 Indemnification.**

**3.6.1** To the fullest extent permitted by law, Consultant shall defend (with counsel of City's choosing), indemnify and hold the City, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant's Services, the Project or this Agreement, including without limitation the payment of all damages, expert witness fees and attorney's fees and other related costs and expenses except such loss or damage caused by

the sole negligence or willful misconduct of the City. Consultant's obligation to indemnify shall survive expiration or termination of this Agreement and shall not be restricted to insurance proceeds, if any, received by Consultant, the City, its officials, officers, employees, agents, or volunteers.

3.6.2 If Consultant's obligation to defend, indemnify, and/or hold harmless arises out of Consultant's performance as a "design professional" (as that term is defined under Civil Code section 2782.8), then, and only to the extent required by Civil Code section 2782.8, which is fully incorporated herein, Consultant's indemnification obligation shall be limited to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, and, upon Consultant obtaining a final adjudication by a court of competent jurisdiction, Consultant's liability for such claim, including the cost to defend, shall not exceed the Consultant's proportionate percentage of fault.

### **3.7 General Provisions.**

3.7.1 Accounting Records. Consultant shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

#### **3.7.2 Independent Contractors and Subcontracting.**

3.7.2.1 Use of Consultants. Consultant is aware of statutory and case law regarding classification of workers as independent contractors, including California Labor Code Section 2750.3 and Dynamex Operations West, Inc. v. Superior Court, 4 Cal. 5th 903 (2018). To ensure that Consultant is in compliance with the California Labor Code, Consultant shall only utilize its employees to provide the Services. Consultant may not provide the services through any independent contractor, subcontractor or subconsultant ("Subcontractor(s)") unless approved by the City as set forth in Section 3.7.2.2 below. Consultant represents and warrants that all personnel who perform the Services on Consultant's behalf are Consultant's employees, and that Consultant complies with all applicable laws, rules and regulations governing its employees, including, but not limited to, the California Labor Code, Unemployment Insurance Code and all applicable Industrial Welfare Commission Wage Orders.

3.7.2.2 Prior Approval Required. Consultant shall not use any Subcontractor to provide the Services, or any portion of the work required by this Agreement, without prior written approval of City. In the event that City authorizes Consultant to use a Subcontractor, Consultant shall enter into a written agreement with the Subcontractor, which must include all provisions of the Agreement, including a restriction on the Subcontractor's use of further independent contractors, subcontractors or subconsultants without the City's prior written consent.

3.7.3 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Consultant: RG Planning Consultants  
 7008 Edgewild Drive  
 Riverside, CA 92506  
 ATTN: Ron Goldman

City: City of Coachella  
 1515 6<sup>th</sup> Street  
 Coachella, CA 92236  
 ATTN: Gabriel Perez, Development Services Director

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

### 3.7.4 Ownership of Materials and Confidentiality.

3.7.4.1 Documents & Data; Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data"). All Documents & Data shall be and remain the property of City, and shall not be used in whole or in substantial part by Consultant on other projects without the City's express written permission. Within thirty (30) days following the completion, suspension, abandonment or termination of this Agreement, Consultant shall provide to City reproducible copies of all Documents & Data, in a form and amount required by City. City reserves the right to select the method of document reproduction and to establish where the reproduction will be accomplished. The reproduction expense shall be borne by City at the actual cost of duplication. In the event of a dispute regarding the amount of compensation to which the Consultant is entitled under the termination provisions of this Agreement, Consultant shall provide all Documents & Data to City upon payment of the undisputed amount. Consultant shall have no right to retain or fail to provide to City any such documents pending resolution of the dispute. In addition, Consultant shall retain copies of all Documents & Data on file for a minimum of fifteen (15) years following completion of the Project, and shall make copies available to City upon the payment of actual reasonable duplication costs. Before destroying the Documents & Data following this retention period, Consultant shall make a reasonable effort to notify City and provide City with the opportunity to obtain the documents.

3.7.4.2 Subconsultants. Consultant shall require all subconsultants to agree in writing that City is granted a non-exclusive and perpetual license for any Documents & Data the subconsultant prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or its subconsultants, or those provided to Consultant by the City.

3.7.4.3 Right to Use. City shall not be limited in any way in its use or reuse of the Documents and Data or any part of them at any time for purposes of this Project or

another project, provided that any such use not within the purposes intended by this Agreement or on a project other than this Project without employing the services of Consultant shall be at City's sole risk. If City uses or reuses the Documents & Data on any project other than this Project, it shall remove the Consultant's seal from the Documents & Data and indemnify and hold harmless Consultant and its officers, directors, agents and employees from claims arising out of the negligent use or re-use of the Documents & Data on such other project. Consultant shall be responsible and liable for its Documents & Data, pursuant to the terms of this Agreement, only with respect to the condition of the Documents & Data at the time they are provided to the City upon completion, suspension, abandonment or termination. Consultant shall not be responsible or liable for any revisions to the Documents & Data made by any party other than Consultant, a party for whom the Consultant is legally responsible or liable, or anyone approved by the Consultant.

3.7.4.4 Indemnification. Consultant shall defend, indemnify and hold the City, its directors, officials, officers, employees, volunteers and agents free and harmless, pursuant to the indemnification provisions of this Agreement, for any alleged infringement of any patent, copyright, trade secret, trade name, trademark, or any other proprietary right of any person or entity in consequence of the use on the Project by City of the Documents & Data, including any method, process, product, or concept specified or depicted.

3.7.4.5 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents & Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of City, be used by Consultant for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of City.

3.7.4.6 Confidential Information. The City shall refrain from releasing Consultant's proprietary information ("Proprietary Information") unless the City's legal counsel determines that the release of the Proprietary Information is required by the California Public Records Act or other applicable state or federal law, or order of a court of competent jurisdiction, in which case the City shall notify Consultant of its intention to release Proprietary Information. Consultant shall have five (5) working days after receipt of the release notice to give City written notice of Consultant's objection to the City's release of Proprietary Information. Consultant shall indemnify, defend and hold harmless the City, and its officers, directors, employees, and agents from and against all liability, loss, cost or expense (including attorney's fees) arising out of a legal action brought to compel the release of Proprietary Information. City shall not release the Proprietary Information after receipt of an objection notice unless either: (1) Consultant fails to fully indemnify, defend (with City's choice of legal counsel), and hold City harmless from any legal action brought to compel such release; and/or (2) a final and non-appealable order by a court of competent jurisdiction requires that City release such information.

3.7.5 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary,

appropriate or convenient to attain the purposes of this Agreement.

3.7.6 Entire Agreement. This Agreement contains the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements.

3.7.7 Attorneys' Fees. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorneys' fees and all costs of such action.

3.7.8 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Riverside County. In addition to any and all contract requirements pertaining to notices of and requests for compensation or payment for extra work, disputed work, claims and/or changed conditions, Consultant must comply with the claim procedures set forth in Government Code sections 900 et seq. prior to filing any lawsuit against the City. Such Government Code claims and any subsequent lawsuit based upon the Government Code claims shall be limited to those matters that remain unresolved after all procedures pertaining to extra work, disputed work, claims, and/or changed conditions have been followed by Consultant. If no such Government Code claim is submitted, or if any prerequisite contractual requirements are not otherwise satisfied as specified herein, Consultant shall be barred from bringing and maintaining a valid lawsuit against the City.

3.7.9 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.7.10 City's Right to Employ Other Consultants. City reserves right to employ other consultants in connection with this Project.

3.7.11 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties.

3.7.12 Assignment or Transfer. Consultant shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of the City, which may be withheld for any reason. Any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination. Consultant shall not subcontract any portion of the Services required by this Agreement, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

3.7.13 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all personnel, employees, agents, and subconsultants of Consultant, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

3.7.14 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

3.7.15 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

3.7.16 No Third-Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.7.17 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.7.18 Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Consultant further agrees to file, or shall cause its employees or subconsultants to file, a Statement of Economic Interest with the City's Filing Officer as required under state law in the performance of the Services. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

3.7.19 Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

3.7.20 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.7.21 Survival. All rights and obligations hereunder that by their nature are to continue after any expiration or termination of this Agreement, including, but not limited to, the indemnification obligations, shall survive any such expiration or termination.

3.7.22 Order of Precedence. The following order and succession of the referenced documents shall govern in the event of conflict between documents:

3.7.22.1 Amendment(s)

3.7.22.2 This Agreement

3.7.22.3 Task Orders



**SIGNATURE PAGE TO PROFESSIONAL SERVICES AGREEMENT FOR REOCCURRING  
AS NEEDED SERVICES BETWEEN THE CITY OF COACHELLA AND  
RG Planning Consultants**

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed on the day and year first above written.

**CITY OF COACHELLA**

**RG Planning Consultants**

*Approved By:*

\_\_\_\_\_  
Gabriel D. Martin, Ph.D.  
City Manager

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

Its: \_\_\_\_\_

*Approved as to Form:*

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

\_\_\_\_\_  
Best Best & Krieger LLP  
City Attorney

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

Its: \_\_\_\_\_

*Attested By:*

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

\_\_\_\_\_  
City Clerk

## EXHIBIT "A" SCOPE OF SERVICES

### C. Proposed Method to Accomplish Work

As I have done for the past 10 years, my approach to providing consulting services to the City of Coachella is to fully understand the proposal that is before me and to review the proposal in relation to the City's General Plan 2035. After reviewing the General Plan, I would then review and analyze the proposal in relation to CEQA and determine whether the proposal is exempt or if a negative declaration or environmental impact report would be required. In either case I would be involved in the CEQA determination. On many prior projects, I worked directly with the City attorney to ensure the decision is on a solid legal foundation. In the case of an EIR, I would be work with the environmental consultant to ensure the document is as airtight against legal challenge as is possible. From that point I would analyze the project to ensure that it met all City of Coachella codes including parking, landscaping, lot size, height, width etc. Additionally, I would ensure that the design of the project was in keeping with the character of the neighborhood and would not cause any undue impacts on existing neighborhoods. I would then incorporate any recommendations or conditions of approval from other City departments and outside agencies and integrate those comments in the Staff Report for the appropriate hearing body. Over the past 10 years, I have developed an approach to staff reports that clearly presents the project and issues to the appropriate hearing body by integrating project exhibits within the body of the staff report.

I have vast experience in presenting projects to either the Planning Commission or City Council and use power point to its fullest potential. I am an expert public speaker and have the credibility necessary to provide a hearing body with a complete unbiased assessment of a specific project. I also work extremely well with the public and am always happy to meet or speak with adjacent or affected groups or property owners.

Should the proposal be approved, I ensure that the Notice of Determination is filed in a timely manner with the County Clerk.

**EXHIBIT "B"**  
**SAMPLE TASK ORDER FORM**

Task Order No. \_\_\_\_\_

Agreement: On-Call Planning Services with RG Planning Consultants

Consultant: RG Planning Consultants

**The Consultant is hereby authorized to perform the following services subject to the provisions of the Agreement identified above:**

**List any attachments:** (Please provide if any.)

**Dollar Amount of Task Order:** Not to exceed \$\_\_\_\_\_,\_\_\_\_\_.00

**Completion Date:** \_\_\_\_\_

The undersigned Consultant hereby agrees that it will provide all equipment, furnish all materials, except as may be otherwise noted above, and perform all services for the work above specified in accordance with the Agreement identified above and will accept as full payment therefore the amount shown above.

**CITY OF COACHELLA**

**RG Planning Consultants**

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

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

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

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

## EXHIBIT "C" COMPENSATION

### E. Cost Proposal

My hourly rate would be \$145 per hour. Travel time would be billed at \$70 per hour plus 55 cents per mile. Other costs such as postage, copies etc. would be billed at direct cost.

Again, thank you for the opportunity to submit this proposal in response to the RFQ for Consulting Planning Services.

**CITY OF COACHELLA  
PROFESSIONAL SERVICES AGREEMENT  
FOR REOCCURRING AS NEEDED SERVICES**

**1. PARTIES AND DATE.**

This Agreement is made and entered into this 26th day of January, 2022, by and between the City of Coachella, a municipal corporation organized under the laws of the State of California with its principal place of business at 1515 6<sup>th</sup> Street, Coachella, California 92236, County of Riverside, State of California ("City") and Terra Nova Planning and Research with its principal place of business at 42-635 Melanie Place, Suite 101, Palm Desert, CA 92211 ("Consultant"). City and Consultant are sometimes individually referred to herein as "Party" and collectively as "Parties."

**2. RECITALS.**

**2.1 Consultant.**

Consultant desires to perform and assume responsibility for the provision of certain professional services required by the City on the terms and conditions set forth in this Agreement. Consultant represents that it is experienced in providing planning and environmental services to public clients, is licensed in the State of California, and is familiar with the plans of City.

**2.2 Project.**

City desires to engage Consultant to render such professional services for the current planning project management, long range planning and environmental review analysis projects ("Project") as set forth in this Agreement.

**3. TERMS.**

**3.1 Scope of Services and Term.**

3.1.1 General Scope of Services. Consultant promises and agrees to furnish to the City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the professional planning consulting services necessary for the Project described in Exhibit "A" attached hereto and incorporated herein by reference ("Services"). The Services shall be more particularly described in the individual Task Order issued by the City or its designee. No Services shall be performed unless authorized by a fully executed Task Order in the form attached hereto as Exhibit "B". All Services shall be subject to, and performed in accordance with, this Agreement, each Task Order, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Agreement shall be from January 27, 2022 to January 27, 2025, unless earlier terminated as provided herein. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the Services.

### 3.2 Compensation.

3.2.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The maximum compensation for Services to be provided pursuant to each Task Order shall be set forth in the relevant Task Order. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

3.2.2 Payment of Compensation. Consultant shall submit to City a monthly invoice which indicates work completed and hours of Services rendered by Consultant. The invoice shall describe the amount of Services provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the invoice. City shall, within 30 days of receiving such invoice, review the invoice and pay all non-disputed and approved charges. If the City disputes any of Consultant's fees, the City shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth therein. Payment shall not constitute acceptance of any Services completed by Consultant. The making of final payment shall not constitute a waiver of any claims by the City for any reason whatsoever.

3.2.3 Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized in writing by City, or included in Exhibit "C" of this Agreement.

3.2.4 Extra Work. At any time during the term of this Agreement, City may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Project, but which the Parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from the City.

### 3.3 Responsibilities of Consultant.

3.3.1 Independent Contractor; Control and Payment of Subordinates. The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. City retains Consultant on an independent contractor basis and not as an employee. Any personnel performing the Services on behalf of Consultant shall not be employees of City and shall at all times be under Consultant's exclusive direction and control. Neither City, or any of its officials, officers, directors, employees or agents shall have control over the conduct of Consultant or any of Consultants officers, employees or agents, except as set forth in this Agreement. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.3.2 Schedule of Services. Consultant shall perform the Services in a prompt and timely manner. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines set forth in each individual Task Order issued by the City. Consultant represents that it has the professional and technical

personnel required to perform the Services expeditiously. Upon request of City, Consultant shall provide a more detailed schedule of anticipated performance to meet the established schedules and deadlines.

3.3.3 Conformance to Applicable Requirements. All work prepared by Consultant shall be subject to the approval of City.

3.3.4 Substitution of Key Personnel. Consultant has represented to City that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of City. In the event that City and Consultant cannot agree as to the substitution of key personnel, City shall be entitled to terminate this Agreement for cause. The key personnel for performance of this Agreement are as follows:

- Nicole Saviat Criste, Principal
- John D. Criste, Principal Planner
- Andrea Randall, Senior Planner
- Kelly Clark, Associate Planner
- Bitian Chen, Assistant Planner

3.3.5 City's Representative. The City hereby designates Gabriel Perez, Development Services Director, or his/her designee, to act as its representative in all matters pertaining to the administration and performance of this Agreement ("City's Representative"). City's Representative shall have the power to act on behalf of the City for review and approval of all products submitted by Consultant but not the authority to enlarge the Scope of Services or change the total compensation due to Consultant under this Agreement. The City Manager shall be authorized to act on City's behalf and to execute all necessary documents which enlarge the Scope of Services or change the Consultant's total compensation subject to the provisions contained in this Agreement. Consultant shall not accept direction or orders from any person other than the City Manager, City's Representative or his/her designee.

3.3.6 Consultant's Representative. Consultant hereby designates Nicole Saviat Criste, Principal, or his/her designee, to act as its representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his/her best skill and attention, and shall be responsible for all means, methods, techniques, sequences, and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

3.3.7 Coordination of Services. Consultant agrees to work closely with City staff in the performance of Services and shall be available to City's staff, consultants and other staff at all reasonable times.

3.3.8 Standard of Care; Performance of Employees. Consultant shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards

generally recognized as being employed by professionals in the same discipline in the State of California. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Services. Consultant warrants that all employees and subconsultants shall have sufficient skill and experience to perform the Services assigned to them. Consultant represents that it, its employees and subconsultants have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, and that such licenses and approvals shall be maintained throughout the term of this Agreement. Consultant shall perform, at its own cost and expense and without reimbursement from the City, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein. Any employee of the Consultant or its subconsultants who is determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to the City, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

### 3.3.9 Period of Performance.

3.3.9.1 Consultant shall perform and complete all Services under this Agreement within the term set forth in Section 3.1.2 above ("Performance Time"). Consultant shall also perform the Services in strict accordance with any completion schedule or Project milestones described in Exhibits "A" or "B" attached hereto, or which may be separately agreed upon in writing by the City and Consultant ("Performance Milestones"). Consultant agrees that if the Services are not completed within the aforementioned Performance Time and/or pursuant to any such Performance Milestones developed pursuant to provisions of this Agreement, it is understood, acknowledged and agreed that the City will suffer damage.

3.3.9.2 Neither City nor Consultant shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing Party. For purposes of this Agreement, such circumstances include a Force Majeure Event. A Force Majeure Event shall mean an event that materially affects a Party's performance and is one or more of the following: (1) Acts of God or other natural disasters; (2) terrorism or other acts of a public enemy; (3) orders of governmental authorities (including, without limitation, unreasonable and unforeseeable delay in the issuance of permits or approvals by governmental authorities that are required for the services); (4) strikes and other organized labor action occurring at the site and the effects thereof on the services, only to the extent such strikes and other organized labor action are beyond the control of Consultant and its subcontractors, and to the extent the effects thereof cannot be avoided by use of replacement workers; and (5) pandemics, epidemics or quarantine restrictions. For purposes of this section, "orders of governmental authorities," includes ordinances, emergency proclamations and orders, rules to protect the public health, welfare and safety, and other actions of a public agency applicable to the services and Agreement.

3.3.9.3 Should a Force Majeure Event occur, the non-performing Party shall, within a reasonable time of being prevented from performing, give written notice to the other Party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement. Force Majeure Events and/or delays, regardless of the Party responsible for the delay, shall not entitle Consultant to any additional compensation. Notwithstanding the foregoing in this section, the City may still terminate this Agreement in accordance with the termination provisions of this Agreement.

### 3.3.10 Laws and Regulations; Employee/Labor Certification.

3.3.10.1 Compliance with Laws. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with the Services and this Agreement. All violations of such laws and regulations shall be grounds for the City to terminate the Agreement for cause.

3.3.10.2 Employment Eligibility; Consultant. Consultant certifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time and shall require all subconsultants and sub-subconsultants to comply with the same. Consultant certifies that it has not committed a violation of any such law within the five (5) years immediately preceding the date of execution of this Agreement, and shall not violate any such law at any time during the term of the Agreement.

3.3.10.3 Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of City's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

3.3.10.4 Air Quality. To the extent applicable, Consultant must fully comply with all applicable laws, rules and regulations in furnishing or using equipment and/or providing services, including, but not limited to, emissions limits and permitting requirements imposed by the South Coast Air Quality Management District (SCAQMD) and/or California Air Resources Board (CARB). Consultant shall indemnify City against any fines or penalties imposed by SCAQMD, CARB, or any other governmental or regulatory agency for violations of applicable laws, rules and/or regulations by Consultant, its subconsultants, or others for whom Consultant is responsible under its indemnity obligations provided for in this Agreement.

3.3.10.5 Water Quality Management and Compliance. Consultant shall keep itself and all subcontractors, staff, and employees fully informed of and in compliance with all local, state and federal laws, rules and regulations that may impact, or be implicated by the performance of the Services including, without limitation, all applicable provisions of the City's ordinances regulating water quality and storm water; the Federal Water Pollution Control Act (33 U.S.C. § 1251, *et seq.*); the California Porter-Cologne Water Quality Control Act (Water Code § 13000 *et seq.*); and any and all regulations, policies, or permits issued pursuant to any such authority. Consultant must additionally comply with the lawful requirements of the City, and any other municipality, drainage district, or other local agency with jurisdiction over the location where the Services are to be conducted, regulating water quality and storm water discharges. City may seek damages from Consultant for delay in completing the Services caused by Consultant's failure to comply with the laws, regulations and policies described in this Section, or any other relevant water quality law, regulation, or policy.

3.3.10.6 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed.

### 3.3.11 Insurance.

3.3.11.1 Time for Compliance. Consultant shall not commence work under this Agreement until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. In addition, Consultant shall not allow any subconsultant to commence work on any subcontract until it has provided evidence satisfactory to the City that the subconsultant has secured all insurance required under this section. Failure to provide and maintain all required insurance shall be grounds for the City to terminate this Agreement for cause.

3.3.11.2 Types of Insurance Required. As a condition precedent to the effectiveness of this Agreement for work to be performed hereunder, and without limiting the indemnity provisions of the Agreement, the Consultant, in partial performance of its obligations under such Agreement, shall procure and maintain in full force and effect during the term of the Agreement the following policies of insurance. If the existing policies do not meet the insurance requirements set forth herein, Consultant agrees to amend, supplement or endorse the policies to do so.

(A) Commercial General Liability: Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office "occurrence" form CG 00 01, or the exact equivalent, with limits of not less than \$1,000,000 per occurrence and no less than \$2,000,000 in the general aggregate. Defense costs shall be paid in addition to the limits. The policy shall contain no endorsements or provisions (1) limiting coverage for contractual liability; (2) excluding coverage for claims or suits by one insured against another (cross-liability); (3) products/completed operations liability; or (4) containing any other exclusion(s) contrary to the terms or purposes of this Agreement.

(B) Automobile Liability Insurance: Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 00 01 covering "Any Auto" (Symbol 1), or the exact equivalent, covering bodily injury and property damage for all activities with limits of not less than \$1,000,000 combined limit for each occurrence.

(C) Workers' Compensation: Workers' Compensation Insurance, as required by the State of California and Employer's Liability Insurance with a limit of not less than \$1,000,000 per accident for bodily injury and disease.

(D) Professional Liability (Errors & Omissions): Professional Liability insurance or Errors & Omissions insurance appropriate to Consultant's profession with limits of not less than \$1,000,000. Covered professional services shall specifically include all work to be performed under the Agreement and delete any exclusions that may potentially affect the work to be performed (for example, any exclusions relating to lead, asbestos, pollution, testing, underground storage tanks, laboratory analysis, soil work, etc.). If coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the initial Agreement and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least five (5) years from termination or expiration of this Agreement.

3.3.11.3 Insurance Endorsements. Required insurance policies shall contain the following provisions, or Consultant shall provide endorsements on forms approved by the City to add the following provisions to the insurance policies:

(A) Commercial General Liability: (1) Additional Insured: The City, its officials, officers, employees, agents, and volunteers shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Agreement. Additional Insured Endorsements shall not (1) be restricted to "ongoing operations"; (2) exclude "contractual liability"; (3) restrict coverage to "sole" liability of Consultant; or (4) contain any other exclusions contrary to the terms or purposes of this Agreement. For all policies of Commercial General Liability insurance, Consultant shall provide endorsements in the form of ISO CG 20 10 10 01 and 20 37 10 01 (or endorsements providing the exact same coverage) to effectuate this requirement. (2) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

(B) Automobile Liability. (1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

(C) Professional Liability (Errors & Omissions): (1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium. (2) Contractual Liability Exclusion Deleted: This insurance shall include contractual liability applicable to this Agreement. The policy must "pay on behalf of" the insured and include a provision establishing the insurer's duty to defend.

(D) Workers' Compensation: (1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium. (2) Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights of subrogation against the City, its officials, officers, employees, agents, and volunteers.

3.3.11.4 Primary and Non-Contributing Insurance. All policies of Commercial General Liability and Automobile Liability insurance shall be primary and any other insurance, deductible, or self-insurance maintained by the City, its officials, officers, employees, agents, or volunteers shall not contribute with this primary insurance. Policies shall contain or be endorsed to contain such provisions.

3.3.11.5 Waiver of Subrogation. All required insurance coverages, except for the professional liability coverage, shall contain or be endorsed to waiver of subrogation in favor of the City, its officials, officers, employees, agents, and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

3.3.11.6 Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be approved in writing by the City and shall protect the City, its officials, officers, employees, agents, and volunteers in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.

3.3.11.7 Evidence of Insurance. The Consultant, concurrently with the execution of the Agreement, and as a condition precedent to the effectiveness thereof, shall deliver either certified copies of the required policies, or original certificates on forms approved by the City, together with all endorsements affecting each policy. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the City for approval. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15 days) prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced and not replaced immediately so as to avoid a lapse in the required coverage, Consultant shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

3.3.11.8 Acceptability of Insurers. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to transact business of insurance in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

3.3.11.9 Enforcement of Agreement Provisions (non estoppel). Consultant acknowledges and agrees that actual or alleged failure on the part of the City to inform Consultant of non-compliance with any requirement imposes no additional obligation on the City nor does it waive any rights hereunder.

3.3.11.10 Requirements Not Limiting. Requirement of specific coverage or minimum limits contained in this Section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance.

#### 3.3.11.11 Additional Insurance Provisions

(A) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by the City, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Consultant pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(B) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Consultant or City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, City may cancel this Agreement.

(C) The City may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.

(D) Neither the City nor any of its officials, officers, employees, agents or volunteers shall be personally responsible for any liability arising under or by virtue of this Agreement.

(E) The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. Further the limits set forth herein shall not be construed to relieve the Consultant from liability in excess of such coverage, nor shall it limit the Consultant's indemnification obligations to the City and shall not preclude the City from taking such other actions available to the City under other provisions of the Agreement or law.

(F) Consultant shall report to the City, in addition to Consultant's insurer, any and all insurance claims submitted by Consultant in connection with the Services under this Agreement.

**3.3.11.12 Insurance for Subconsultants.** Consultant shall include all subconsultants engaged in any work for Consultant relating to this Agreement as additional insureds under the Consultant's policies, or the Consultant shall be responsible for causing subconsultants to purchase the appropriate insurance in compliance with the terms of these Insurance Requirements, including adding the City, its officials, officers, employees, agents, and volunteers as additional insureds to the subconsultant's policies. All policies of Commercial General Liability insurance provided by Consultant's subconsultants performing work relating to this Agreement shall be endorsed to name the City, its officials, officers, employees, agents and volunteers as additional insureds using endorsement form ISO CG 20 38 04 13 or an endorsement providing equivalent coverage. Consultant shall not allow any subconsultant to commence work on any subcontract relating to this Agreement until it has received satisfactory evidence of subconsultant's compliance with all insurance requirements under this Agreement, to the extent applicable. The Consultant shall provide satisfactory evidence of compliance with this section upon request of the City.

### **3.4 Labor Code Requirements.**

**3.4.1 Prevailing Wages.** Consultant is aware of the requirements of California Labor Code Section 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 "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. City shall provide Consultant with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Consultant's principal place of business and at the project site. It is the intent of the parties to effectuate the requirements of sections 1771, 1774, 1775, 1776, 1777.5, 1813, and 1815 of the Labor Code within this Agreement, and Consultant shall therefore comply with such Labor Code sections to the fullest extent required by law. Consultant shall defend, indemnify and hold the City, its

officials, officers, employees, agents, and volunteers free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

**3.4.2 Registration/DIR Compliance.** If the Services are being performed on a public works project of over \$25,000 when the project is for construction, alteration, demolition, installation, or repair work, or a public works project of over \$15,000 when the project is for maintenance work, in addition to the foregoing, then pursuant to Labor Code sections 1725.5 and 1771.1, the Consultant and all subconsultants must be registered with the Department of Industrial Relations ("DIR"). Consultant shall maintain registration for the duration of the Project and require the same of any subconsultants.

**3.4.3 Compliance Monitoring.** This Project may also be subject to compliance monitoring and enforcement by the DIR. It shall be Consultant's sole responsibility to comply with all applicable registration and labor compliance requirements, including the submission of payroll records directly to the DIR. Any stop orders issued by the DIR against Consultant or any subconsultant that affect Consultant's performance of services, including any delay, shall be Consultant's sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered Consultant caused delay and shall not be compensable by the City. Consultant shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claim or liability arising out of stop orders issued by the DIR against Consultant or any subconsultant.

**3.4.4 Labor Certification.** By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

### **3.5 Termination of Agreement.**

**3.5.1.1 Grounds for Termination.** City may, by written notice to Consultant, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Consultant of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Consultant shall be compensated only for those Services which have been adequately rendered to City, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Agreement except for cause. The rights and remedies of the City provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law, equity or under this Agreement.

**3.5.1.2 Effect of Termination.** If this Agreement is terminated as provided herein, City may require Consultant to provide all finished or unfinished Documents and Data and other information of any kind prepared by Consultant in connection with the performance of Services under this Agreement. Consultant shall be required to provide such document and other information within fifteen (15) days of the request.

**3.5.1.3 Additional Services.** In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

### 3.6 Indemnification.

3.6.1 To the fullest extent permitted by law, Consultant shall defend (with counsel of City's choosing), indemnify and hold the City, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant's Services, the Project or this Agreement, including without limitation the payment of all damages, expert witness fees and attorney's fees and other related costs and expenses except such loss or damage caused by the sole negligence or willful misconduct of the City. Consultant's obligation to indemnify shall survive expiration or termination of this Agreement and shall not be restricted to insurance proceeds, if any, received by Consultant, the City, its officials, officers, employees, agents, or volunteers.

3.6.2 If Consultant's obligation to defend, indemnify, and/or hold harmless arises out of Consultant's performance as a "design professional" (as that term is defined under Civil Code section 2782.8), then, and only to the extent required by Civil Code section 2782.8, which is fully incorporated herein, Consultant's indemnification obligation shall be limited to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, and, upon Consultant obtaining a final adjudication by a court of competent jurisdiction, Consultant's liability for such claim, including the cost to defend, shall not exceed the Consultant's proportionate percentage of fault.

### 3.7 General Provisions.

3.7.1 Accounting Records. Consultant shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

#### 3.7.2 Independent Contractors and Subcontracting.

3.7.2.1 Use of Consultants. Consultant is aware of statutory and case law regarding classification of workers as independent contractors, including California Labor Code Section 2750.3 and Dynamex Operations West, Inc. v. Superior Court, 4 Cal. 5th 903 (2018). To ensure that Consultant is in compliance with the California Labor Code, Consultant shall only utilize its employees to provide the Services. Consultant may not provide the services through any independent contractor, subcontractor or subconsultant ("Subcontractor(s)") unless approved by the City as set forth in Section 3.7.2.2 below. Consultant represents and warrants that all personnel who perform the Services on Consultant's behalf are Consultant's employees, and that Consultant complies with all applicable laws, rules and regulations governing its employees, including, but not limited to, the California Labor Code, Unemployment Insurance Code and all applicable Industrial Welfare Commission Wage Orders.

3.7.2.2 Prior Approval Required. Consultant shall not use any Subcontractor to provide the Services, or any portion of the work required by this Agreement, without prior written approval of City. In the event that City authorizes Consultant to use a Subcontractor, Consultant shall enter into a written agreement with the Subcontractor, which must include all provisions of the Agreement, including a restriction on the Subcontractor's use of further independent contractors, subcontractors or subconsultants without the City's prior written consent.

3.7.3 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Consultant: Terra Nova Planning & Research  
42635 Melanie Place, Suite 101  
Palm Desert, CA 92211  
ATTN: Nicole Saviat Criste

City: City of Coachella  
1515 6<sup>th</sup> Street  
Coachella, CA 92236  
ATTN: Gabriel Perez, Development Services Director

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

#### 3.7.4 Ownership of Materials and Confidentiality.

3.7.4.1 Documents & Data; Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data"). All Documents & Data shall be and remain the property of City, and shall not be used in whole or in substantial part by Consultant on other projects without the City's express written permission. Within thirty (30) days following the completion, suspension, abandonment or termination of this Agreement, Consultant shall provide to City reproducible copies of all Documents & Data, in a form and amount required by City. City reserves the right to select the method of document reproduction and to establish where the reproduction will be accomplished. The reproduction expense shall be borne by City at the actual cost of duplication. In the event of a dispute regarding the amount of compensation to which the Consultant is entitled under the termination provisions of this Agreement, Consultant shall provide all Documents & Data to City upon payment of the undisputed amount. Consultant shall have no right to retain or fail to provide to City any such documents pending resolution of the dispute. In addition, Consultant shall retain copies of all Documents & Data on file for a minimum of fifteen (15) years following completion of the Project, and shall make copies available to City upon the payment of actual reasonable duplication costs. Before destroying the

Documents & Data following this retention period, Consultant shall make a reasonable effort to notify City and provide City with the opportunity to obtain the documents.

3.7.4.2 Subconsultants. Consultant shall require all subconsultants to agree in writing that City is granted a non-exclusive and perpetual license for any Documents & Data the subconsultant prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or its subconsultants, or those provided to Consultant by the City.

3.7.4.3 Right to Use. City shall not be limited in any way in its use or reuse of the Documents and Data or any part of them at any time for purposes of this Project or another project, provided that any such use not within the purposes intended by this Agreement or on a project other than this Project without employing the services of Consultant shall be at City's sole risk. If City uses or reuses the Documents & Data on any project other than this Project, it shall remove the Consultant's seal from the Documents & Data and indemnify and hold harmless Consultant and its officers, directors, agents and employees from claims arising out of the negligent use or re-use of the Documents & Data on such other project. Consultant shall be responsible and liable for its Documents & Data, pursuant to the terms of this Agreement, only with respect to the condition of the Documents & Data at the time they are provided to the City upon completion, suspension, abandonment or termination. Consultant shall not be responsible or liable for any revisions to the Documents & Data made by any party other than Consultant, a party for whom the Consultant is legally responsible or liable, or anyone approved by the Consultant.

3.7.4.4 Indemnification. Consultant shall defend, indemnify and hold the City, its directors, officials, officers, employees, volunteers and agents free and harmless, pursuant to the indemnification provisions of this Agreement, for any alleged infringement of any patent, copyright, trade secret, trade name, trademark, or any other proprietary right of any person or entity in consequence of the use on the Project by City of the Documents & Data, including any method, process, product, or concept specified or depicted.

3.7.4.5 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents & Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of City, be used by Consultant for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of City.

3.7.4.6 Confidential Information. The City shall refrain from releasing Consultant's proprietary information ("Proprietary Information") unless the City's legal counsel determines that the release of the Proprietary Information is required by the California Public Records Act or other applicable state or federal law, or order of a court of competent jurisdiction,

in which case the City shall notify Consultant of its intention to release Proprietary Information. Consultant shall have five (5) working days after receipt of the release notice to give City written notice of Consultant's objection to the City's release of Proprietary Information. Consultant shall indemnify, defend and hold harmless the City, and its officers, directors, employees, and agents from and against all liability, loss, cost or expense (including attorney's fees) arising out of a legal action brought to compel the release of Proprietary Information. City shall not release the Proprietary Information after receipt of an objection notice unless either: (1) Consultant fails to fully indemnify, defend (with City's choice of legal counsel), and hold City harmless from any legal action brought to compel such release; and/or (2) a final and non-appealable order by a court of competent jurisdiction requires that City release such information.

3.7.5 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

3.7.6 Entire Agreement. This Agreement contains the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements.

3.7.7 Attorneys' Fees. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorneys' fees and all costs of such action.

3.7.8 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Riverside County. In addition to any and all contract requirements pertaining to notices of and requests for compensation or payment for extra work, disputed work, claims and/or changed conditions, Consultant must comply with the claim procedures set forth in Government Code sections 900 et seq. prior to filing any lawsuit against the City. Such Government Code claims and any subsequent lawsuit based upon the Government Code claims shall be limited to those matters that remain unresolved after all procedures pertaining to extra work, disputed work, claims, and/or changed conditions have been followed by Consultant. If no such Government Code claim is submitted, or if any prerequisite contractual requirements are not otherwise satisfied as specified herein, Consultant shall be barred from bringing and maintaining a valid lawsuit against the City.

3.7.9 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.7.10 City's Right to Employ Other Consultants. City reserves right to employ other consultants in connection with this Project.

3.7.11 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties.

3.7.12 Assignment or Transfer. Consultant shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of the City, which may be withheld for any reason. Any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination. Consultant shall not subcontract any portion of the Services required by this Agreement, except

as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

**3.7.13 Construction; References; Captions.** Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all personnel, employees, agents, and subconsultants of Consultant, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

**3.7.14 Amendment; Modification.** No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

**3.7.15 Waiver.** No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

**3.7.16 No Third-Party Beneficiaries.** There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

**3.7.17 Invalidity; Severability.** If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

**3.7.18 Prohibited Interests.** Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Consultant further agrees to file, or shall cause its employees or subconsultants to file, a Statement of Economic Interest with the City's Filing Officer as required under state law in the performance of the Services. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

**3.7.19 Authority to Enter Agreement.** Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

**3.7.20 Counterparts.** This Agreement may be signed in counterparts, each of which shall constitute an original.

3.7.21 Survival. All rights and obligations hereunder that by their nature are to continue after any expiration or termination of this Agreement, including, but not limited to, the indemnification obligations, shall survive any such expiration or termination.

3.7.22 Order of Precedence. The following order and succession of the referenced documents shall govern in the event of conflict between documents:

3.7.22.1 Amendment(s)

3.7.22.2 This Agreement

3.7.22.3 Task Orders

**[SIGNATURES ON NEXT PAGE]**

**SIGNATURE PAGE TO PROFESSIONAL SERVICES AGREEMENT FOR REOCCURRING  
AS NEEDED SERVICES BETWEEN THE CITY OF COACHELLA AND  
TERRA NOVA PLANNING & RESEARCH**

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed on the day and year first above written.

**CITY OF COACHELLA**

**Terra Nova Planning & Research**

*Approved By:*

\_\_\_\_\_  
Gabriel D. Martin, Ph.D.  
City Manager

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

Its: \_\_\_\_\_

*Approved as to Form:*

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

\_\_\_\_\_  
Best Best & Krieger LLP  
City Attorney

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

Its: \_\_\_\_\_

*Attested By:*

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

\_\_\_\_\_  
City Clerk

## EXHIBIT "A" SCOPE OF SERVICES

### **B. Approach to Planning Support Services**

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Terra Nova uses an integrated team approach and is proactively engaged in issues identification and resolution, project facilitating and team coordination. Our services to legal counsel and our success with defensible analysis have been hallmarks of our work. We are a trusted provider of services to private development and government, and are especially focused on establishing common ground and consensus.

The following describes our approach and methodology in performing our work. These summaries also describe our management techniques in keeping projects on budget and on schedule.

#### **Project Management and Coordination**

The Principal in Charge for City projects would be Nicole Sauviat Criste. She would be the primary point of contact for the City, would supervise both in-house staff and consultants, draft portions of the documents, review all materials, and would represent the project at City staff and public meetings.

Unlike larger firms, the Principals at Terra Nova remain actively involved in our projects, and take personal responsibility for the timely and accurate preparation of documents. The City can be assured that Ms. Criste will develop a comprehensive understanding of each project, and be intimately involved in the preparation of all aspects of each document from beginning to end.

Terra Nova's management style, as described elsewhere in this proposal, is to become an extension of City staff to the greatest extent possible. Because of our long-standing relationship with Planning Department and Public Works staff throughout the Valley and elsewhere, we understand the City's requirements, and keep projects on track through personal contacts and project timelines. We strive to take responsibility for our projects, and to operate independently to the greatest extent possible, so as to minimize the impact on City staff. We also have consistently performed our work under or on budget, without the need for change orders.

#### **Case Work Management**

Terra Nova strives to integrate with all its client-cities' staff when assigned current planning care work. Because we have assisted the City in the past, as one of its existing on-call consulting firms, we already have an understanding of the City's processes and limited staff time. We work to minimize the impact we have on City resources and work to resolve issues with applicants, coordinate with City

departments and outside agencies, and keep disruptions in the City's normal workflow to a minimum. With a number of client-cities, we also provide turn-key administrative services, including mailing to responsible agencies, surrounding property owners, etc., as described below.

#### **Administrative Services**

Terra Nova provides on-going administrative support to the City through project coordination functions and the preparation of notices and assistance with approval documentation, such as staff reports and resolutions. Terra Nova also usually assumes responsibility for the preparation and mailing of Notice of Intent to Adopt a (Mitigated) Negative Declaration (NOI), Notice of Preparation (NOP), Notices of Completion (NOC), Notice of Availability of a Draft EIR and Notice of Determination (NOD).

We also undertake the transmittal of the environmental documents to the County and/or the State Clearinghouse and other parties of interest, using a City-approved mailing list. The City would typically be responsible for the placement of advertisements for newspaper publication, and the posting of notices at City Hall.

#### **EIR or Initial Study Drafting**

The clear and concise documentation of the project description, current environmental conditions and project impacts is critical to the successful completion of any CEQA document. Terra Nova takes great care in preparing documents that are understandable to the lay person as well as the professional planner. We also detail existing conditions and impacts to make clear what the build out of the project will do to impact both the built and natural environment, and describe mitigation measures clearly to show how the effects of the project will be reduced.

Direct and indirect impacts on the environment and community are identified and described in detail. Immediate near-term impacts resulting from the build out of a project, as well as long-term and cumulative impacts, when applicable, are assessed and described. This assessment includes a discussion of all relevant specifics, including environmental and man-made resources, alterations to physical systems, traffic, drainage issues, changes induced by land use patterns and health and safety issues. Where necessary and appropriate, special studies are prepared to address these technical issues. Some projects will provide the City with special studies, while others will require that we manage and/or complete them. Either approach can easily be integrated into our review process.

Technical Analysis and Special Studies: Research and analysis associated with environmental issues will identify current conditions and focus on the potentially significant impacts associated with the implementation of a proposed project. We actively participate in the preparation of special studies for each project, whether prepared by our firm or a specialist, and take responsibility for the findings of our sub-consultants. All reports will be reviewed internally for accuracy, completeness and adequacy prior to being submitted to the City. We have worked with our team of consultants for a number of years, and have developed a clear understanding with them of the quality of work we expect.

Mitigation Measures and Mitigation Monitoring Programs: In conjunction and concurrent with the development of an Initial Study or EIR, we elaborate on the specific design elements of the project that "mitigate impacts by design", including such elements as noise attenuation, building mass and scale, water and energy conservation, off-site improvements, etc. We develop mitigation measures to address specific impacts associated with the implementation of the project being analyzed. Both short and long term impacts are assessed and mitigated to assure that the project does not cumulatively impact the environment. We strive to detail all impacts to the greatest extent possible, so that the Initial Study or EIR can be of value in processing phases of development of a period of years. This is particularly critical for larger projects, where subsequent environmental review can pose significant delays in the development process.

As required by CEQA, we also prepare mitigation monitoring and reporting programs where necessary to assure that mitigation measures are implemented. In the case of EIRs, we usually integrate the mitigation monitoring programs into the document itself, but can prepare a separate document if the City so wishes. Our preference for an integrated mitigation monitoring program stems from our belief that one document is better than two – as projects develop and staff changes, the City can be assured of proper mitigation monitoring more easily if staff is only required to refer to one document – the original EIR – when considering what mitigation measures must be applied.

### **Public Hearings**

Terra Nova works closely with City staff in developing staff reports and resolutions, and assisting in preparation of materials for Planning Commission and City Council public hearings. As an extension of City staff, we also help with presentations during public meetings, and assist with questions and comments to the greatest extent possible.

Planning Commission meetings can be held during the Draft EIR comment period, if the ultimate approval authority lies with the City Council, when the City wishes to expedite a project. However, since comments made at a public hearing must be considered in a response to comments, we generally recommend that if a project is to be expedited, the Planning Commission hearing be held after the close of the comment period, but before the release of the Response to Comments, if the project is to require City Council action.

#### **Legally Defensible Environmental Documents**

As with all CEQA projects, care must be taken to assure the highest level of research, documentation and analysis. Also essential is a thorough, multi-disciplinary approach that keeps special studies and other analysis on point. Terra Nova's approach to legally defensible environmental analysis and documentation has served our clients well. Over 30 years and hundreds of environmental studies, only two Terra Nova environmental documents have ever been challenged in court – unsuccessfully in both cases.

Terra Nova staff has also provided expert witness testimony in state and federal courts on planning and environmental issues. Ms. Criste has taught CEQA classes for Planning Department staffs, and also for the California Redevelopment Association, before the demise of redevelopment in California. She is frequently asked to provide peer review of other firms' documents, and has been a resource to Palm Springs' and other cities' Planning departments when CEQA questions arise.

**EXHIBIT "B"**  
**SAMPLE TASK ORDER FORM**

Task Order No. \_\_\_\_\_

Agreement: On-Call Planning Services with Terra Nova Planning & Research

Consultant: Terra Nova Planning & Research

**The Consultant is hereby authorized to perform the following services subject to the provisions of the Agreement identified above:**

**List any attachments:** (Please provide if any.)

**Dollar Amount of Task Order:** Not to exceed \$\_\_\_\_\_,\_\_\_\_\_.00

**Completion Date:** \_\_\_\_\_

The undersigned Consultant hereby agrees that it will provide all equipment, furnish all materials, except as may be otherwise noted above, and perform all services for the work above specified in accordance with the Agreement identified above and will accept as full payment therefore the amount shown above.

**CITY OF COACHELLA**

**Terra Nova Planning & Research**

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

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

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

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

## EXHIBIT "C" COMPENSATION

### D. Fee Schedule

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#### STANDARD FEE SCHEDULE 2021

Terra Nova invoices its clients on a cost-basis using an hourly billing system. The scope of each planning effort is typically broken down by task and assigned estimated necessary staff time and the applicable hourly rate.

| Terra Nova Staff          | Hourly Rate |
|---------------------------|-------------|
| Principal Planner         | \$ 195.00   |
| Senior Planner            | \$ 160.00   |
| Associate Planner         | \$ 140.00   |
| Assistant Planner         | \$ 115.00   |
| Graphic Design Specialist | \$ 65.00    |
| Administrative Assistant  | \$ 45.00    |

#### REIMBURSABLES

|   |              |
|---|--------------|
| Photo Copies  |              |
| (8.5" X 11" BW)   | \$ 0.15 ea.  |
| (8.5" X 11" Color)  | \$ 0.30 ea.  |
| (11" X 17" BW)  | \$ 0.30 ea.  |
| (11" X 17" Color)   | \$ 0.60 ea.  |
| Large Format Plots  |              |
| BW  | \$ 1.00/S.F. |
| Color   | \$ 5.00/S.F. |
| Telephone Toll Charges  | Cost         |
| FAX Transmittals  | Cost         |
| Reproduction, Special photographic services,<br>document printing, aerial photogrammetry, postage, etc. | Cost         |

City of Coachella Building Activity Report  
OCTOBER 2021

Item 25.

| Permits                 | Current Month | Past Month | This Month Last Year | This Year to Date | Last Year to Date |
|-------------------------|---------------|------------|----------------------|-------------------|-------------------|
| Res. Solar Panels       | 18            | 30         | 19                   | 144               | 117               |
| Misc. Building Permits  | 47            | 40         | 27                   | 382               | 309               |
| Residential Additions   | 2             | 1          | 4                    | 23                | 20                |
| Single Family Dwellings | 0             | 0          | 26                   | 133               | 126               |
| Commercial Bldgs.       | 0             | 0          | 1                    | 9                 | 9                 |
| Commercial Ten. Improv  | 1             | 2          | 1                    | 12                | 11                |
| Multi- Family Units     | 0             | 0          | 105                  | 105               | 105               |
| Plan Check              | 1             | 0          | 78                   | 573               | 234               |
| <b>TOTALS</b>           | <b>69</b>     | <b>73</b>  | <b>261</b>           | <b>1381</b>       | <b>931</b>        |

**Revenue Fees**

|                         |                    |                     |                       |                       |                       |
|-------------------------|--------------------|---------------------|-----------------------|-----------------------|-----------------------|
| Building Fees           | \$19,350.50        | \$19,809.00         | \$74,741.00           | \$428,312.25          | \$408,961.75          |
| Dev. Impact Fees        | \$0.00             | \$0.00              | \$1,147,878.74        | \$3,124,280.41        | \$3,124,280.41        |
| Sewer & Water Fees      | \$0.00             | \$82,330.81         | \$629,375.03          | \$1,659,584.64        | \$1,659,584.64        |
| Misc. (TUMF, MSF, FIRE) | \$0.00             | \$0.00              | \$73,285.38           | \$344,814.49          | \$344,814.49          |
| Plan Check              | \$9,590.50         | \$12,127.00         | \$19,780.00           | \$133,590.01          | \$123,999.51          |
| Cert of Occupancy       | \$0.00             | \$0.00              | \$6,144.00            | \$35,584.00           | \$35,584.00           |
| SB1473                  | \$182.95           | \$225.50            | \$708.00              | \$2,737.95            | \$2,555.00            |
| <b>TOTALS</b>           | <b>\$29,123.95</b> | <b>\$114,492.31</b> | <b>\$1,951,912.15</b> | <b>\$5,728,903.75</b> | <b>\$5,699,779.80</b> |

|                      |                 |                   |                     |                     |                     |
|----------------------|-----------------|-------------------|---------------------|---------------------|---------------------|
| 1% Construction Tax  | \$0.00          | \$0.00            | \$157,209.61        | \$480,769.30        | \$480,769.30        |
| Strong Motion Instr. | \$806.19        | \$1,110.17        | \$3,821.92          | \$11,000.25         | \$10,194.06         |
| <b>TOTALS</b>        | <b>\$806.19</b> | <b>\$1,110.17</b> | <b>\$161,031.53</b> | <b>\$198,203.23</b> | <b>\$490,963.36</b> |

|                   |                       |                    |                        |                        |                        |
|-------------------|-----------------------|--------------------|------------------------|------------------------|------------------------|
| <b>Valuations</b> | <b>\$5,407,038.17</b> | <b>\$19,809.00</b> | <b>\$16,322,872.34</b> | <b>\$48,107,763.23</b> | <b>\$42,700,725.06</b> |
|-------------------|-----------------------|--------------------|------------------------|------------------------|------------------------|

**Inspections**

|                        |            |            |            |             |          |
|------------------------|------------|------------|------------|-------------|----------|
| General                | 546        | 539        | 539        | 2108        | 3644     |
| Final Single Family    | 0          | 7          | 6          | 59          | 90       |
| Final Multi Family     | 0          | 0          | 0          | 0           | 0        |
| Final Commercial       | 0          | 0          | 10         | 5           | 15       |
| Final Miscellaneous    | 51         | 41         | 53         | 99          | 348      |
| Final Solar            | 13         | 19         | 10         | 57          | 174      |
| Code Enforcement Insp. | 23         | 23         | 19         | 82          | 237      |
| <b>TOTALS</b>          | <b>633</b> | <b>629</b> | <b>637</b> | <b>2410</b> | <b>0</b> |

TOTAL DWELLING UNITS IN THE CITY OF COACHELLA

9104

Submitted by:

\_\_\_\_\_  
Rosa Montoya  
Development Services Technician

City of Coachella Building Activity Report  
NOVEMBER 2021

Item 25.

| Permits                 | Current Month | Past Month | This Month Last Year | This Year to Date | Last Year to Date |
|-------------------------|---------------|------------|----------------------|-------------------|-------------------|
| Res. Solar Panels       | 6             | 18         | 9                    | 150               | 126               |
| Misc. Building Permits  | 46            | 47         | 26                   | 428               | 335               |
| Residential Additions   | 10            | 2          | 1                    | 33                | 21                |
| Single Family Dwellings | 0             | 7          | 7                    | 133               | 133               |
| Commercial Bldgs.       | 0             | 0          | 0                    | 9                 | 9                 |
| Commercial Ten. Improv  | 2             | 1          | 0                    | 14                | 11                |
| Multi- Family Units     | 0             | 0          | 0                    | 105               | 105               |
| Plan Check              | 0             | 1          | 44                   | 573               | 572               |
| <b>TOTALS</b>           | <b>64</b>     | <b>76</b>  | <b>87</b>            | <b>1445</b>       | <b>1312</b>       |

**Revenue Fees**

|                         |                     |                    |                     |                       |                       |
|-------------------------|---------------------|--------------------|---------------------|-----------------------|-----------------------|
| Building Fees           | \$21,087.00         | \$19,350.50        | \$25,339.00         | \$449,399.25          | \$434,300.75          |
| Dev. Impact Fees        | \$0.00              | \$0.00             | \$113,960.28        | \$3,124,280.41        | \$3,238,240.69        |
| Sewer & Water Fees      | \$86,636.47         | \$0.00             | \$56,628.11         | \$1,746,231.11        | \$1,716,212.75        |
| Misc. (TUMF, MSF, FIRE) | \$0.00              | \$0.00             | \$16,170.00         | \$344,814.49          | \$360,984.49          |
| Plan Check              | \$12,456.70         | \$9,590.50         | \$6,333.00          | \$146,046.71          | \$130,332.51          |
| Cert of Occupancy       | \$0.00              | \$0.00             | \$2,048.00          | \$35,584.00           | \$37,632.00           |
| SB1473                  | \$110.00            | \$182.95           | \$118.00            | \$2,847.95            | \$2,673.00            |
| <b>TOTALS</b>           | <b>\$120,290.17</b> | <b>\$29,123.95</b> | <b>\$220,596.39</b> | <b>\$5,849,267.92</b> | <b>\$5,920,376.19</b> |

|                      |                   |                 |                    |                     |                     |
|----------------------|-------------------|-----------------|--------------------|---------------------|---------------------|
| 1% Construction Tax  | \$150.00          | \$0.00          | \$20,850.86        | \$480,919.30        | \$501,620.16        |
| Strong Motion Instr. | \$3,160.02        | \$806.19        | \$305.18           | \$14,160.47         | \$10,499.24         |
| <b>TOTALS</b>        | <b>\$3,310.02</b> | <b>\$806.19</b> | <b>\$21,156.04</b> | <b>\$494,929.77</b> | <b>\$512,119.40</b> |

|                   |                        |                       |                       |                        |                        |
|-------------------|------------------------|-----------------------|-----------------------|------------------------|------------------------|
| <b>Valuations</b> | <b>\$12,674,142.79</b> | <b>\$5,407,038.17</b> | <b>\$2,027,317.72</b> | <b>\$55,374,867.85</b> | <b>\$44,728,042.78</b> |
|-------------------|------------------------|-----------------------|-----------------------|------------------------|------------------------|

**Inspections**

|                        |            |            |            |             |             |
|------------------------|------------|------------|------------|-------------|-------------|
| General                | 568        | 546        | 548        | 776         | 4192        |
| Final Single Family    | 11         | 0          | 10         | 70          | 100         |
| Final Multi Family     | 0          | 0          | 0          | 0           | 0           |
| Final Commercial       | 0          | 0          | 15         | 5           | 30          |
| Final Miscellaneous    | 59         | 51         | 61         | 158         | 409         |
| Final Solar            | 24         | 13         | 15         | 81          | 189         |
| Code Enforcement Insp. | 27         | 23         | 14         | 109         | 251         |
| <b>TOTALS</b>          | <b>689</b> | <b>633</b> | <b>663</b> | <b>1199</b> | <b>5171</b> |

TOTAL DWELLING UNITS IN THE CITY OF COACHELLA

9104

Submitted by:

Rosa Montoya  
Development Services Technician

City of Coachella Building Activity Report  
DECEMBER 2021

Item 25.

| Permits                 | Current Month         | Past Month             | This Month Last Year  | This Year to Date      | Last Year to Date      |
|-------------------------|-----------------------|------------------------|-----------------------|------------------------|------------------------|
| Res. Solar Panels       | 2                     | 6                      | 0                     | 152                    | 126                    |
| Misc. Building Permits  | 31                    | 46                     | 25                    | 459                    | 360                    |
| Residential Additions   | 2                     | 10                     | 2                     | 35                     | 23                     |
| Single Family Dwellings | 14                    | 0                      | 29                    | 147                    | 162                    |
| Commercial Bldgs.       | 0                     | 0                      | 0                     | 9                      | 9                      |
| Commercial Ten. Improv  | 0                     | 2                      | 0                     | 14                     | 11                     |
| Multi- Family Units     | 0                     | 0                      | 0                     | 105                    | 105                    |
| Plan Check              | 0                     | 0                      | 37                    | 273                    | 609                    |
| <b>TOTALS</b>           | <b>49</b>             | <b>64</b>              | <b>93</b>             | <b>1194</b>            | <b>1405</b>            |
| <b>Revenue Fees</b>     |                       |                        |                       |                        |                        |
| Building Fees           | \$41,133.00           | \$21,087.00            | \$25,339.00           | \$490,532.25           | \$434,300.75           |
| Dev. Impact Fees        | \$228,162.35          | \$0.00                 | \$113,960.28          | \$3,352,442.76         | \$3,238,240.69         |
| Sewer & Water Fees      | \$121,410.52          | \$86,636.47            | \$56,628.11           | \$1,867,641.63         | \$1,716,212.75         |
| Misc. (TUMF, MSF, FIRE) | \$32,340.00           | \$0.00                 | \$16,170.00           | \$374,154.49           | \$360,984.49           |
| Plan Check              | \$7,933.50            | \$12,456.70            | \$6,333.00            | \$153,980.21           | \$130,332.51           |
| Cert of Occupancy       | \$3,584.00            | \$0.00                 | \$2,048.00            | \$39,168.00            | \$37,632.00            |
| SB1473                  | \$216.36              | \$110.00               | \$118.00              | \$3,064.31             | \$2,673.00             |
| <b>TOTALS</b>           | <b>\$434,779.73</b>   | <b>\$120,290.17</b>    | <b>\$220,596.39</b>   | <b>\$6,277,448.65</b>  | <b>\$5,920,376.19</b>  |
| 1% Construction Tax     | \$42,668.74           | \$150.00               | \$20,850.86           | \$523,588.04           | \$501,620.16           |
| Strong Motion Instr.    | \$589.96              | \$3,310.22             | \$305.18              | \$14,750.43            | \$10,499.24            |
| <b>TOTALS</b>           | <b>\$43,258.70</b>    | <b>\$3,460.22</b>      | <b>\$21,156.04</b>    | <b>\$538,338.47</b>    | <b>\$512,119.40</b>    |
| <b>Valuations</b>       | <b>\$2,027,317.72</b> | <b>\$12,674,142.79</b> | <b>\$2,027,317.72</b> | <b>\$57,402,185.57</b> | <b>\$44,728,042.78</b> |
| <b>Inspections</b>      |                       |                        |                       |                        |                        |
| General                 | 521                   | 568                    | 526                   | 1297                   | 4170                   |
| Final Single Family     | 10                    | 0                      | 16                    | 80                     | 106                    |
| Final Multi Family      | 0                     | 0                      | 0                     | 0                      | 0                      |
| Final Commercial        | 0                     | 0                      | 0                     | 5                      | 15                     |
| Final Miscellaneous     | 43                    | 51                     | 41                    | 201                    | 389                    |
| Final Solar             | 21                    | 13                     | 13                    | 102                    | 187                    |
| Code Enforcement Insp.  | 16                    | 23                     | 13                    | 125                    | 250                    |
| <b>TOTALS</b>           | <b>611</b>            | <b>655</b>             | <b>609</b>            | <b>1810</b>            | <b>0</b>               |

TOTAL DWELLING UNITS IN THE CITY OF COACHELLA

9118

Submitted by:

Rosa Montoya  
Development Services Technician

## Business Licensee Report

**Name** Cesar Lucrecio  
**Department** Finance  
**Period** 10/1/2021 - 12/31/2021

**Date Submitted** 1/26/2022

| Revenue Account       | Description of Revenue          | 2022 Total Budget      | 2Q 2022 Revenue      | Last Quarter Totals  | Year-to-date 2022 Revenues | (Over)/Under Budget  |
|-----------------------|---------------------------------|------------------------|----------------------|----------------------|----------------------------|----------------------|
| 101-11-110-10-315-000 | <b>Annual Registration Tax</b>  | \$ 25,000.00           | \$ 3,720.00          | \$ 1,720.00          | \$ 5,440.00                | \$ 19,560.00         |
| 101-11-110-10-316-000 | <b>Business Licensee Fee</b>    | 570,000.00             | 52,362.26            | 20,280.57            | 72642.83                   | 497,357.17           |
| 101-11-110-10-319-000 | <b>Penalties Revenue</b>        | 3,500.00               | -                    | 335.36               | 335.36                     | 3,164.64             |
| 240-12-110-40-342-000 | <b>Uniform Fire Code Fee</b>    | 100,000.00             | 5,350.00             | 3,540.00             | 8890                       | 91,110.00            |
| 101-11-110-10-325-000 | <b>SB-1186- State Tax</b>       | 4,000.00               | 776.00               | 348.00               | 1124                       | 2,876.00             |
| 101-11-110-10-322-000 | <b>Transient Occupancy Tax</b>  | 140,000.00             | 149,426.54           | 73,905.84            | 223332.38                  | (83,332.38)          |
| 101-11-110-10-332-000 | <b>Cannabis - Cultivation</b>   | -                      | 264,711.17           | 93,243.00            | 357954.17                  | (357,954.17)         |
| 101-11-110-10-333-000 | <b>Cannabis - Manufacturing</b> | 7,000.00               | 814.00               | 991.21               | 1805.21                    | 5,194.79             |
| 101-11-110-10-335-000 | <b>Cannabis - Retail</b>        | 593,000.00             | 147,796.45           | 4,133.42             | 151929.87                  | 441,070.13           |
| 101-11-110-10-336-000 | <b>Cannabis - Distribution</b>  | 400,000.00             | 20,912.92            | 456.02               | 21368.94                   | 378,631.06           |
|                       |                                 |                        |                      |                      |                            |                      |
|                       | <b>Total</b>                    | <b>\$ 1,842,500.00</b> | <b>\$ 645,869.34</b> | <b>\$ 198,953.42</b> | <b>\$ 844,822.76</b>       | <b>\$ 997,677.24</b> |



**CITY OF COACHELLA  
53-990 ENTERPRISE WAY  
COACHELLA CA 92236**

***CODE ENFORCEMENT &  
ANIMAL CONTROL***

***QUARTERLY REPORT***

***Oct. 1, 2021 to Dec. 31, 2021***

Prepared By:  
Jessica Navarro

## Code Enforcement Summary Report

### Report Criteria:

| Status | Assigned To | Census Tract | Violation | Initiation | Open Date Range               | Follow up Date Range | Close Date Range |
|--------|-------------|--------------|-----------|------------|-------------------------------|----------------------|------------------|
| All    | All         |              | All       | All        | From 10/01/2021 To 12/31/2021 | From To              | From To          |

### CE Totals

|               | Total      | Closed Cases | Open Cases |
|---------------|------------|--------------|------------|
| <b>Totals</b> | <b>112</b> | <b>90</b>    | <b>22</b>  |

### CE Cases by Employee

| Total      | Closed Cases | Open Cases |
|------------|--------------|------------|
| 24         | 19           | 5          |
| 88         | 71           | 17         |
| <b>112</b> | <b>90</b>    | <b>22</b>  |

### CE Cases by Violation

| Violation   | Total Violations | Closed Violations | Open Violations |
|---|------------------|-------------------|-----------------|
|   | 7                | 6                 | 1               |
| 10.08.060 - Working on parked vehicles                        | 3                | 3                 | 0               |
| 10.20.010(18)Abandoned/Inoperable/Dismantled vehicle(s).      | 12               | 10                | 2               |
| 12.12.050 - Duty to maintain sidewalks.                       | 0                | 0                 | 0               |
| 12.16.030 - Permit required/CURB CUTS AND DRIVEWAYS           | 0                | 0                 | 0               |
| 12.42.030 - Unlawful camping.                                 | 12               | 10                | 2               |
| 12.42.040 - Storage of personal property on public property.  | 2                | 2                 | 0               |
| 13.03.044 Wasting water prohibited.                           | 0                | 0                 | 0               |
| 13.03.208 - Access to water meter.                            | 0                | 0                 | 0               |
| 13.03.306 Expiration or Extension of Permit                   | 0                | 0                 | 0               |
| 15.04.020 (A) Concrete Flat Work, Shades & Storage Containers | 1                | 0                 | 1               |
| 15.44.010 Building Numbering/Required                         | 0                | 0                 | 0               |
| 15.60.010 Building Permit Required                            | 6                | 3                 | 3               |
| 15.60.050 - Substandard buildings and housing.                | 0                | 0                 | 0               |
| 15.66.010 Seismic Hazard Mitigation                           | 0                | 0                 | 0               |
| 17.16.020 - Permitted uses.                                   | 0                | 0                 | 0               |
| 17.16.030(C)(5)-Property development standards. Walls/Fences  | 1                | 1                 | 0               |
| 17.48.020 Display of merchandised out of doors.               | 0                | 0                 | 0               |
| 17.54.010 (N)(2) Parking and Storage in Residential Zones.    | 9                | 8                 | 1               |
| 17.54.010.(N)(3)  | 0                | 0                 | 0               |

|  |    |   |   |
|--|----|---|---|
| 17.54.020 - Permitting of certain garage conversions to residential living space ("garage conversions"). | 1  | 1 | 0 |
| 17.56.010(J)(2)(B) - Signs   | 1  | 1 | 0 |
| 17.58.010 - Home occupations   | 1  | 1 | 0 |
| 17.60.010 (F)(4) Accessory structures  | 0  | 0 | 0 |
| 17.60.010 (G) - Trailers Outside Camps   | 0  | 0 | 0 |
| 17.60.010 - Property development standards. (Fence)  | 1  | 0 | 1 |
| 17.60.010 Property Development Standards 9D)(3)(a) Yards   | 0  | 0 | 0 |
| 17.60.010(3)(e) Development Standards  | 0  | 0 | 0 |
| 17.74.010 (D)(3) Conditional Uses  | 0  | 0 | 0 |
| 17.84 Medical Cannabis Dispensaries.   | 0  | 0 | 0 |
| 17.84 Medical Cannabis Dispensaries. 17.84.030 - Prohibited activities.                                  | 0  | 0 | 0 |
| 17.84 Medical Cannabis Dispensaries. 17.84.040 - Prohibited activities declared a public nuisance.       | 0  | 0 | 0 |
| 17.84 Medical Cannabis Dispensaries. 17.84.050 Penalties for Violations                                  | 0  | 0 | 0 |
| 2.08.060 (A) - Political sign regulations.   | 0  | 0 | 0 |
| 2.08.060 (B) - Political sign regulations  | 0  | 0 | 0 |
| 2.08.060 (C) - Political sign regulations  | 0  | 0 | 0 |
| 2.08.060 (D) - Political sign regulations  | 0  | 0 | 0 |
| 2.08.060 (E) - Political sign regulations  | 0  | 0 | 0 |
| 3.10.010 (D) (16) Visibility Hazard  | 0  | 0 | 0 |
| 3.10.010 (D) (27) Public Burning   | 0  | 0 | 0 |
| 3.10.010 (D)(10) Termites, Insects, Vermin or Rodents.   | 0  | 0 | 0 |
| 3.10.010 (D)(12) Abandon or Vacated Building/Structure   | 0  | 0 | 0 |
| 3.10.010 (D)(13) Offensive Odors   | 0  | 0 | 0 |
| 3.10.010 (D)(15) Hazardous Substances and Waste  | 6  | 5 | 1 |
| 3.10.010 (D)(18)   | 0  | 0 | 0 |
| 3.10.010 (D)(19)   | 0  | 0 | 0 |
| 3.10.010 (D)(20) Swmng Pools, Ponds and Other Bodies of Wtr.   | 1  | 1 | 0 |
| 3.10.010 (D)(23)Public Nuisances/Safety Hazard   | 12 | 9 | 3 |
| 3.10.010 (D)(24) Disruptive Activities   | 2  | 2 | 0 |
| 3.10.010 (D)(25) Land Use Entitlements.  | 0  | 0 | 0 |
| 3.10.010 (D)(3) Weeds  | 4  | 4 | 0 |
| 3.10.010 (D)(31) Animal Manure   | 0  | 0 | 0 |
| 3.10.010 (D)(36) Signs   | 0  | 0 | 0 |
| 3.10.010 (D)(38) - Maintenance and abatement of nuisances.   | 1  | 1 | 0 |
| 3.10.010 (D)(4) - Trees and Shrubs   | 4  | 4 | 0 |

|  |    |    |   |
|--|----|----|---|
| 3.10.010 (D)(44)Public Nuisances/Rubbish, Refuse and Dirt  | 17 | 8  | 9 |
| 3.10.010 (D)(8) -Maintenance of Private Driveways  | 0  | 0  | 0 |
| 3.10.010(35) Water Disp[osal   | 0  | 0  | 0 |
| 3.10.010(D)(11)-Sewage.  | 0  | 0  | 0 |
| 3.10.010(D)(15)-Hazardous Substances and Waste.  | 0  | 0  | 0 |
| 3.10.010(D)(16)-Visibility Hazard.   | 0  | 0  | 0 |
| 3.10.010(D)(19)-Visual Blight  | 11 | 10 | 1 |
| 3.10.010(D)(20)-Swmng Pools, Ponds and Other Bodies of Wtr.  | 0  | 0  | 0 |
| 3.10.010(D)(21)-Public Toilets.  | 0  | 0  | 0 |
| 3.10.010(D)(22)-Privies.   | 0  | 0  | 0 |
| 3.10.010(D)(25)-Land Use Entitlements.   | 0  | 0  | 0 |
| 3.10.010(D)(27)-Public Burning.  | 0  | 0  | 0 |
| 3.10.010(D)(28)-Air Pollution.   | 0  | 0  | 0 |
| 3.10.010(D)(29) Mosquito Breeding Places.  | 1  | 1  | 0 |
| 3.10.010(D)(30)Discharge of Sewage   | 0  | 0  | 0 |
| 3.10.010(D)(31)-Animal Manure  | 0  | 0  | 0 |
| 3.10.010(D)(32)-Hauling of Offensive Substances  | 0  | 0  | 0 |
| 3.10.010(D)(33)-Clothes Lines.   | 0  | 0  | 0 |
| 3.10.010(D)(34)Stormwater Drainage   | 0  | 0  | 0 |
| 3.10.010(D)(35)-Water Disposal.  | 2  | 2  | 0 |
| 3.10.010(D)(36)-Signs.   | 0  | 0  | 0 |
| 3.10.010(D)(37)-Encroachment.  | 0  | 0  | 0 |
| 3.10.010(D)(38)-Municipal Code Violations.   | 0  | 0  | 0 |
| 3.10.010(D)(39)-California Civil Code.   | 0  | 0  | 0 |
| 3.10.010(D)(40)-California Red Light Abatement Act.  | 0  | 0  | 0 |
| 3.10.010(D)(41)-California Drug Abatement Act.   | 0  | 0  | 0 |
| 3.10.010(D)(42)-State Housing Law.   | 0  | 0  | 0 |
| 3.10.010(D)(43)-Weed Abatement.  | 0  | 0  | 0 |
| 3.10.010(D)(6)Parking on Yard Off Driveway   | 0  | 0  | 0 |
| 3.10.010(D)(7) Occupied Vehicles   | 2  | 2  | 0 |
| 3.16.090 - Failure to comply with notice of violation.   | 9  | 2  | 7 |
| 5.80.100 - Operational requirements and performance standards established.<br>(Short Term Rentals) | 0  | 0  | 0 |
| 7.04.040 - Prohibited noise generally.   | 1  | 1  | 0 |
| 8.20.040(C)Dust Control requirements   | 0  | 0  | 0 |
| 8.44.010 - Collection by city or agent only.   | 0  | 0  | 0 |
| 8.44.070 Commercial Garbage Collection and Disposal  | 0  | 0  | 0 |

|   |   |   |   |
|---|---|---|---|
| 8.48.030 (B)Graffiti Prohibited   | 2 | 2 | 0 |
| 8.60 - REGISTRATION AND MAINTENANCE OF ABANDONED PROPERTIES   | 0 | 0 | 0 |
| 8.60.040 Registration of Abandoned Property   | 0 | 0 | 0 |
| 8.60.050 - Abandoned Property Maintenance requirements.   | 0 | 0 | 0 |
| 8.64.050 - Vacant Property Maintenance Requirements   | 1 | 0 | 1 |
| Abandoned/Inoperable/Dismantled vehicle(s)  | 3 | 3 | 0 |
| Business License Required   | 4 | 4 | 0 |
| Business Subject to Miscellaneous Tax Rates/Transportation, Trucking and Towing                             | 0 | 0 | 0 |
| Display of merchandise out of Door  | 0 | 0 | 0 |
| Garbage Containers  | 4 | 3 | 1 |
| Illegal Dumping   | 6 | 5 | 1 |
| Illegal, Nonconform. Building or Structure(s)   | 2 | 1 | 1 |
| Manner of Parking /Parallel Parking   | 2 | 2 | 0 |
| Manner of Parking/Angle Parking   | 0 | 0 | 0 |
| Manner of Parking/Commercial Vehicles Prohibited from Parking on Private Property and Public Rights-of-Ways | 3 | 3 | 0 |
| NEC 380-9 Electrical, (e) Outlet faceplates/covers in place   | 0 | 0 | 0 |
| NFPA 13-4-2.5.1 Automatic Fire Sprinklers Systems,(c) 18" clearance below heads                             | 0 | 0 | 0 |
| Parking on yard/off driveway  | 6 | 5 | 1 |
| Parking Requirements/General Provisions   | 0 | 0 | 0 |
| Parking Requirements/Surface of Parking Area  | 0 | 0 | 0 |
| Permit for Outdoor Advertising Signs  | 0 | 0 | 0 |
| Prkg. Lot Striping/Handicap Markings  | 0 | 0 | 0 |
| Prohibited Stopping, Standing or Parking/On a Crosswalk   | 0 | 0 | 0 |
| Prohibited Stopping, Standing or Parking/Within an Intersection   | 0 | 0 | 0 |
| Property Development Standards/Maintenance  | 0 | 0 | 0 |
| Public Nuisances / Animals  | 3 | 3 | 0 |
| Public Nuisances / Attractive Nuisances   | 6 | 4 | 2 |
| Public Nuisances / Fire Hazard  | 6 | 6 | 0 |
| Public Nuisances / Landscaping  | 3 | 2 | 1 |
| Public Nuisances / Trees and Shrubs   | 8 | 7 | 1 |
| Service Stations/Intent and Purpose   | 0 | 0 | 0 |
| Service Stations/Landscaping  | 0 | 0 | 0 |
| Service Stations/Parking  | 0 | 0 | 0 |
| Set up Temporary Sales Location   | 0 | 0 | 0 |

|  |   |   |   |
|--|---|---|---|
| Signs-All signs and sign programs shall be subject to review and approval                      | 0 | 0 | 0 |
| Special Event/Sales Permit Required  | 0 | 0 | 0 |
| Special Event/Sales Signs  | 0 | 0 | 0 |
| Stopping, Standing and Parking/Public or Private Driveway                                      | 2 | 2 | 0 |
| Stopping, Standing or Parking/Sidewalk   | 6 | 5 | 1 |
| Termites, Insects, Vermin or Rodents   | 0 | 0 | 0 |
| Termites, Insects, Vermin or Rodents   | 0 | 0 | 0 |
| Title 19, Subchapter 5-Hood and Duct Systems,(a) Serviced within 6 months                      | 0 | 0 | 0 |
| Trimming palm trees--Required  | 3 | 3 | 0 |
| UBC 3304(c)-"This Door To Remain Unlocked During Business Hours"                               | 0 | 0 | 0 |
| UBC 3313(b)-(f) Emergency lighting operable  | 0 | 0 | 0 |
| UBC 3314(c)-(b) Illuminated EXIT sign operable   | 0 | 0 | 0 |
| UBC 3315(b)-(c) 44' clear access aisle width to exits  | 0 | 0 | 0 |
| UFC 10.206(a)-(b) Obstruction  | 0 | 0 | 0 |
| UFC 10.206(b)-Hydrant,(c) Red curb-15' each side   | 0 | 0 | 0 |
| UFC 10.207(1)-Fire Apparatus Access Roads,(a) Red curb on signs                                | 0 | 0 | 0 |
| UFC 10.207-Fire Apparatus Access Roads.(b) Obstruction   | 0 | 0 | 0 |
| UFC 10.208(a)-Premises Identification,   | 0 | 0 | 0 |
| UFC 10.301(a)-Fire Extinguishers,(a) Minimum 2A10BC  | 0 | 0 | 0 |
| UFC 10.301(a)-Fire Extinguishers,(e) Commercial kitchen 40BC.                                  | 0 | 0 | 0 |
| UFC 10.302(a)-Fire Extinguishers,(b) Servicing due   | 0 | 0 | 0 |
| UFC 10.313(b)-Hood and Duct Systems,(b) Proper nozzle position, caps, coverage                 | 0 | 0 | 0 |
| UFC 10.313(c)-Hood and Duct Systems,(c) Automatic gas/electric shut off                        | 0 | 0 | 0 |
| UFC 10.313(e)  | 0 | 0 | 0 |
| UFC 10.313(e)-Hood and Duct Systems,(d) Fuseable links, cables, conduits                       | 0 | 0 | 0 |
| UFC 10.401   | 0 | 0 | 0 |
| UFC 10.401-Walls and Ceilings,(a) Holes sealed   | 0 | 0 | 0 |
| UFC 10.402(a)-Exits,(e) Maintain fire rated doors, windows, dampers, and hardware              | 0 | 0 | 0 |
| UFC 11.201(b)-General Housekeeping,(a) Rubbish/trash buildup                                   | 2 | 1 | 1 |
| UFC 11.203(b)-General Housekeeping,(d) Storage not within 24" of ceiling                       | 0 | 0 | 0 |
| UFC 11.203(c)-General Housekeeping,(g) Storage in boiler, mech., elect. panel rooms prohibited | 0 | 0 | 0 |
| UFC 11.205(a)-General Housekeeping,(h) Candles used in approved manner                         | 0 | 0 | 0 |
| UFC 12.103(a)-Exits,(d) Exit obstruction   | 0 | 0 | 0 |
| UFC 12.106(c)-General Housekeeping,(e) Storage under stairs prohibited                         | 0 | 0 | 0 |

|  |            |            |           |
|--|------------|------------|-----------|
| UFC 12.203(a)-Occupant Limit/Sign,(a) Occupant load sign(s) posted         | 0          | 0          | 0         |
| UFC 12.207-General Housekeeping,Storage in attic space prohibited          | 0          | 0          | 0         |
| UFC 13.103-Occupant Limit/Sign,(b) Required NO SMOKING signs               | 0          | 0          | 0         |
| UFC 74.107(a)  | 0          | 0          | 0         |
| UFC 79.201(e)-Flammable Liquids -(a) Approved safety cans under 10 gal.    | 0          | 0          | 0         |
| UFC 79.107-Flammable Liquids,(c) Legible labeling                          | 0          | 0          | 0         |
| UFC 79.201(e)-Flammable Liquids,(b) Approved cabinet exceeding 10 gal.     | 0          | 0          | 0         |
| UFC 85.104 (c)-Electrical,(c) Abatement of electrical hazards              | 1          | 1          | 0         |
| UFC 85.104 (f)-Electrical,(f) Cover open space in circuit breaker panel    | 1          | 1          | 0         |
| UFC 85.106-Electrical,(d) Exten. cords not allowed as permanent wiring     | 2          | 2          | 0         |
| UFC 85.107-Electrical,(a) Zip cords/cube adapters not allowed              | 0          | 0          | 0         |
| UFC 85.108-Electrical,(b) Min. 30" clear access to circuit breaker         | 0          | 0          | 0         |
| UFC Stand. No. 10-1-6.9-Fire Extinguishers,(c) Mounted 3-5 feet from floor | 0          | 0          | 0         |
| UFC Standard No. 10-1-6.5-Fire Extinguishers,(d) Obstruction               | 0          | 0          | 0         |
| UMC 504(a)-General Housekeeping,(c) 36" clearance around water heater      | 0          | 0          | 0         |
| Weed Abatement   | 15         | 7          | 8         |
| <b>Totals</b>  | <b>221</b> | <b>170</b> | <b>51</b> |



**County of Riverside  
Department of Animal Services  
Coachella City 2nd Quarter Field Service Report**

Item 25.

| Field Services Impound Statistics    |                 | Dec-21    | QTR 10/1/2021 - 12/31/2021) |
|--------------------------------------|-----------------|-----------|-----------------------------|
| <b>Total Canines Impounded</b>       |                 | <b>24</b> | <b>73</b>                   |
|                                      | Owner Turn-Ins  | 0         | 0                           |
|                                      | Stray           | 23        | 71                          |
|                                      | Dead on Arrival | 1         | 2                           |
| <b>Total Felines Impounded</b>       |                 | <b>12</b> | <b>68</b>                   |
|                                      | Owner Turn-Ins  | 0         | 0                           |
|                                      | Stray           | 4         | 48                          |
|                                      | Dead on Arrival | 8         | 20                          |
| <b>Total Other Animals Impounded</b> |                 | <b>2</b>  | <b>5</b>                    |
|                                      | Owner Turn-Ins  | 0         | 0                           |
|                                      | Stray           | 0         | 2                           |
|                                      | Dead on Arrival | 2         | 3                           |

| Field Services Activities                   |  | Dec-21    | QTR 10/1/2021 - 12/31/2021) |
|---|--|-----------|-----------------------------|
| <b>Number of Requests for Service</b>       |  | <b>74</b> | <b>185</b>                  |
| <b>Number of Animal Bite Calls</b>          |  | <b>4</b>  | <b>12</b>                   |
| <b>Number of sick/injured animal calls</b>  |  | <b>6</b>  | <b>18</b>                   |
| <b>Vicious Animal (imminent danger)</b>     |  | <b>12</b> | <b>29</b>                   |
| <b>Cruelty/Neglect Calls</b>                |  | <b>3</b>  | <b>4</b>                    |
| <b>Total Citations</b>                      |  | <b>6</b>  | <b>16</b>                   |
| <b>Total Licenses</b>                       |  | <b>47</b> | <b>139</b>                  |
| <b>Number of Nuisance animal Complaints</b> |  | <b>1</b>  | <b>1</b>                    |

# City of Coachella

## Development Status Report

### January, 2022



*Prepared By:*  
*Development Services Department*  
*Gabriel Perez, Development Services Director*  
*Nikki Gomez, Associate Planner*  
*Rosa Montoya, Planning Technician*  
*Jocelyn Kane, Cannabis Liaison*

**Coachella Permit Center**  
53-990 Enterprise Way  
Coachella, CA 92236  
(760) 398-3102 Fax (760) 398-5421  
[www.coachella.org](http://www.coachella.org)

\*Cannabis-related businesses/developments are identified in green text.

# City of Coachella

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|  | <i>Case</i>                        | <i>No.</i>                              | <i>Name / Description</i>  | <i>Location</i>   | <i>Contact Person</i>  | <i>Approval Date &amp; Status</i>   |
|--|------------------------------------|---|--|---|--|---|
|  | AR<br>EA                           | 14-02<br>14-03                          | <u>Double Date Packing Facility</u><br>Construct new 35,500 sq. ft. date packing facility  | 86301 Industrial Way<br>APN 763-131-061                     | Steven Gilfenbain<br>9777 Wilshire Blvd., #900<br>Beverly Hills, CA. 90212<br>(310) 651-2591                                 | PC approved 12/17/14<br>1 <sup>st</sup> Phase Complete  |
|  | AR                                 | 16-04                                   | <u>Truck Storage</u><br>To develop a vehicle storage yard in the M-S Zone on 3.10 acres.   | 49-640 Oates Lane   | Julia Molinar<br>P.O. Box 3091<br>Indio, CA. 92201<br>(760) 578-2108   | PC Approved 4/20/16<br>1 <sup>st</sup> Phase Complete (Off-site improvements pending)   |
|  | AR<br>TPM<br>CZ<br>EA<br>CUP<br>DA | 16-19<br>37209<br>16-03<br>16-06<br>290 | <u>Date Palm Business Park</u><br>To subdivide 80 acres into a multi-tenant industrial park.   | East of Harrison Street,<br>North and South of<br>Avenue 49 | Wesley Ahlgren<br>Sundate/Anthony Vineyards<br>P O Box 9578<br>Bakersfield CA<br>93389-9578<br>(760)406-4060                 | PC Approved 10/18/17<br>CC Approved 12/13/17<br>PC Approved (DA) 12/20/18<br>CC Approved (DA) 1/17/18<br>CC - 1 <sup>st</sup> Final Map 9/14/20 |
|  | AR<br>DA                           | 17-07                                   | <u>Glenroy Resort - Project A</u><br>To construct a 76-unit Bungalow-Style Hotel with 160,656 sq. ft. on 24.43 acres in the CG zone.     | SE Corner of Avenue 48<br>and Van Buren Street              | Glenroy Coachella, LLC<br>1801 S. La Cienega Blvd.<br>Los Angeles CA 90035<br>(310) 207-6990                                 | PC Approved 6/7/17<br>CC Approved (DA) 10/11/17<br>(Ord 1110)<br><br>Construction Stalled   |
|  | AR<br>CZ<br>VAR                    | 17-12<br>17-02<br>17-06                 | <u>Coachella Village</u><br>To construct a new 242-unit multifamily residential project on 9.69 acres                                    | South side of Ave 48,<br>west of Van Buren St               | David Schuman<br>Coachella Village Partners, LLC<br>1014 S. Westlake Bl Ste 14<br>Westlake Village CA 91361<br>(213)321-9689 | PC Approved 11/15/17<br>CC Approved 1/17/18<br><br>Plans Approved   |
|  | AR                                 | 18-05                                   | <u>Coachella Village - Phase #2</u><br>To construct a new 110-unit multifamily residential gated community on 4.51 acres of vacant land. | South side of Ave 48,<br>west of Van Buren St               | David Schuman<br>Coachella Village Partners, LLC<br>1014 S. Westlake Bl Ste 14<br>Westlake Village CA 91361<br>(213)321-9689 | PC Approved 10/17/18<br><br>Plans Approved  |
|  | AR                                 | 18-10                                   | <u>Golden State Energy Services</u>  | NE Corner Polk St. and                                      | Golden State Energy Services   | Plans Approved  |

# City of Coachella

## Development Status Report

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|--|----------|------------------|--|---|--|---|
|  |          | (Admin)          | Construct new electrical substation  | Industrial Way  | 3421 Gato Ct.<br>Riverside CA 92507<br>(951) 906-9865  |   |
|  | AR       | 18-11            | <u>Pueblo Viejo Plaza</u><br>Construct new 6,900 sq. ft. commercial center with two restaurants and retail suite.                                | Northwest corner of 9 <sup>th</sup> St. and Grapefruit Blvd.      | Pedro Padilla<br>49305 Grapefruit Blvd<br>Coachella, CA. 92236<br>(760) 972-2441                   | PC Approved 4/17/19<br><br>Under Construction |
|  | AR       | 19-01            | <u>Oraway Engineering</u><br>To construct a new 825 sq. ft. office and contractor yard on 2.89 acres.  | 54-101 Enterprise Way   | Armando Bravo<br>83-850 Corte Solis<br>Coachella, CA. 92236<br>(760) 791-4383                      | PC Approved 4/17/19<br><br>Under Construction |
|  | AR       | 19-02            | <u>Guardado Commercial Center</u><br>To construct a new 22,300 sq. ft. multi-tenant retail/office complex on 1 acre                              | Southeast Corner of Valley Rd. and Cesar Chavez Street            | Jual Carlos Guardado<br>82204 Hwy 111 Ste A<br>Indio, CA. 92201<br>(760) 578-3669                  | PC Approved 8/7/19<br><br>In Plan Check       |
|  | AR       | 19-03<br>(Admin) | <u>Vista Escondida – Phase 3</u><br>Review of 3 production home models ranging in size from 1,378 sq. ft. to 1,874 sq. ft.                       | North side of Avenue 54 east of Cesar Chavez Street (Tract 32264) | Mario Alberto Ornelas<br>2280 Wardlow Circle Ste 100<br>Corona CA 92880                            | Approved 8/27/19<br><br>Under Construction    |
|  | AR<br>CZ | 19-06<br>19-01   | <u>Villa Verde Apartments</u><br>To construct 152 multifamily apartments on 9.25 acres of vacant land.   | 84-824 Calle Verde (SW Corner of Calle Techa & Calle Verde)       | Villa Verde I., LP<br>1149 S. Hill St Suite 700<br>Los Angeles CA 90015<br>(213) 255-2815          | Director Approved 2/20/20                     |
|  | AR       | 19-08            | <u>Pueblo Viejo Villas</u><br>To construct of new 3-story mixed use building with 105 dwelling units and 3,000 sq. ft. of commercial and Transit | NE Corner of Cesar Chavez Street, and 6 <sup>th</sup> St          | Dave Davis<br>Chelsea Investment Corp<br>6339 Paseo Del Lago<br>Carlsbad CA 92011<br>(619)987-7780 | PC Approved 1/15/20<br><br>Under Construction |

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|--|-----------|------------------|--|--|---|--|
|  |           |                  | Hub  |  |   |  |
|  | AR<br>TPM | 19-10<br>37833   | <u>CV Apartments</u><br>To demolish 50 dwellings and construct 110 new multifamily apartments with community building, in two phases with a lot split subdivision. | 84-900 Bagdad Avenue   | Vincent Nicholas<br>Community Housing Opportunities<br>5030 Business Center Drive Suite<br>Fairfield CA 94534<br>(707)759-6043 ext. 112 | PC Approved 2/5/20<br>CC Approved 3/11/20<br><br>Final Map Recorded<br>In Plan Check |
|  | AR        | 19-11<br>(Admin) | <u>Valencia by Pulte Homes</u><br>Review of 3 production home models ranging in size from 1,959 sq. ft. to 2,824 sq. ft.   | East side of Van Buren Street south of Avenue 50 (Tract 31698) | Cole Theel<br>Pulte Homes<br>27-401 Los Altos<br>Mission Viejo CA 92691   | Director Approved 2/14/20<br><br>Completed   |
|  | AR        | 20-05<br>(Admin) | <u>New SFR Home</u><br>Construct new 1,775 sq. ft. 4 bedroom, 2 bath homes with attached garage  | 52878 Calle Camacho  | Juan Carlos Lopez<br>52443 Calle Avila<br>Coachella CA 92236<br>(760)619-8680   | Director Approved 8/13/20  |
|  | AR        | 20-10<br>(Admin) | <u>Meza Storage Shed</u><br>Construct new 6,000 sq. ft. storage shed on the site of a wholesale palm tree nursery.   | Southeast Corner of Vista Del Sur and Tyler Street             | Nicolas Meza<br>50580 Calle Mendoza<br>Coachella CA 92236<br>(760)541-9034  | Director Approved 2/10/21  |
|  | AR        | 21-01<br>(Admin) | <u>Nova Homes DBA Inland Builders</u><br>Review of three (3) production homes for final phase of Rancho Mariposa   | NW Corner of Ave. 50 and Frederick Street                      | Nicolas Meza<br>50580 Calle Mendoza<br>Coachella CA 92236<br>(760)541-9034  | Pending  |
|  | AR        | 21-02<br>(Admin) | <u>Cathron Residence</u><br>Construct new 1,659 sq. ft. single family residence with   | 84-499 Calle Cathron   | Gabriel Gonzalez<br>43-738 Commanche St<br>Indio CA 92201   | Pending  |

# City of Coachella

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|  |                               |   | attached garage.  |  | (760)574-0601   |  |
|  | AR                            | 21-04                                   | <u>Ocean Mist</u> Proposed 3.99 acre outdoor box storage  | 86709 and 86790 Ave 52   | Christopher Drew<br>52300 Enterprise Way<br>Coachella, CA 92236   | Admin. Approval 8/18/21  |
|  | AR                            | 21-06                                   | <u>29 Palms Band of Mission Indians Temporary Event</u> Parking Proposed event parking on 26 acres.                     | Portion of Planning Area 1 of the Shadow View Specific Plan (APN 603-102-021, 603-110-016, 603-102-029, 603-102-037, 603-102-003, 603-102-002) | Twenty Nine Palms Band of Mission Indians<br>46-200 Harrison Place<br>Coachella, CA 92236                   | Pending<br>Application deemed incomplete   |
|  | CZ<br>EA                      | 20-07<br>20-04                          | <u>B-4 Ranch Change of Zone</u> City-Initiated Change of Zone for 5 <sup>th</sup> Cycle Housing Element                 | North side of Ave. 52, east and west of Education Way  | City of Coachella<br>53-990 Enterprise Way<br>Coachella, CA 92236<br>(760) 398-3502                         | PC Recommended Approval 05-05-21<br>CC approved 6/9/21   |
|  | CUP<br>AR                     | 254<br>(Mod)<br>12-07                   | <u>Gateway AM/PM Project</u> Construct carwash, drive-thru restaurant modification                                      | Southwest corner of Ave. 48 and Grapefruit Blvd.   | The Chandi Group USA<br>P.O. Box 2817<br>Indio, CA. 92202<br>(760) 396-9260                                 | PC approved 10/21/15<br><br>Complete   |
|  | CUP<br>EA<br>DA               | 265<br>15-07                            | <u>Cultivation Technologies</u><br>To develop a 111,000 sq. ft. multi-tenant medical cannabis cultivation facility.     | 84-811 Avenue 48   | Michael Meade<br>Desert Rock Development<br>72100 Magnesia Falls<br>Rancho Mirage CA 92270<br>(760)837-1880 | PC Approved 7/6/16<br>CC Approved (DA) 7-27-16<br>PC Approved Mod.-12/19/19<br><br><u>Project Re-Entitled as:</u><br>Desert Research Park #4 |
|  | CUP<br>AR<br>TTM<br>TPM<br>EA | 266<br>16-03<br>37040<br>37083<br>16-01 | <u>Coachella Vineyards Luxury RV Park</u><br>To develop a 185-Lot RV Park and subdivision on 29.41 acres of vacant land | NE Corner of Tyler Street and Vista Del Norte  | Patty Nugent<br>Coachella Vineyards Luxury RV Park, LLC<br>45-920 Meritage Lane<br>Coachella, CA. 92236     | PC Approved 7/18/18<br>CC Approved 9/26/18<br>PM Approved 4/10/19 Reso-2019-23<br><b>1 Yr. Ext 9/26/21 (TTM)</b>                             |

# City of Coachella

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|--|-------------------------------|---------------------------------------|---|---|---|---|
|  |                               |                                       |   |   | (760) 289-5279  | <b>37083)</b><br><b>AB 1561 Ext to 3/26/23</b><br><b>AR 16-03 and CUP 266</b><br><b>Expires 3/26/2022</b> |
|  | CUP<br>CUP<br>AR<br>TTM<br>EA | 267<br>268<br>16-05<br>37088<br>16-02 | <u>Ravella - To develop 20 acres</u><br>Planned Development with a service station on 5 acres of Neighborhood Commercial center, and 115 residences on 15 acres.                                | NW Corner of Avenue 50 & Calhoun Street | Tower Energy Group<br>1983 W. 190 <sup>th</sup> St., Ste. 100<br>Torrance, CA. 90504<br>(310) 535-8000                      | P.C. Approved 6/15/16<br>CC Approved 7/13/16<br><br>Phase 2 Under Construction                            |
|  | CUP                           | 268<br>(Mod.)                         | <u>Borrego Health</u> To modify the Ravella/Tower Energy Planned Development to allow a new 40,919 sq. ft., 2-story, medical clinic with 294 parking spaces on approx. 4 acres in Tract 37088-1 | NW Corner of Avenue 50 & Calhoun Street | Tower Energy Group<br>1983 W. 190 <sup>th</sup> St., Ste. 100<br>Torrance, CA. 90504<br>(310) 535-8000                      | P.C. Approved 4/17/19<br><br>Under Construction   |
|  | CUP<br>AR                     | 275<br>16-14                          | <u>Mosque &amp; Assembly Hall</u><br>To construct a new 20,260 square foot mosque to be built in two phases.  | 84-650 Avenue 49                        | <u>Shakil Patel</u><br>25982 Hinkle St<br>Loma Linda CA 92354<br>(909)796-0300  | PC Approved 12-21-16<br><br>Grading Permit Issued   |
|  | CUP<br>AR<br>EA               | 276<br>16-18<br>16-05                 | <u>Coachella Warehouses</u><br>To construct a 255,800 sq. ft. multi-tenant medical cannabis cultivation facility  | 84-851 Avenue 48                        | <u>Kevin Stumm</u><br>PCC Industrial/Commercial<br>760 Garden View Court, Suite 200<br>Encinitas, CA 92024<br>(760)452-8075 | PC Approved 12/21/16<br>CC Approved 02/08/17<br><br>Phase 1 Complete                                      |
|  | CUP<br>AR<br>VAR              | 278<br>17-02<br>17-03                 | <u>Kismet Organic</u><br>To construct a phased 77,400 sq. ft. medical cannabis cultivation facility.  | 48-050 Harrison Street                  | Ed Sapigao<br>5151 California Ave Ste 100<br>Irvine CA 92617<br>(949)280-4782   | PC Approved 7/19/17<br>CC (Appeal) Approved 9/27/17<br><br>Under Construction                             |

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|--|------------------------|--------------------------------|--|--|---|--|
|  | CUP<br>CUP<br>CUP      | 284<br>285<br>286              | <u>Mobilitie Mono-Pole</u><br>To install 3 new wireless communications poles in the street right-of-way  | SEC of Ave 52 & Tyler<br><br>SWC Ave 50 & Harrison<br><br>NWC Westerfield & Harrison | Robert Lewis<br>Mobilitie, LLC<br>2955 Red Hill Ave Ste 200<br>Costa Mesa CA 92626<br>(951) 212-5825                          | PC Approved 12/21/17<br><br>CUP 284 Withdrawn  |
|  | CZ<br>CUP<br>AR<br>EA  | 17-01<br>279<br>17-03<br>17-01 | <u>Coachella Green LLC</u><br>To construct a phased 833,829 sq. ft. medical cannabis industrial park.  | 86-601 Industrial Way  | <u>Barry Walker</u><br>1933 S. Broadway No. 806<br>Los Angeles CA 90007<br>(323) 997-9914                                     | PC Approved 11/15/17<br>CC Approved 11/29/17<br>1 <sup>st</sup> 12-month time extension 11/29/2019<br>PC Approved 24 month retroactive time extension 11/18/20 – Expired 11/29/21<br>Project under new Ownership |
|  | CUP<br>AR              | 289<br>17-11                   | <u>Coachella Brands</u><br>To construct a new 91,948 sf cannabis cultivation facility in the MW zone.  | 84-805 Ave. 48   | <u>Richard O'Connor</u><br>2 Curie Ct<br>Rancho Mirage CA 92270<br>(760)409-6464  | AR Approved 8/30/17<br>CUP Approved 11/1/17<br><br>Interim Use In Operation  |
|  | CUP<br>AR<br>TPM<br>EA | 280<br>17-04<br>37266<br>17-02 | <u>Coachella Research Park #2</u><br>To develop an 833,829 sq. ft. multi-tenant medical cannabis cultivation facility, with industrial condo lots, on 20 acres in the MW zone. | 48-451 Harrison Street   | <u>Michael Meade</u><br>Desert Rock Development<br>72-100 Magnesia Falls Dr. Ste 2<br>Rancho Mirage CA 92270<br>(760)837-1880 | PC Approved 10/4/17<br>CC Approved 10/25/17<br><br>In Plan Check   |
|  | CUP<br>AR<br>DA        | 280<br>(Mod)<br>17-04<br>(Mod) | <u>Coachella RP #2 (Modified)</u><br>To allow two 3-story industrial buildings (98,520 sf) and four greenhouses (404,308 sf) for cannabis                                      | 48-451 Harrison Street   | <u>Michael Meade</u><br>Desert Rock Development<br>72-100 Magnesia Falls Dr. Ste 2<br>Rancho Mirage CA 92270<br>(760)837-1880 | PC Approved 11/28/18<br>CC Approved 2/13/19<br><br>In Plan Check   |

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|  | VAR                    | 18-05                          | cultivation uses.  |  |   |  |
|  | CUP<br>AR<br>TPM<br>EA | 281<br>17-05<br>37265<br>17-03 | <u>Coachella Research Park #1</u><br>To develop an 311,250 sq. ft. multi-tenant medical cannabis cultivation facility, with industrial condo lots on 11.28 acres in the MW zone. | NE Corner of Ave. 48 and Harrison Street     | <u>Michael Meade</u><br>Desert Rock Development<br>72-100 Magnesia Falls Dr. Ste 2<br>Rancho Mirage CA 92270<br>(760)837-1880 | PC Approved 10/4/17<br>CC Approved 10/25/17<br><br>Grading commenced   |
|  | CUP<br>TPM<br>EA       | 282<br>37333<br>17-04          | <u>REI / Ponte Hotel Project</u><br>To develop a 5.45 acre site with 2 hotels, drive-thru pad, and restaurant.   | NE Corner of Vista Del Norte and Dillon Road | Claudio Ponte<br>726 W. Ventura Blvd Ste F<br>Camarillo CA 93010<br>(805)383-0367   | PC Approved 7/19/17<br>CC Approved 8/9/17<br>Final Map Recorded  |
|  | CUP<br>CUP<br>CZ       | 299<br>300<br>18-03            | <u>HOTN/Sinsemilla Dispensary &amp; Pub Project</u><br>Proposed 1,839 sq. ft. retail cannabis dispensary and 1,432 sq. ft. bar/pub   | 1694 6 <sup>th</sup> Street                  | Pedro Ordoñez<br>6 <sup>th</sup> Street Tap Room<br>45631 Capistrano St<br>Indio CA 92201<br>(760)409-6169                    | PC Approved 3/20/19<br>CC Approved 5/8/19<br>Under Construction  |
|  | CUP                    | 292                            | <u>Verizon Wireless</u><br>To install a new wireless communications pole at Bagdouma Park  | Northeast corner of Frederick St and Ave 52  | Bryce Novak<br>7711 Normal Ave<br>La Mesa CA 91941  | PC Approved 1/31/18<br>Complete  |
|  | CUP<br>AR              | 293<br>17-14                   | <u>Coachella Herb Plantation</u><br>To construct a new 67,240 sf medical cannabis cultivation facility on 3.2 acres in the MW zone.  | 84-801 Ave 48                                | Marcelo Morales<br>84-801 Ave. 48<br>Coachella CA 92236<br>(760)699-1332  | PC Approved 11/28/17<br><i>Time Extension to 11/28/19</i><br><i>Time Extension to 11/28/20</i><br>Interim Use Under Construction |

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|  |                        |                                |  |   |  |  |
|  | CUP                    | 294                            | <u>Chelsea Mixed Use Project</u><br>To establish "PD" land use regulations and development standards for TOD project (105 Apartments w/ 3,000 sf commercial and Transit Hub) | East side of Cesar Chavez Street, north of 6 <sup>th</sup> Street | Walter Heiberg<br>Chelsea Investment Corp<br>6339 Paseo Del Lago<br>Carlsbad CA 92011<br>(760)456-6000 | PC Approved 12/21/17<br>CC Approved 11/29/18<br><br>Modification Approved 1/30/19<br><br>Under Construction  |
|  | CUP<br>AR<br>VAR       | 297<br>18-01<br>18-01          | <u>CoachellaGro Corp.</u><br>To construct a new 257,051 sf cannabis cultivation facility on 10.99 acres of vacant land in the M-W zone.                                      | East side of Harrison Street, South of Ave. 48                    | CoachellaGro Corp.<br>3060 Saturn St #250<br>Brea CA 92821<br>(760)940-0100                            | PC Approved 6/6/18<br><b><i>Time Extension to 6/6/20</i></b>   |
|  | CZ<br>CUP<br>AR<br>VAR | 18-09<br>307<br>18-07<br>18-04 | <u>Polk Cannabis Redevelopment Project</u><br>To construct a new 174,500 sf cannabis cultivation facility on 10 acres of land.   | 53-800 Polk St.   | Peter Solomon<br>53-800 Polk St<br>Coachella CA 92236<br>(760)895-2621                                 | PC Approved 11/7/18<br>CC Approved 12/12/18<br><b><i>Time Extension to March 18, 2021 related to litigation</i></b><br><br>Interim Use in Plan Check |
|  | CUP                    | 301                            | <u>AT &amp; T Wireless Antenna</u><br>To install a new wireless communications mono-palm at 50 ft high   | Jackson Square<br>SE Corner of Jackson St. and Ave. 48            | AT & T c/o Melissa Francisco<br>19519 Jacob Ave.<br>Cerritos CA 90703<br>(562)972-5161                 | PC Approved 9/19/18<br>Under Construction  |
|  | CUP                    | 302                            | <u>AT &amp; T Wireless Antenna</u><br>To install a new wireless communications mono-palm at 50 ft high   | Bagdouma Park<br>51-711 Douma St.                                 | AT & T c/o Melissa Francisco<br>19519 Jacob Ave.<br>Cerritos CA 90703<br>(562)972-5161                 | PC Approved 9/19/18  |
|  | CUP<br>AR<br>EA<br>TPM | 313<br>18-13<br>18-06<br>37670 | <u>Luxor Luxury RV Storage</u><br>To develop an indoor 123,940 sq. ft. indoor RV storage facility with repair and washing service, and                                       | 49-751 Oates Lane   | Luxtor Limited, LLC<br>450 Kansas Street #104<br>Redlands CA 92373<br>(909)556-5848                    | PC Approved 3/6/19<br>CC Approved 7/10/19<br><br>Under Construction  |

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|  |                            |   | caretaker unit   |  |  |   |
|  | CUP<br>AR<br>EA            | 308<br>18-08<br>18-03                   | <u>Red Moon RV Park</u><br>To develop a 78.3-acre RV Resort with 46 long-term rental spaces and 390 short-term rental spaces   | 44-790 Dillon Rd.  | Jim Komick<br>Red Moon Dev. & Construction<br>4320 Priceless View Dr.<br>Gold Canyon AZ 85118<br>(480)947-9253         | PC Approved 3/06/19<br><br>Under Construction   |
|  | CUP<br><br>AR<br>EA<br>VAR | 318<br>(Mod)<br>19-09<br>19-01<br>19-03 | <u>NB Coachella Cannabis Cultivation Facility</u><br>To construct a new industrial greenhouse park for commercial cannabis cultivation uses on 49.97 acres of vacant land in the MS-IP Zone. | 86-601 Industrial Way                                    | NB Coachella Properties, Inc.<br>1650 Black Road<br>Santa Maria CA 93458<br><br>c/o CV Engineers<br>(760)360-4200      | Pending<br>Application On Hold  |
|  | CUP                        | 319                                     | <u>Botanero Mexicali- Alcohol Sales.</u><br>To allow beer and wine sales with 1121 sq. ft. snack bar.  | 51-704 Cesar Chavez St.<br>Unit #3                       | Maria Carrera<br>51-704 Cesar Chavez St Unit #3<br>Coachella CA 92236<br>(760)574-5543                                 | Application Withdrawn<br>(Not Needed due to grandfathered ABC license)  |
|  | CUP<br>VAR                 | 320<br>20-01                            | <u>K.C. Vargas Tattoo Parlor</u><br>To allow an 800 sq. ft. tattoo parlor in the CG zone.  | 48-975 Grapefruit<br>Boulevard, Suite #4                 | Kenny Coronel Vargas<br>31-180 Desert Palm Dr.<br>Thousand Palms CA 92276<br>(442)400-1562                             | PC Approved 5/20/20<br>Business Open  |
|  | CUP<br>CUP<br>AR<br>TPM    | 321<br>322<br>20-03<br>37940            | <u>7-Eleven Service Station/ Retail Center.</u> To allow a 10,588 sq. ft. retail center with service station, drive-thru coffee /office buildings  | NE Corner of 1 <sup>st</sup> St. and<br>Cesar Chavez St. | Mr. Francis Chu<br>Coachella Retail Realty, LP<br>1401 Quail St. Suite #100<br>Newport Beach CA 92660<br>(949)752-2515 | PC Approved 7/15/20<br>CC Approved 9/23/20<br>PC Approved AR 20-03 and<br>TPM 37940 Mod 1/5/22<br>CC AR 20-03 TPM 37940 |

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|  |   |  | on 3 acres in the CG zone.   |  |   | Mod Approval pending                |
|  | CUP   | 323  | <u>The Foundation Delivery</u><br>To allow a 650 sq. ft. non-storefront retail cannabis (delivery only) microbusiness in the CG zone.  | 51-544 Cesar Chavez St., Suite #J1             | CHAD Enterprises, LLC<br>43-100 Palm Royale Dr. #1627<br>La Quinta, CA 92253<br>(760)799-3636       | PC Approved 9/2/20<br>Now operating |
|  | EA<br>CUP<br>CUP<br>CUP<br>CZ<br>AR<br>TTM<br>GPA | 20-01<br>324<br>325<br>326<br>20-01<br>20-04<br>37921<br>20-01 | <u>Coachella Airport Business Park.</u><br>To construct a 628,825 sq. ft. industrial center w/ Cannabis Cultivation, mini-storage, and service station on 42.69 acres in the MS-IP zone. | NW Corner of Airport Blvd and CA-86 Expressway | Empire Airport, LLC (Haagen Co.)<br>12302 Exposition Blvd.<br>Los Angeles CA 90064<br>(310)820-1200 | Pending                             |
|  | CUP<br>EA<br>AR                                   | 327<br>20-02<br>20-06  | <u>Bejarano Project</u><br>To construct a new 172,61 sq. ft. cannabis cultivation facility on 9.98 acres in the MW zone.   | 48-100 Harrison Street                         | David E. Argudo<br>15835 E. Main St.<br>La Puente CA 91744<br>(415)640-4420                         | PC Approved 11/18/20                |
|  | CUP<br>CZ<br>AR                                   | 328<br>20-02<br>20-08  | <u>Cairo Casitas Project</u><br>To construct new 8-unit apartments project and remodel existing commercial building on 0.498 acres in the CG zone.                                       | 51-704 Cesar Chavez St.                        | Tomer Tzadok<br>23679 Calabasas Rd. #280<br>Calabasas CA 91302<br>(310) 751-4125                    | PC Approved 9/2/20                  |
|  | CUP<br>CUP  | 334<br>293<br>(Mod.)   | <u>Coachella Greenery</u><br>To allow a 1,100 sq. ft. retail cannabis business in an existing industrial building  | 84-801 Avenue 48                               | Diana Palacios<br>83614 Eagle Avenue<br>Coachella CA 92236<br>(760)50-14878                         | PC Approved ending                  |

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|  |                  |                       | on 3.2 acres in the M-W zone.  |                         |  |   |
|  | CUP              | 335                   | <u>Kismet Organic Non-Storefront Retail Cannabis</u><br>To allow a 225 sq. ft. non-storefront retail cannabis business in the MW zone.         | 48-050 Harrison St. #2  | Mr. Kyle Friend<br>9 Cushing<br>Irvine CA 92617                            | PC Approved 11/18/20  |
|  | CUP<br>CZ        | 336<br>20-08          | <u>Pueblo Cannabis</u><br>To allow a 1,500 sq. ft. retail cannabis dispensary in an existing building on 0.30 acres of land in the CG-RC zone. | 85-591 Grapefruit Blvd  | Armando Lerma<br>83-983 Fiesta Road<br>Coachella, CA 92236                 | PC Approved 8/4/21<br>CC Approved 5/26/21- CUP<br>CC Approved 6/9/21 - CZ |
|  | CUP<br>CZ<br>VAR | 337<br>21-01<br>21-01 | <u>Coachella Releaf Dispensary</u><br>Proposed 3,800 sq. ft. retail cannabis microbusiness in the MS-IP zone.                                  | 86-705 Avenue 54 Ste H  | Adriana Gonzalez<br>84-095 Tera Vista<br>Coachella CA 92236                | PC Approved 4/7/21<br>CC Consideration Pending                            |
|  | CUP<br>VAR       | 338<br>21-02          | <u>Coachella Paradise Convenience Store</u><br>New 2,500 sq. ft. convenience store with off-sale general liquor sales.                         | 50-233 Cesar Chavez St. | Mr. Nesrin Steih<br>6988 Cantera Way<br>Fontana, CA 92336<br>(909)728-0379 | PC Denied 6/16/21<br>CC Denied Appeal 7/14/21                             |
|  | CUP<br>VAR       | 340<br>21-03          | <u>Best Friends Farms</u><br>Proposed 1,200 sq. fdt. Non-Storefront Retail Cannabis  | 84-705 Ave 50, Suite #4 | Craig Guggolz<br>69-822 Via del Sur<br>Cathedral City, CA 92234            | PC Approved 6/16/21 (Res. 21-13)  |
|  | CUP              | 344                   | <u>Meza Interim Outdoor</u>  | 86099 Tyler Street      | Nicolas Meza/CSC Growers   | PC Approved 10/16/21  |

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|  |  |  | <u>Cannabis Cultivation</u><br>24 hoop houses coveraing 1.1 acres for the interim outdoor cultivation of cannabis located on a 5 acre parcel   |   | 50580 Calle Mendoza<br>Coachella, CA 92236<br>csccoachella@yahoo.com  |   |
|  | CUP  | 345  | <u>CVG Interim Outdoor Cannabis Cultivation</u><br>11 acres of proposed outdoor cannabis cultivation in hoop houses.   | 50501 Fillmore Street                                   | Wyatt Nelson<br>2323 Bonfield Ct, Camarillo, CA<br>(805)910-8587  | PC approved 1/20/22   |
|  | CUP<br>CZ<br>VAR                             | 342<br>21-03<br>21-04                                  | <u>American Desert LLC Multi-tenant Microbusiness Project</u><br>conversion of an existing 18,960 square foot multi-tenant (12 units) industrial building for cannabis business uses on a 1.29 acre parcel | 86695 Avenue 54   | American Desert LLC<br>15303 Arrow Blvd<br>Fontana, CA 92335<br>(213) 81603214  | PC approved 10/20/21<br>CC approved 11/10/21  |
|  | TTM<br>EA<br>CUP<br>CZ<br>GPA                | 32263<br>05-11<br>207<br>05-04<br>07-04                | 322 SF Units Subdivision<br>64.64 acres<br>See AR 05-21<br>Nickel creek  | Ave 44, West of Dillon                                  | Coachella-Nickel Creek LLC<br>5744 Canyon Road<br>Amarillo, TX. 79109   | PC approved 9/5/07<br>CC approved 9/12/07<br><b><i>SB1185 Ext to 9/12/10</i></b><br><b><i>AB333 Ext to 9/12/12</i></b><br><b><i>AB208 Ext to 9/12/14</i></b><br><b><i>AB116 Ext. to 9/12/16</i></b><br><b><i>1 Yr. Ext. to 9/12/17</i></b><br><b><i>1 Yr. Ext. to 9/12/18</i></b><br><b><i>Statutory Ext. to 9/12/21</i></b><br><b><i>AB 1561 Ext. to 3/12/23</i></b> |
|  | TTM<br>AR<br>EA<br>CUP<br>CZ<br>GPA<br>Annex | 35523<br>07-13<br>07-16<br>231<br>07-08<br>07-05<br>60 | <u>Villa Palmeras</u><br>111 Single Family attached & detached residential<br>11.58 acres  | South side of Ave 50<br>between Jackson St & Calhoun St | DSE Turco, L.P.<br>Attn: Scott Carino<br>8910 University Center Ln<br>Suite 690<br>San Diego CA 92122<br>(858) 458-3432<br>(858) 458-3412 FAX | PC approved 1/16/08<br>CC approved 5/28/08<br><br><b><i>TTM Expired 5/28/19</i></b>   |

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|  | SP<br>GPA<br>CZ<br>EA<br>TPM | 14-01<br>14-01<br>14-01<br>14-04<br>36872 | <u>Vista del Agua Specific Plan</u><br>280-acre subdivision with<br>single-family residential,<br>multi-family residential and<br>commercial development. | S of Vista del Sur<br>N of Ave. 48,<br>E of Tyler St.,<br>W of Polk Street | James Kozak<br>Strategic Land Partners, LP<br>12671 High Bluff Dr.,<br>Suite 150<br>San Diego, Ca. 92130<br>(858) 699-7440 | PC Workshop 3/20/19<br>PC Approved 6/19/19<br>CC Approved 5/13/20   |
|  | TPM<br>VAR                   | 37758<br>21-05                            | <u>Cervantes Lot Split</u><br>Subdivision of 10 acres into 2<br>lots  | 50800 Van Buren St   | Greg Cervantes<br>82265 Padova Dr.<br>Indio, CA 92203  | PC Approved 7-21-21<br>CC Approved 8-25-21  |
|  | TTM<br>AR<br>VAR<br>EA       | 38084<br>21-03<br>21-04<br>21-01          | <u>Pulte Coachella Subdivision</u><br>Subdivide 26.8 acres of<br>vacant land into 107 SFR<br>lots.  | Northside of Ave 51,<br>500 East of Van Buren<br>St. (APN 768-050-002)     | Daniel Wozniak<br>Pulte Homes Company LLC<br>27401 Los Altos St 400<br>Mission Viejo, CA 92691                             | PC Approved 5/19/21<br>CC Approved 6/23/21  |
|  | TTM                          | 31978                                     | <u>Bellissima Subdivision</u><br>Subdivide 38 acres into 160<br>single family lots  | Southeast corner of<br>Avenue 53 and Fredrick<br>Street                    | Brighton Properties, LLC (original<br>TTM applicant)   | PC Approved<br>CC Approved 5/20/06<br><i>1 Yr. Ext. to 8/24/18 (Reso<br/>2017-53)</i><br><i>1 Yr Ext. to 8/24/19</i><br><i>1 Yr Ext. to 8/24/20</i><br><i>AB 1561 Ext. to 2/24/2022</i> |
|  | TPM<br>AR                    | 38218<br>21-07                            | <u>JJWR Holdings, LLC</u><br>construction of two 25,750<br>sq. ft. industrial building to<br>create up to 32 warehouse<br>condos and 8 office condos      | 53-457 and 53-459<br>Enterprise Way  | JJWR, LLC<br>440 Santa Lucia Drive<br>Hemet, CA 92543  | Pending PC and CC<br>Approval   |
|  | VAR                          | 18-02                                     | <u>Desert Research Park #1</u><br>To exceed height limit for 3<br>new industrial buildings.   | NE Corner of Ave. 48<br>and Harrison St.                                   | Michael Meade<br>Desert Rock Development<br>72-100 Magnesia Falls<br>Rancho Mirage CA 92270<br>(760)837-1880               | PC Approved 4/18/18<br><br>Plans Approved   |
|  | AR                           | 21-09                                     | <u>Coachella 155</u><br>Proposed construction 155, 1<br>and 2-story residences within   | SEC of Calhoun<br>Street and 50 <sup>th</sup>                              | D.R. Horton<br>Mario Ornelas<br>2280 Wardlow Circle #100   | Admin. Approval 1/5/22  |

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|  |                  |                     | Tract 32074   | Avenue  | Corona, CA 92880<br>(951)739-5481  |   |
|  | AR               | 21-15               | <u>Bellissima</u> proposed construction of 111 single family residences in an unfinished Tract 31978  | East of Fredrick Street between Avenue 53 and 54.     | Pulte Home Company, LLC<br>27401 Los Altos, Suite 400<br>Mission Viejo, CA 92691<br>(760)775-1806                      | Under Review                            |
|  | CUP<br>CUP<br>AR | 346<br>347<br>21-12 | <u>Fountainhead Plaza</u> . To allow a 20,422 sq. ft. Aldi supermarket and 2,600 sq. ft. Panda Express in the CG zone.<br><u>(related to CUP 321, 322, AR 20-03, TPM 37940)</u> | NE Corner of 1 <sup>st</sup> St. and Cesar Chavez St. | Mr. Francis Chu<br>Coachella Retail Realty, LP<br>1401 Quail St. Suite #100<br>Newport Beach CA 92660<br>(949)752-2515 | PC Approved 1/5/21                      |
|  | CUP              | 348                 | <u>Gunther Investments</u> To allow interim outdoor cannabis cultivation on a 38.48 acre site   | Southwest corner of Avenue 50 and Filmore Street      | Brandon Calandri<br>P.O. Box 8010<br>Lancaster, CA 93539   | Pending – application deemed incomplete |
|  | CUP              | 349                 | <u>DAFCO</u> To allow interim outdoor cannabis cultivation on a 199.39 acre site  | Northeast corner of Filmore & 52 <sup>nd</sup> Street | Brandon Calandri<br>P.O. Box 8010<br>Lancaster, CA 93539   | Pending – application deemed incomplete |

*City of Coachella*  
*Development Status Report*  
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PC = Planning Commission

CC = City Council

Types = RS Single Family Residential, RM Multifamily Residential, CG Commercial General, NC Neighborhood Commercial  
 MH Manufacturing Heavy, MS Manufacturing Service, MW Wrecking Yard, RE Residential Estate

Status of Projects = Under Construction, Approved, Pending Approval

Status of Maps = Constructed, Under Construction, Recorded, Approved Tentative, Pending Approval

AR Architectural Review

CUP Conditional Use Permit

CZ Change of Zone

DA Development Agreement

EIS (EA) Environmental Initial Study (Environmental Assessment)

GPA General Plan Amendment

PD Planned Development

TTM Tentative Tract Map or Tentative Subdivision Map

TPM Tentative Parcel Map

VAR Variance

Tentative Maps (Tract and Parcel) are approved for 2 years and may be extended an additional year three times upon approval of their request and payment of application fees.

Assembly Bill 1561 (AB1561) automatically grants an 18-month extension to any Tentative Tract or Tentative Parcel Map that was valid between March 4, 2020 and 18 months after passage of the Bill.

Senate Bill (SB 1185) automatically grants a 12 month extension to any Tentative Tract or Tentative Parcel Map that was valid as of July 15, 2008 and will normally expire before January 1, 2011.

Assembly Bill 333 (AB333) automatically grants a 24 month extension to any Tentative Tract or Tentative Parcel Map that was valid as of July 15, 2009 and will normally expire before January 2, 2012.

Assembly Bill 208 (AB208) automatically grants a 24 month extension to any Tentative Tract or Tentative Parcel Map that was valid as of July 15, 2011 and will normally expire before January 1, 2014.

## **ENGINEERING:**

Capital Improvement Projects  
October 2021-December 2021

### **ST-67 Ave 50/I-10 Interchange**

100% complete plans were reviewed by CalTrans. The City's consultant made the required revisions and is working with the appropriate utility companies to complete the engineering work. Offer letters have been provided to property owners on the north and south side of Interstate 10. Project meetings continue with CalTrans Management to review the Interchange Grading and finalize plans for construction.

### **ST-69 Ave 50 Bridge over Whitewater Channel / ST-81 New Interchange @ Avenue 50 and 86 South Expressway**

Environmental document was approved and finalized in February 2019. Final authorization for reimbursement for design phase of the project has been approved by CVAG and City Council. Project meeting with CalTrans to review technical studies on the project continues. Request for Authorization has been submitted to Caltrans HBP.



### **ST-93 Avenue 50 Widening Project (Calhoun to Harrison)**

Professional agreement with KOA Corporation has been approved by City Council on 10/9/2019 for Final Construction PS&E. City Staff coordinating with KOA to complete design PS&E. KOA has submitted 90% design PS&E for review.



### **ST-98 Avenue 50 Extension PS&E (All American Canal to I-10 Interchange)**

Engineering Staff is awaiting responses to acquisition offers; Right-of-way acquisitions under negotiations with five property owners located west of the All-American Canal. City Council approved two purchase agreements for 2 of the 5 parcels. Bureau of Reclamation (BOR) has approved the environmental document for the work within the canal area. Hydrologic and hydraulics models are being reconciled with Coachella Valley Water District and Riverside County Flood Control District engineers.

### **ST-109 Dillon Road Bridge Interstate I-10 Interchange & SR 86 Interchange**

CalTrans bridge inspections on behalf of FHWA, weight limit restrictions were implemented on the existing bridge. Due to the scour critical condition of the bridge, a Plan of Action was filed with FHWA. An application for the current round of the federal Build Grant funding has been submitted.



### **ST-123 Grapefruit Blvd. Urban Greening Project**

A construction contract was awarded to C.S. Legacy Construction as the lowest, responsive bidder on December 17, 2020. Construction started on January 11, 2021 and is scheduled to be completed by January 2022. Decorative crosswalks and traffic signal on 6<sup>th</sup> street to be completed soon. City Staff continues to inspect.



### **ST-129 Avenue 52 and Calhoun**

City Staff is coordinating with the County of Riverside and City of Indio on Plans, Specifications and Engineer's Estimate (PS&E) package. Project has been completed.



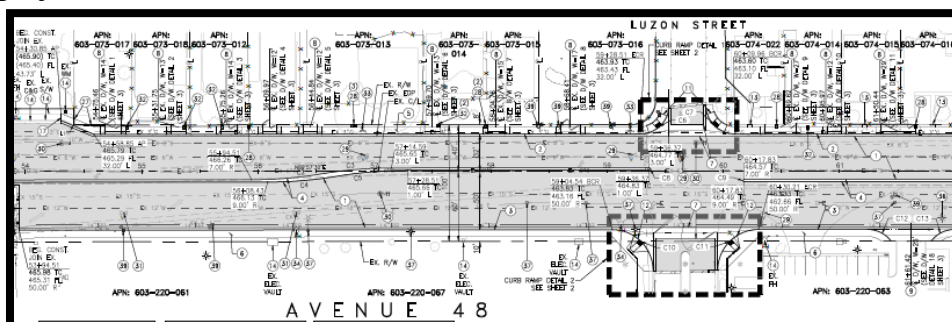
### **ST-130 Pueblo Viejo Sustainable Transportation Project**

A Notice Inviting Bids was posted in November 2021 and were opened on December 1, 2021. The project will add over two miles of class II bikeways, pedestrian and landscaping improvements in the Pueblo Viejo downtown area. The project will be awarded to the lowest, responsive, responsible bidder in January 2022 and construction will follow shortly after.



### **ST-131 Avenue 48 Widening from Van Buren to Dillon Road**

Environmental documents have been completed and final design for Plans, Specifications and Engineer's Estimates are being made. The project will add two lanes east bound and one lane west bound with bicycle and pedestrian facilities as well. Riverside County is lead agency on this project.



## Private Development Projects

### **49751 Oates Ln. Luxor RV Parking & Storage:**

Storm drain and fire private systems have been installed. Project has been connected to City water system. V- Gutter, half of Parking Lot and two driveways have been completed. Contractor continues grading the rest of parking lot. Temporary COO has been issued. City Staff continues to inspect.



### **Red Moon Development at the Villas at the Vineyards:**

Project is currently on hold.

### **Escondida Pointe D.R. Horton:**

Construction continues as scheduled on Phases 36-38. Phases 1-35 are complete and finals for sewer, water and Engineering have been granted. Staff continues to inspect.



**Valencia:**

City Staff issued Encroachment Permit for Hydrant, Water services and Meter boxes replacements. Grading Plans and all submittals have been approved. PM10 sign has been installed. Model homes have been completed. Phase 1, 2, 3 and 4 have been completed. Phase B.O. and 5 are under construction. City staff continues to inspect.

**Palm View Elementary School Rehabilitation:**

Site Grading continues inside the project. Water and Sewer permits have been issued. New Water Services has been connected to City Water main lane & new fire hydrant has been installed. A contractor has installed three sewer MH and have been connected to city sewer lines. Irrigation has been connected to main line with backflow for landscape medians. Street lightings and Landscape have been completed. City staff continues to inspect.

**Kismet:**

Applicant was granted a Sewer line installation permit. Civil improvement Project continues on hold.

**54101 Enterprise Way Armando Bravo**

PM10 and Utilities Plan have been approved. Construction of Water and Sewer have been hold until SWPPP gets approved and register with State. Grading permit has been paid.

**84650 Ave. 49 Mosque**

Grading permit has been issued. On-site grading has started and Storm Drain System has been completed. Pre-construction meeting for Sewer Improvements on 12/08/2020. Contractor completed installing Sewer main line at 49<sup>th</sup> avenue and Las Cruces Street. Sewer laterals have been installed and pressure test has passed inspection. City staff continues to inspect.

**84851 Ave. 48<sup>th</sup> Del Grow:**

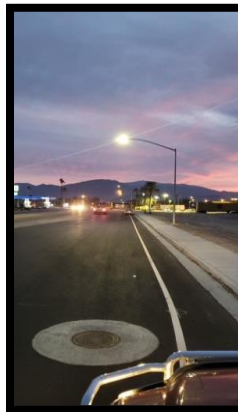
Project has been granted various certificates of occupancies on multiple suites. Master project construction continues.

**49869 Calhoun Street. Borrego Health Medical Facility:**

Engineering & Building Departments along with Contractor have been held a pre-construction meeting on 4/22/20. Grading plans have been approved & permits have been paid. Aggregates Materials, Concrete design & Traffic Control Plans have been submitted. Storm Drain lines, Headwalls have been completed. Water Improvements have been pressure tested, and Chlorination test has been completed. Contractor completed curb and gutter and Lights footings on Parking lot area. Parking lot base course paving has been completed. City staff continues to inspect.

**45761 Dillon Rd. Loves Truck Stop**

Parking lot has been completed per approved Grading Plans. Water and Sewer have been completed and connected to our system. Dillon Rd street improvement have been completed including street lights. Project has been completed.

**1279 6<sup>th</sup> Street Pueblo Viejo Villas Apts.**

Engineering Department and Contractor held a pre-construction meeting on 11/03/20. Grading plans have been approved & permits have been paid. Erosion Control Plan and PM10 have been set up. Storm Drain Lines and Retention Chambers for Pueblo Viejo Apts. and Mario Lazcano Court have been completed. Sewer line has been completed and connected to existing sewer system. Contractor has completed water line connection on Cesar Chavez, completed curbs in parking lot and portion of C & G and Mario Lazcano and Storm drain apron. Asphalt base course have been completed on Parking lot area and Mario Lazcano Court. City Staff continues to inspect.



### **1694 9<sup>th</sup> Street Pueblo Viejo Plaza.**

Engineering Department and Contractor held a pre-construction meeting on 02/04/21. Grading plans have been approved & permits have been paid. Erosion Control Plan and PM10 have been set up. Contractor has started the over excavation. City Staff continues to inspect



### **Spotlight 29 Casino Temporary Parking lot**

Temporary Parking lot for 410 parking spaces with an asphalt Driveway has been approved and constructed. Pm 10 plans have been installed and permit has been paid. SWPPP has been submitted and approved. Code enforcement case has been opened for violations.



**84805 48<sup>th</sup> Avenue Nursery Incubator Park.**

Engineering Department and Contractor held a meeting. On-site Water Improvements plans have been approved & permits have been paid. Contractor installed Fire line and has water has been connected to City system. City Staff continues to inspect.

**48451 Harrison Street Desert Rock Development.**

Engineering Department and Contractor held a meeting. On-site Water and Sewer Improvements plans, Street Improvements and Grading Plans have been approved & permits have been paid. Contractor installed construction entrance and Erosion Control Plan has been installed. Contractor continues with rough grading. City Staff continues to inspect.



**Sevilla TR 38084.**

Engineering Department and Contractor held a pre-construction meeting on 08/31/21. Rough Grading plans have been approved & permits have been paid. Erosion Control Plan and PM10 have been set up. Sewer line and water line installation has started and grading for streets. City Staff continues to inspect.



| Engineering Permits | Development Service Reviews | Building Permit Reviews |
|---------------------|-----------------------------|-------------------------|
| 45                  | 24                          | 41                      |

# COACHELLA CITY FIRE DEPARTMENT

QUARTERLY REPORT

OCTOBER - DECEMBER 2021



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## INSIDE THIS ISSUE

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1. Personnel Assignments
2. Response Reports
3. Administration Reports

ADMINISTRATION  
1377 SIXTH STREET  
COACHELLA, CA 92236  
(760) 398-8895

1. Battalion Chief – Bonifacio De La Cruz
2. Administrative Assistant – Marisa Duran

STATION 79  
1377 SIXTH STREET  
COACHELLA, CA 92236  
(760) 398-8895

Engine Company 79

1. Fire Captain – Johnny Garcia
2. Fire Captain – Rodrigo Vega
3. Fire Captain – James Beckman
4. Fire Apparatus Engineer – Tommy Lemus
5. Firefighter Apparatus Engineer/Paramedic – Damian Sianez
6. Firefighter II/Paramedic – Michael Gonzales
7. Firefighter II/Paramedic – Joshua Brann
8. Firefighter II/Paramedic – Daniel Lucido

TRUCK 86  
46-990 JACKSON ST.  
INDIO, CA 92201  
(760) 347-0726

Truck Company

1. Fire Captain – Darrel Anderson
2. Fire Captain – Luis Alvarez
3. Fire Captain – Mark Greenway
4. Fire Apparatus Engineer – Noah Dimuccio
5. Fire Apparatus Engineer – Bryan Rowe
6. Fire Apparatus Engineer – Alfonso Moreno
7. Firefighter II – Beau Clevenger
8. Firefighter II – Tyler Mentges
9. Firefighter II – Jesus Ortega
10. Firefighter II/PM – Kyle Wilmore
11. Firefighter II/PM – Andrew Barbosa
12. Firefighter II/PM – Sean Mc Chesney

# YEAR END RESPONSE REPORT

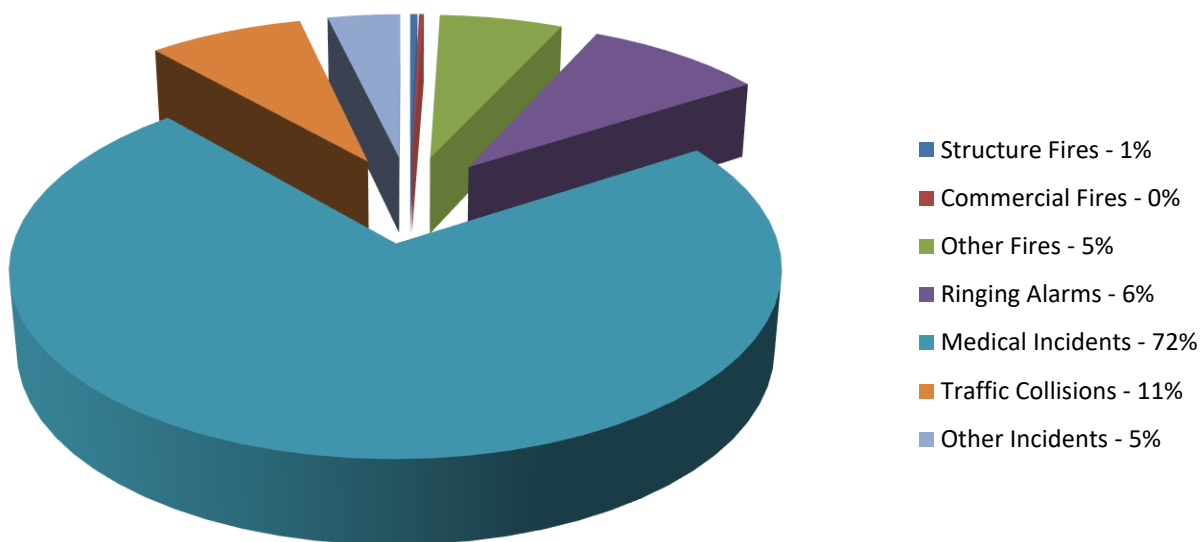
## OCTOBER 1, 2021 – DECEMBER 31, 2021

|                      | OCTOBER | NOVEMBER | DECEMBER | YTD<br>(CITY OF COACHELLA) |
|----------------------|---------|----------|----------|----------------------------|
| STRUCTURE FIRES      | 2       | 0        | 2        | 16                         |
| COMMERCIAL FIRES     | 0       | 0        | 0        | 4                          |
| OTHER FIRES          | 7       | 8        | 11       | 161                        |
| RINGING/FALSE ALARMS | 19      | 23       | 20       | 240                        |
| MEDICAL INCIDENTS    | 147     | 176      | 223      | 2,314                      |
| TRAFFIC COLLISIONS   | 33      | 41       | 35       | 324                        |
| OTHER INCIDENTS      | 12      | 9        | 11       | 119                        |
| TOTAL                | 220     | 257      | 302      | 3,178                      |

### RESPONSE TIMES

|  | OCTOBER | NOVEMBER | DECEMBER | YTD<br>(CITY OF COACHELLA) |
|--|---------|----------|----------|----------------------------|
| AVERAGE RESPONSE TIMES (MINUTES)         | 5.5     | 4.8      | 4.6      | 4.7                        |
| % OF CALLS ON SCENE IN 5 MINUTES OR LESS | 68%     | 65%      | 63%      | 68%                        |

**Coachella Fire Department Response Totals  
October - December 2021  
Total of 779**



**SIGNIFICANT EVENT**

12/6/21 – Fire Department resources were dispatched to a reported residential structure fire with possible victims trapped, at 52407 Morgan Avenue in the City of Coachella. The first unit on scene reported heavy smoke showing from the back corner of the building. After an interior search was completed, no victims were found. The fire was contained to the two rear bedrooms. Red Cross is in contact with the family of five that were displaced by the fire. The fire is currently under investigation. No injuries to fire personnel or civilians. **(See photos below)**



12/9/21 – Fire units arrived at the Fernandez Date Ranch to find smoke issuing from the attic vents of a 1600 square foot single-story modular home. Firefighters mounted a coordinated fire attack which contained the fire to the kitchen and dining room areas of the dwelling. The cause of fire was due to a malfunction of the exterior mounted propane tank's fuel delivery system. No injuries were reported, and American Red Cross has provided assistance to the four occupants.

## COMMUNITY

10/15/21 – Coachella Firefighters attended the State of the City address at Veteran's Park  
(See photos below)



11/6/21 – Firefighters participated in the Run with Los Muertos event held on 6<sup>th</sup> Street.  
(See photos below)



12/1/21 – Coachella Firefighters attended the Annual Christmas Tree Lighting Ceremony at Coachella City Hall. Mr. & Mrs. Clause made their grand arrival on Coachella Squad 79. (See photos below)





12/10/21 – City of Coachella Firefighters, Firefighter Reserves, and Explorer Post 679 participated in the City of Coachella’s Annual Holiday Parade. Our Fire Explorers enjoy making s’mores for parade attendees and appreciate the ongoing support from the City of Coachella. (See photos below)





12/16/21 – For a brief moment, Fire Station #79 was able to once again host students from surrounding schools in the city. Peter Pendleton Elementary School was the lucky group to experience a station tour after such a long hiatus. Unfortunately, due to COVID19 restrictions, we are unable to receive visitors for the time being. Our firefighters look forward to the day that we are given the “Okay” to resume these educational visits. **(See photos below)**



## **ADMINISTRATION**

The Coachella Fire Department would like to welcome Fire Captain, James Beckman and Fire Apparatus Engineer/Paramedic, Damian Sianez to Station #79. Administration continues to keep busy scheduling business inspections and re-inspections. Clerical administration duties continue to audit and reconcile the station’s Data/Response Records as well as overhaul files and

recordkeeping systems. Clerical administrative duties have continued to look for ways to improve office efficiency and customer service.

## **FIRE PREVENTION**

10/13/21 – The City of Coachella recognizes Fire Prevention Week. This year’s theme is “Learn the Sound of Fire Safety.”



The Coachella Fire Department continues to assist the public with code inquiries; conducts hazard reduction inspections and assists Code Enforcement with issues within the city. In closing, our Engine Company personnel continue to conduct multiple inspections and re-inspections helping keep local businesses up to code.



## Public Works Department 2021 Fourth Quarter Report

TO: Honorable Mayor and Council

FROM: Maritza Martinez, Public Works Director

DATE: January 20, 2022

SUBJECT: Quarterly Report

### **Departmental Mission:**

In a balanced effort to maintain cost effective operations and provide maintenance and emergency response services in a reasonable and efficient manner, it is the mission of the Public Works Department to provide quality maintenance and repair of facilities and infrastructure for the City of Coachella community and its city departments.

### **Executive Summary:**

The Public Works Department is responsible for the operations of our: facilities, fleet, landscape, lighting and maintenance districts, parks, and streets. The Department is also the home to our Emergency Services Division and Recreation Division. As reflected below the Public Works Department staff responded to a myriad of requests as reflected below between October 2021 to December 2021.

|   | Acres | Feet/Sq Feet | Miles/Sq Miles | Quantity                       |
|---|-------|--------------|----------------|--------------------------------|
| <b><u>Streets Division</u></b>                          |       |              |                |                                |
| <b>Illegal Dumping</b>                                  |       |              |                | 24 abandoned item removals     |
|   |       |              |                | 44 tires removed               |
|   |       |              |                | 1 homeless camps removed       |
|   |       |              |                | 1 oil spill abatement          |
| <b>Weed/brush Abatement</b>                             |       |              |                | 4 removal jobs/locations       |
|   |       |              |                | 2 weed spraying jobs/locations |
|   |       |              |                |                                |
| <b>Disaster Council /Quarterly OAPC/ COVID Meetings</b> |       |              |                | 24 meetings                    |

|   |          |              |                |   |
|---|----------|--------------|----------------|---|
| <b>Potholes/Street Repairs</b>          |          |              |                | 552 Potholes<br>5 water line street cut repairs             |
| <b>Sidewalk Repairs</b>                 |          |              |                | 7 locations   |
| <b>Street Sign Main.</b>                |          |              |                | Replaced 68;<br>Repaired 40                                 |
| <b>Street Light Repair</b>              |          |              |                | 82 repaired   |
| <b>Street Striping</b>                  |          |              |                | 330 Legends   |
| <b>Storm Drain Main</b>                 |          |              |                | 17 storm drains   |
| <b>Traffic Control</b>                  |          |              |                | 21 assignments  |
|   | Acres    | Feet/Sq Feet | Miles/Sq Miles | Quantity  |
| <b><u>Parks/LLMD</u></b>                |          |              |                |   |
| <b>Citations Issued</b>                 |          |              |                | 1,089   |
| <b>Facility Use Permits</b>             |          |              |                | 48 permits  |
| <b>Overseeding /Fertilization</b>       | 35 acres |              |                | 22,000lbs rye seed applied<br>10 tons of fertilizer applied |
| <b>Park Lighting</b>                    |          |              |                | 7 Fixture Repairs   |
| <b>Holiday Lighting</b>                 |          |              |                | 13 Fixture Upgrade to LED                                   |
| <b>Removed</b>                          |          |              |                | 3 New installs  |
| <b>Sprinkler/Irrigation Repairs</b>     |          |              |                | 33 Heads;<br>4 valves;<br>Main Lines; 35 drip line;         |
| <b>Tree/Plant Replacement</b>           |          |              |                | 6 trees / 183 plants / 22 flats of flowers                  |
| <b><u>Building Maintenance</u></b>      |          |              |                |   |
| <b>HVAC Systems Serviced / Repaired</b> |          |              |                | 25 repairs / ongoing services                               |
| <b>Building Repairs</b>                 |          |              |                | 35  |
| <b>Floor Maintenance</b>                |          | 35,500 sq ft |                |   |



**STAFF REPORT**  
**1/26/2022**

**TO:** Honorable Mayor and City Council Members

**FROM:** Maritza Martinez, Public Works Director

**SUBJECT:** Introduce by first reading Ordinance 1192 Amending Chapter 8.44 of the City Municipal Code regarding Solid Waste Collection.

**STAFF RECOMMENDATION:**

Introduce by first reading Ordinance 1192 Amending Chapter 8.44 of the City Municipal Code regarding Solid Waste Collection.

**BACKGROUND:**

AB 939, known as the Integrated Waste Management Act of 1989, was passed because of an increase in the waste stream and the decrease in landfill capacity. As a result, the California Integrated Waste Management Board (CIWMB), now known as Department of Resources Recycling and Recovery (CalRecycle), was established and an integrated framework for program implementation, solid waste planning and solid waste facility and landfill compliance created. AB 939 mandated local jurisdictions to meet solid waste diversion goals of 25% by 1995 and 50% by 2000. Diversion goals and program requirements are implemented through a disposal-based reporting system by local jurisdictions under CalRecycle regulatory oversight.

Since 1989, AB 341(2011) and AB 1826(2014) were approved additions to the regulations established within AB 939. Assembly Bill 341 (AB 341) of 2011, also called the "Mandatory Commercial Recycling Regulation," requires businesses and multi-family residential dwellings of five units or more, that generate four or more cubic yards of commercial solid waste per week to implement recycling programs, on or after July 1, 2012. AB 1826, the mandatory Commercial Organic Waste Recycling Law, became effective on January 1, 2016; requiring businesses and multi-family complexes (with 5 or more units) that generate specified amounts of organic waste (compost) to arrange for organics collection services.

**DISCUSSION/ANALYSIS:**

Most recently, SB 1383 (Short Lived Climate Pollutants Regulation) was passed that further enhances AB 939 and mandates organics waste disposal/recovery by cities, residential households, commercial businesses, commercial edible food generators, haulers and food recovery organizations. SB 1383 was passed in a statewide effort to reduce emissions of short-lived climate pollutants (SLCP). The targets set by SB 1383 include: 1) statewide reduction of organic waste

disposal of 75% by 2025 and 2) statewide food rescue efforts that will rescue at least 20% of currently disposed surplus food by 2025.

SB 1383 applies to local agencies and in order to comply with regulations established by SB 1383 staff is recommending adoption of the attached Ordinance 1192 that will amend the City's Municipal Code Chapter 8.44 Solid Waste. Currently, the chapter has Sections 8.44.010 – 8.44.130. Adoption of the proposed ordinance will amend the current chapter by adding Sections 8.44.140-8.44-240 (listed below):

- 8.44.140 Requirements for Single-Family Generators.
- 8.44.150 Requirements for Commercial Businesses.
- 8.44.160 Waivers for Generators.
- 8.44.170 Requirements for Commercial Edible Food Generators.
- 8.44.180 Requirements for Food Recovery Organizations and Services.
- 8.44.190 Requirements for Haulers, Facility Operators, and Community Composting Operations.
- 8.44.200 Self-hauler Requirements.
- 8.44.210 Compliance with CALGreen Recycling Requirements.
- 8.44.220 Model Water Efficient Landscaping Ordinance Requirements.
- 8.44.230 Inspections and Investigations by the City.
- 8.44.240 Enforcement.

The above additions to Chapter 8.44 will address the SB 1383 requirements placed on cities and in summary will require the following:

1. Organics collection services to all residents, multi-family and businesses.
  - a. Staff is working in partnership with Burrtec to roll these programs out by Fall 2022.
2. Establishment of Food Recovery Program
  - a. The State has divided Commercial Food Generators into two tiers. Those generators that fall into Tier 1 must comply beginning January 1, 2022 and these large generators have already implemented food recovery programs. Staff is working with the County Public Health Department on the collection and reporting of this data, which will be included within the City's Annual Report to CalRecycle. Tier 2 generators must comply by January 1, 2024 and staff will continue to work on outreach and education to these generators in partnership with Burrtec.
3. Establishment of Self- Hauler Requirements
  - a. All self-haul must register with the city and be able to provide receipts/weight tickets of its source separated waste.
4. Monitoring, reporting and enforcement of all of the above programs.
  - a. Monitoring and reporting will be conducted in collaboration with Burrtec who will perform waste audits; if needed the ordinance will give the City the authority to enforce the SB 1383 regulations.

In addition to the above requirements, SB 1383 also requires local agencies to provide:

5. Education and Outreach
  - a. Staff will work continue to with Burrtec to develop and distribute information on organics waste recycling and edible food recovery programs.
6. Procurement
  - a. Staff will be bringing back a separate resolution that will amend the City's purchasing policy to address the SB 1383 purchasing requirements.

**FISCAL IMPACT:**

No direct fiscal impact to the City.

Attachment:  
Ordinance 1192

**ORDINANCE NO. 1192**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COACHELLA, CALIFORNIA, AMENDING CHAPTER 8.44 TO TITLE 8 OF THE COACHELLA MUNICIPAL CODE REGARDING SOLID WASTE COLLECTION

**WHEREAS**, Assembly Bill 939 of 1989, the California Integrated Waste Management Act of 1989 (California Public Resources Code Section 40000, *et seq.*, as amended, supplemented, superseded, and replaced from time to time), requires cities and counties to reduce, reuse, and recycle (including composting) Solid Waste generated in their jurisdictions to the maximum extent feasible before any incineration or landfill disposal of waste, to conserve water, energy, and other natural resources, and to protect the environment; and

**WHEREAS**, Assembly Bill 341 of 2011 requires businesses and Multi-Family property owners that generate a specified threshold amount of Solid Waste to arrange for recycling services and requires the City to implement a Mandatory Commercial Recycling program; and

**WHEREAS**, Assembly Bill 1826 of 2014, requires businesses and Multi-Family property owners that generate a specified threshold amount of Solid Waste, Recyclables, and Organic Waste per week to arrange for recycling services for that waste, requires the City to implement a recycling program to divert Organic Waste from businesses, and requires the City to implement a Mandatory Commercial Organics Recycling program; and

**WHEREAS**, SB 1383, the Short-lived Climate Pollutant Reduction Act of 2016, requires CalRecycle to develop regulations to reduce organics in landfills as a source of methane. The regulations implementing SB 1383 (“SB 1383 Regulations”) place requirements on multiple entities including the City, residential households, Commercial Businesses and business owners, Commercial Edible Food Generators, haulers, Food Recovery Organizations, and Food Recovery Services to support achievement of Statewide Organic Waste disposal reduction targets; and

**WHEREAS**, SB 1383 requires the City to adopt and enforce an ordinance to implement relevant provisions of SB 1383 Regulations by January 1, 2022. This ordinance will help reduce food insecurity by requiring Commercial Edible Food Generators to arrange to have the maximum amount of their Edible Food, that would otherwise be disposed, be recovered for human consumption; and

**WHEREAS**, the City Council desires to amend its Garbage Collection and Disposal Ordinance to comply with the SB 1383 Regulations.

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

Section 1. Chapter 8.44 to Title 8 of the Coachella Municipal Code is hereby amended in its entirety as set forth in Exhibit A and incorporated by this reference.

Section 2. Environmental review is not required because adoption of the Ordinance is not a project under the California Environmental Quality Act (CEQA) pursuant to CEQA Guideline 15378(b)(5) (organization or administrative activities of governments not a project).

Section 3. If any section, subsection, clause, or phrase in this Ordinance or the application thereof to any Person or circumstances is for any reason held invalid by a court of competent jurisdiction, the validity of the remainder of this Ordinance or the application of such provisions to other persons or circumstances shall not be affected thereby. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses, or phrases, or the application thereof to any Person or circumstance, be held invalid.

Section 4. No less than five (5) days prior to the adoption of this Ordinance, the City Clerk published a summary of this Ordinance in accordance with Government Code section 36933. The City Clerk will certify to the passage of this Ordinance by the City Council of the City of Coachella, California, and cause a summary to be published once within fifteen (15) days after its passage in a newspaper of general circulation, printed, published and circulated in the City in accordance with Government Code section 36933.

Section 5. This ordinance shall take effect 30 days after adoption.

**INTRODUCED** on the 26<sup>th</sup> day of January, 2022, and **PASSED AND ADOPTED** by the City Council of the City of Coachella on this 9<sup>th</sup> day of February, 2022.

---

Steven Hernandez  
Mayor

ATTEST:

---

Angela M. Zepeda  
City Clerk

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

I, ANGELA M. ZEPEDA, City Clerk of the City of Coachella, California, hereby certify that Ordinance No. 1192 was introduced at a regular meeting of the City Council of the City of Coachella held on the 26<sup>th</sup> day of January, 2022, and thereafter was adopted by the City Council of the City of Coachella at a regular meeting held on the 9<sup>th</sup> day of February, 2022, and that the same was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

ANGELA M. ZEPEDA  
CITY CLERK

## **EXHIBIT A**

### **CHAPTER 8.44- SOLID WASTE COLLECTION**

- 8.44.010 - Definitions.
- 8.44.020 - Collection by City or agent only.
- 8.44.030 - Rates and charges to be established by resolution or ordinance.
- 8.44.035 - Collection of charges.
- 8.44.040 - Charges declared lien.
- 8.44.050 - Surety bond required.
- 8.44.060 - Containers—Residential.
- 8.44.070 – Same – Commercial.
- 8.44.080 - Storage areas.
- 8.44.090 - Deposit of Solid Waste in streets or permitting Solid Waste to accumulate—Unlawful.
- 8.44.100 - Duty of Persons served to keep clean and sanitary.
- 8.44.110 - Disturbing Solid Waste placed for Collection.
- 8.44.120 - Creating vermin harborage.
- 8.44.130 - Feeding to poultry.
- 8.44.140 - Requirements for Single-Family Generators.
- 8.44.150 - Requirements for Commercial Businesses.
- 8.44.160 - Waivers for Generators.
- 8.44.170 - Requirements for Commercial Edible Food Generators.
- 8.44.180 - Requirements for Food Recovery Organizations and Services.
- 8.44.190 – Requirements for Haulers, Facility Operators, and Community Composting Operations.
- 8.44.200 - Self-hauler Requirements.
- 8.44.210 - Compliance with CALGreen Recycling Requirements.
- 8.44.220 - Model Water Efficient Landscaping Ordinance Requirements.
- 8.44.230 - Inspections and Investigations by the City.
- 8.44.240 - Enforcement.

### **SECTION 8.44.010 - Definitions.**

- A. “CalRecycle” means the California Department of Resources Recycling and Recovery, which is the Department designated with responsibility for developing, implementing, and enforcing SB 1383 Regulations.
- B. “California Code of Regulations” or “CCR” means the State of California Code of Regulations. CCR references are preceded with a number that refers to the relevant Title of the CCR (e.g., “14 CCR” refers to Title 14 of CCR).
- C. “City” means the City of Coachella.
- D. “City Council” means the City Council of the City of Coachella.
- E. “Collect” or “Collection” means the act of collecting Solid Waste, including Recyclable Materials and Organic Waste, at or near the place of generation by a Collector and the physical possession, transport, and removal of such materials.

- F. “Collector” or “Hauler” means any Person or other entity with whom the City has a contract or agreement for the Collection, removal, transportation, disposal, recycling, or Organic Materials processing of Solid Waste, Recyclable Materials, and/or Organic Waste generated within all or as part of the jurisdictional boundaries of the City.
- G. “Commercial Business” or “Commercial” means a firm, partnership, proprietorship, joint-stock company, corporation, or association, whether for-profit or nonprofit, strip mall, industrial facility, or a Multi-Family Residential Dwelling, or as otherwise defined in 14 CCR Section 18982(a)(6). A Multi-Family Residential Dwelling that consists of fewer than five (5) units is not a Commercial Business for purposes of implementing this Chapter.
- H. “Commercial Edible Food Generator” includes a Tier One or a Tier Two Commercial Edible Food Generator as defined in 14 CCR Section 18982(a)(73) and (a)(74). For the purposes of this definition, Food Recovery Organizations and Food Recovery Services are not Commercial Edible Food Generators.
- I. “Compliance Review” means a review of records by the City to determine compliance with this Chapter.
- J. “Community Composting” means any activity that composts green material, agricultural material, food material, and vegetative food material, alone or in combination, and the total amount of feedstock and Compost on-site at any one time does not exceed 100 cubic yards and 750 square feet, as specified in 14 CCR Section 17855(a)(4); or, as otherwise defined by 14 CCR Section 18982(a)(8).
- K. “Compost” has the same meaning as in 14 CCR Section 17896.2(a)(4), as may be amended from time to time.
- L. “Construction and demolition debris,” “C&D,” and “construction waste” means Solid Waste directly related to construction or demolition activities.
- M. “Container” means a cart, bin, debris box, detachable packer receptacles, roll-off boxes, or other receptacle intended for the collection of Trash, Recyclable Materials, or Organic Waste.
- N. “Container Contamination” or “Contaminated Container” means a Container, regardless of color, that contains Prohibited Container Contaminants, or as otherwise defined in 14 CCR Section 18982(a)(55).
- O. “Designee” means an entity that the City contracts with or otherwise arranges to carry out any of the City’s responsibilities of this Chapter as authorized in 14 CCR Section 18981.2. A Designee may be a government entity, a hauler, a private entity, or a combination of those entities.
- P. “Dwelling” means a residence, including any flat, apartment, or other facility intended to be and permitted to be used for housing one or more persons, except

“Dwelling” does not include hospitals, hotels, motels, nursing homes, or convalescent centers.

- Q. “Edible Food” means food intended for human consumption, or as otherwise defined in 14 CCR Section 18982(a)(18). For the purposes of this Chapter or as otherwise defined in 14 CCR Section 18982(a)(18), “Edible Food” is not Solid Waste if it is recovered and not discarded. Nothing in this Chapter or in 14 CCR, Division 7, Chapter 12 requires or authorizes the Recovery of Edible Food that does not meet the food safety requirements of the California Retail Food Code.
- R. “Enforcement Action” means an action by the City to address non-compliance with this Chapter including, but not limited to, issuing administrative citations, fines, penalties, or using other remedies.
- S. “Enforcement Official” means the City Manager or their authorized designee(s) who is/are partially or wholly responsible for enforcing this Chapter.
- T. “Excluded Waste” means hazardous substance, hazardous waste, infectious waste, designated waste, volatile, corrosive, medical waste, infectious, regulated radioactive waste, and toxic substances or material that facility operator(s), which receive materials from the City and its Generators, reasonably believe(s) would, as a result of or upon acceptance, transfer, processing, or disposal, be a violation of local, State, or Federal law, regulation, or ordinance, including: land use restrictions or conditions, waste that cannot be disposed of in Class III landfills or accepted at the facility by permit conditions, waste that in the City, or its Designee’s reasonable opinion would present a significant risk to human health or the environment, cause a nuisance or otherwise create or expose the City, or its Designee, to potential liability; but not including de minimis volumes or concentrations of waste of a type and amount normally found in Single-Family or Multi-Family Solid Waste after implementation of programs for the safe Collection, processing, recycling, treatment, and disposal of batteries and paint in compliance with Sections 41500 and 41802 of the California Public Resources Code.
- U. “Food Distributor” means a company that distributes food to entities including, but not limited to, Supermarkets and Grocery Stores, or as otherwise defined in 14 CCR Section 18982(a)(22).
- V. “Food Facility” has the same meaning as in Section 113789 of the Health and Safety Code.
- W. “Food Recovery” means actions to collect and distribute food for human consumption that otherwise would be disposed, or as otherwise defined in 14 CCR Section 18982(a)(24).
- X. “Food Recovery Organization” means an entity that engages in the Collection or receipt of Edible Food from Commercial Edible Food Generators and distributes that Edible Food to the public for Food Recovery either directly or through other

entities or as otherwise defined in 14 CCR Section 18982(a)(25), including, but not limited to:

1. A food bank as defined in Section 113783 of the Health and Safety Code;
  2. A nonprofit charitable organization as defined in Section 113841 of the Health and Safety Code; and,
  3. A nonprofit charitable temporary food facility as defined in Section 113842 of the Health and Safety Code.
- Y. “Food Recovery Service” means a Person or entity that collects and transports Edible Food from a Commercial Edible Food Generator to a Food Recovery Organization or other entities for Food Recovery, or as otherwise defined in 14 CCR Section 18982(a)(26).
- Z. “Food Service Provider” means an entity primarily engaged in providing food services to institutional, governmental, Commercial, or industrial locations of others based on contractual arrangements with these types of organizations, or as otherwise defined in 14 CCR Section 18982(a)(27).
- AA. “Generator” means a Person or entity that is responsible for the initial creation of Solid Waste.
- BB. “Grocery Store” means a store primarily engaged in the retail sale of canned food; dry goods; fresh fruits and vegetables; fresh meats, fish, and poultry; and any area that is not separately owned within the store where the food is prepared and served, including a bakery, deli, and meat and seafood departments, or as otherwise defined in 14 CCR Section 18982(a)(30).
- CC. “Hauler Route” means the designated itinerary or sequence of stops for each segment of the City’s Collection service area, or as otherwise defined in 14 CCR Section 18982(a)(31.5).
- DD. “High Diversion Organic Waste Processing Facility” has the same meaning as defined in 14 CCR Section 18982(a)(33).
- EE. “Inspection” means a site visit where the City reviews records, Containers, and an entity’s Collection, handling, recycling, or landfill disposal of Organic Waste or Edible Food handling to determine if the entity is complying with requirements set forth in this Chapter, or as otherwise defined in 14 CCR Section 18982(a)(35).
- FF. “Large Event” means an event, including, but not limited to, a sporting event or a flea market, that charges an admission price, or is operated by a local agency, and serves an average of more than 2,000 individuals per day of operation of the event, at a location that includes, but is not limited to, a public, nonprofit, or privately owned park, parking lot, golf course, street system, or other open space when being

used for an event. If the definition in 14 CCR Section 18982(a)(38) differs from this definition, the definition in 14 CCR Section 18982(a)(38) shall apply.

- GG. “Large Venue” means a permanent venue facility that annually seats or serves an average of more than 2,000 individuals within the grounds of the facility per day of operation of the venue facility. For purposes of this Chapter and implementation of 14 CCR, Division 7, Chapter 12, a venue facility includes, but is not limited to, a public, nonprofit, or privately owned or operated stadium, amphitheater, arena, hall, amusement park, conference or civic center, zoo, aquarium, airport, racetrack, horse track, performing arts center, fairground, museum, theater, or other public attraction facility. For purposes of this Chapter and implementation of 14 CCR, Division 7, Chapter 12, a site under common ownership or control that includes more than one Large Venue that is contiguous with other Large Venues in the site, is a single Large Venue. If the definition in 14 CCR Section 18982(a)(39) differs from this definition, the definition in 14 CCR Section 18982(a)(39) shall apply.
- HH. “Local Education Agency” means a school district, charter school, or County office of education that is not subject to the control of City or County regulations related to Solid Waste, or as otherwise defined in 14 CCR Section 18982(a)(40).
- II. “Multi-Family Residential Dwelling” or “Multi-Family” means of, from, or pertaining to residential premises with five (5) or more dwelling units. Multi-Family premises do not include hotels, motels, or other transient occupancy facilities, which are considered Commercial Businesses.
- JJ. “MWELo” refers to the Model Water Efficient Landscape Ordinance (MWELo), 23 CCR, Division 2, Chapter 2.7.
- KK. “Non-Compostable Paper” includes but is not limited to paper that is coated in a plastic material that will not breakdown in the composting process, or as otherwise defined in 14 CCR Section 18982(a)(41).
- LL. “Non-Organic Recyclables” means non-putrescible and non-hazardous recyclable wastes including but not limited to bottles, cans, metals, plastics and glass, or as otherwise defined in 14 CCR Section 18982(a)(43).
- MM. “Notice of Violation (NOV)” means a notice that a violation of this Chapter has occurred that includes a compliance date to avoid an action to seek penalties, or as otherwise defined in 14 CCR Section 18982(a)(45) or further explained in 14 CCR Section 18995.4.
- NN. “Organic Waste” means Solid Wastes containing material originated from living organisms and their metabolic waste products, including but not limited to food, green material, landscape and pruning waste, organic textiles and carpets, lumber, wood, Paper Products, Printing and Writing Paper, manure, biosolids, digestate, and sludges or as otherwise defined in 14 CCR Section 18982(a)(46). Biosolids and digestate are as defined by 14 CCR Section 18982(a).

- OO. “Organic Waste Generator” means a Person or entity that is responsible for the initial creation of Organic Waste, or as otherwise defined in 14 CCR Section 18982(a)(48).
- PP. “Organics Container” has the same meaning as in 14 CCR Section 18982(a)(29) and shall be used for the purpose of storage and Collection of Source Separated Organic Waste.
- QQ. “Paper Products” include, but are not limited to, paper janitorial supplies, cartons, wrapping, packaging, file folders, hanging files, corrugated boxes, tissue, and toweling, or as otherwise defined in 14 CCR Section 18982(a)(51).
- RR. “Person” means an individual, group of individuals, and/or any legal entity recognized by the laws of the State.
- SS. “Printing and Writing Papers” include, but are not limited to, copy, xerographic, watermark, cotton fiber, offset, forms, computer printout paper, white wove envelopes, manila envelopes, book paper, note pads, writing tablets, newsprint, and other uncoated writing papers, posters, index cards, calendars, brochures, reports, magazines, and publications, or as otherwise defined in 14 CCR Section 18982(a)(54).
- TT. “Prohibited Container Contaminants” means the following: (i) discarded materials placed in the Recycling Container that are not identified as acceptable Source Separated Recyclable Materials for the Recycling Container; (ii) discarded materials placed in the Organics Container that are not identified as acceptable Source Separated Organic Waste for the Organics Container; (iii) discarded materials placed in the Trash Container that are acceptable Source Separated Recyclable Materials and/or Source Separated Organic Wastes to be placed in the Organics Container and/or Recycling Container; and, (iv) Excluded Waste placed in any Container.
- UU. “Recycling Container” shall be used for the purpose of storage and Collection of Source Separated Recyclable Materials.
- VV. “Recovered Organic Waste Products” means products made from California, landfill-diverted recovered Organic Waste processed in a permitted or otherwise authorized facility, or as otherwise defined in 14 CCR Section 18982(a)(60).
- WW. “Recovery” means any activity or process described in 14 CCR Section 18983.1(b), or as otherwise defined in 14 CCR Section 18982(a)(49).
- XX. “Recyclable Materials” or “Recyclables” means material that can be separated from waste for the purpose of reusing or returning these materials in the form of raw materials for new, used or reconstituted products that meet the quality standard necessary to be used in the marketplace, or for composting, such as, but not limited to, paper, cardboard, glass, metal and aluminum cans, and plastics.

- YY. “Recycle” or “Recycling” means the process of salvaging, transporting, sorting, marketing, reusing, reprocessing or remanufacturing Recyclable Materials.
- ZZ. “Recycled-Content Paper” means Paper Products and Printing and Writing Paper that consists of at least 30 percent, by fiber weight, postconsumer fiber, or as otherwise defined in 14 CCR Section 18982(a)(61).
- AAA. “Remote Monitoring” means the use of the internet of things (IoT) and/or wireless electronic devices to visualize the contents of Recycling Containers, Organics Containers, and Trash Containers for purposes of identifying the quantity of materials in Containers (level of fill) and/or presence of Prohibited Container Contaminants.
- BBB. “Residential” means any residential dwelling.
- CCC. “Restaurant” means an establishment primarily engaged in the retail sale of food and drinks for on-premises or immediate consumption, or as otherwise defined in 14 CCR Section 18982(a)(64).
- DDD. “Route Review” means a visual Inspection of Containers along a Hauler Route for the purpose of determining Container Contamination, and may include mechanical Inspection methods such as the use of cameras, or as otherwise defined in 14 CCR Section 18982(a)(65).
- EEE. “SB 1383” means Senate Bill 1383 (Chapter 395, Statutes of 2016), which established methane emissions reduction targets in a Statewide effort to reduce emissions of short-lived climate pollutants as amended, supplemented, superseded, and replaced from time to time.
- FFF. “SB 1383 Regulations” means or refers to, for the purposes of this Chapter, the Short-Lived Climate Pollutants: Organic Waste Reduction regulations developed by CalRecycle and adopted in 2020 that created 14 CCR, Division 7, Chapter 12 and amended portions of regulations of 14 CCR and 27 CCR.
- GGG. “Self-Hauler” means a Person, who, in compliance with all applicable requirements of the Coachella Municipal Code, hauls Solid Waste, Organic Waste or Recyclable Materials he or she has generated directly to the appropriate facility, as required by this Chapter.
- HHH. “Single-Family” means of, from, or pertaining to any residential premises with fewer than five (5) units.
- III. “Solid Waste” has the same meaning as defined in State Public Resources Code Section 40191.
- JJJ. “Source Separated” means materials, including commingled Recyclable Materials or Organic Waste, that have been separated or kept separate from the Solid Waste stream, at the point of generation, for the purpose of additional sorting or processing

those materials for recycling or reuse in order to return them to the economic mainstream in the form of raw material for new, reused, or reconstituted products, which meet the quality standards necessary to be used in the marketplace, or as otherwise defined in 14 CCR Section 17402.5(b)(4). For the purposes of this Chapter, Source Separated shall include separation of materials by the Generator, property owner, property owner's employee, property manager, or property manager's employee into different Containers for the purpose of Collection such that Source Separated materials are separated from the Trash Container for the purposes of Collection and processing.

KKK. "Source Separated Recyclables" means means Source Separated Recyclable Materials that can be placed in a Blue Container.

LLL. "Source Separated Organic Waste" means Source Separated Organic Waste that can be placed in an Organics Container .

MMM. "State" means the State of California.

NNN. "Supermarket" means a full-line, self-service retail store with gross annual sales of two million dollars (\$2,000,000), or more, and which sells a line of dry grocery, canned goods, or nonfood items and some perishable items, or as otherwise defined in 14 CCR Section 18982(a)(71).

OOO. "Tier One Commercial Edible Food Generator" means a Commercial Edible Food Generator that is one of the following:

1. Supermarket.
2. Grocery Store with a total facility size equal to or greater than 10,000 square feet.
3. Food Service Provider.
4. Food Distributor.
5. Wholesale Food Vendor.

PPP. "Tier Two Commercial Edible Food Generator" means a Commercial Edible Food Generator that is one of the following:

1. Restaurant with 250 or more seats, or a total facility size equal to or greater than 5,000 square feet.
2. Hotel with an on-site Food Facility and 200 or more rooms.
3. Health facility with an on-site Food Facility and 100 or more beds.
4. Large Venue.

5. Large Event.
6. A State agency with a cafeteria with 250 or more seats or total cafeteria facility size equal to or greater than 5,000 square feet.
7. A Local Education Agency facility with an on-site Food Facility.

QQQ. “Trash Container” shall be used for the purpose of storage and collection of Solid Waste, excluding Recyclable Materials and Organic Waste.

RRR. “Wholesale Food Vendor” means a business or establishment engaged in the merchant wholesale distribution of food, where food (including fruits and vegetables) is received, shipped, stored, prepared for distribution to a retailer, warehouse, distributor, or other destination, or as otherwise defined in 14 CCR Section 189852(a)(76).

#### **SECTION 8.44.020 - Collection by City or agent only.**

The City and its duly authorized agents, servants, and employees, or any Collector with whom the City may at any time enter into an exclusive franchise agreement therefor, and the agents, servants, and employees of such Collector, while any such agreement shall be in force, shall have the exclusive right to gather, collect, and remove Solid Waste from any premises which may be the subject of such exclusive agreement. No Person other than those specified shall:

- A. Gather, collect, or remove any Trash, Recyclable Materials, or Organic Waste;
- B. Convey or transport any Trash, Recyclable Materials, or Organic Waste in, along, or over any public street, alley, or highway;
- C. Take any Trash, Recyclable Materials, or Organic Waste from any Container in which the same may be placed for Collection or removal;
- D. Interfere with or disturb any such Container, or remove any such Container from any location where the Container is set out for Collection.

A. SECTION 8.44.030 - Rates and charges to be established by resolution or ordinance. The rates to be charged for Collection of Trash, Recyclables, and Organic Waste shall be established by resolution or ordinance of the City Council. Owners, occupants, or persons, firms, or entities residing in or using residences, dwellings, apartments, hotels, motels, trailer parks, businesses, or commercial or industrial establishments shall pay for Collection services at the rate and in the manner set by resolution or ordinance from time to time adopted by the City Council. In the event the City Council wishes to collect charges pursuant to section 8.44.035(B), it shall prepare an annual written report, provide notice and a public hearing of such charges, and comply with all applicable procedures as required by Health and Safety Code section 5470 et seq. and other law.

#### **SECTION 8.44.035 - Collection of charges.**

The City may collect charges for the Collection of Trash, Recyclables, and Organic Waste by either of the following:

- A. The City or its agent may bill and collect such charges directly from the occupant or owner of the premises receiving Collection service.
- B. The City may collect such charges on the tax roll in the same manner, by the same persons, and at the same time as, together with and not separate from, the City's general taxes. In the event

the City wishes to collect charges pursuant to this subsection, it shall prepare an annual written report, provide notice and a public hearing of such charges and comply with all applicable procedures as required by Health and Safety Code section 5470 et seq. and other law.

**SECTION 8.44.040 - Charges declared lien.**

The service of Collection of Trash, Recyclables, and Organic Waste shall be presumed to be for the benefit of the premises from which it is removed, and the occupant of the premises shall be presumed to be the agent of the owner thereof and acting for and on the behalf of the owner in receiving such service, and the charges for such service, if unpaid, shall become a lien on the premises served. Every Person receiving Trash, Recyclables, and Organic Waste Collection under this chapter shall be personally liable to the City or to the contractor for payment of the rates established pursuant to this chapter, any resolution or ordinance setting rates, or any agreement for Collection adopted pursuant to this chapter. Delinquent charges for services rendered to the premises under this chapter may be collected, at the option of the City Council or the contractor, by a personal action against the occupant receiving such service, or by an action for foreclosure of the lien on the premises served.

**SECTION 8.44.050 - Surety bond required.**

The Collector who contracts with the City for the removal and disposal of Trash, Recyclables, and Organic Waste shall be required to furnish a surety bond to the City in a sum required by the City Council, conditioned upon the faithful performance of the contract and compliance with the provisions of this chapter.

**SECTION 8.44.060 - Containers—Residential.**

Residential customers shall use watertight Containers for holding Trash, Recyclables, and Organic Waste, constructed of plastic, metal, or other substantial material of sufficient strength to resist breaking under ordinary conditions of use. Such standard Containers shall have a close-fitting cover to prevent insects, including flies, rodents and other animals from coming into contact with their contents. No Container shall have irregular surfaces or be in a condition which is likely to cause injury to persons moving or lifting them. Such standard Containers shall also be provided with a handle or handles on the outside thereof and shall not exceed the limit established by the Collector for the Container. Residential customers shall place standard Containers at the curb or property line along the street in front of each residential unit, except where a suitable alley, as determined by the administrator of any Collection agreement, exists at the rear of the property. Clear access to standard Containers shall be provided to enable Collection.

**SECTION 8.44.070 - Same—Commercial.**

A Commercial Container shall be of welded steel construction suitable for the storage of Solid Waste. Commercial Containers shall be equipped with slots or other devices capable of being engaged by the arms of a front-loading refuse truck designed for that purpose provided by the City's Collection Collector. Business establishments, including any Commercial, industrial, or nonresidential unit in a trailer park, in a hotel or motel, or any building in which a combination of Residential and commercial and/or industrial uses exists, shall use Commercial Containers. Commercial Containers may also include detachable packer receptacles and roll-off boxes. Commercial Generators shall ensure clear access to Commercial Containers for Collection.

**SECTION 8.44.080 - Storage areas.**

It is unlawful for any Person to keep, accumulate, or permit to be kept or accumulated any Solid Waste in or upon any public or private place unless the same shall be in a Residential or Commercial Container as defined in this chapter.

**SECTION 8.44.90 - Deposit of Solid Waste in streets or permitting Solid Waste to accumulate—Unlawful.**

It is unlawful for any Person in the City to throw or deposit any Solid Waste, or to cause the same to be thrown or deposited upon any street, alley, gutter, curb, park, or other public place, or to throw or deposit the same in or upon any vacant lot or backyard, or to store or keep the same other than as set forth in this chapter or any agreement enacted pursuant to this chapter.

**SECTION 8.44.100 - Duty of Persons served to keep clean and sanitary.**

It shall be the duty of every Person served to keep all Containers used in the service of such Person in a clean and sanitary condition.

**SECTION 8.44.110 - Disturbing Solid Waste placed for Collection.**

It is unlawful for any Person to dig into, scatter or displace or disturb Solid Waste which has been put out for Collection.

**SECTION 8.44.120 - Creating vermin harborage.**

It is unlawful to store, deposit, or keep Solid Waste where rats or other vermin can have access thereto or feed thereon.

**SECTION 8.44.130 - Feeding to poultry.**

Provided that all public health laws and regulations and all City ordinances and any agreements adopted pursuant to this chapter are complied with, food waste may be fed to poultry on the premises where such food waste is produced.

**SECTION 8.44.140 Requirements for Single-Family Generators.**

Single-Family Organic Waste Generators, except Single-Family Generators that meet all applicable Self-Hauler requirements in this Chapter and the Coachella Municipal Code:

- A. Shall subscribe to the three-Container Organic Waste Collection services. The City shall have the right to review the number, size, and location of a Generator's Containers to evaluate adequacy of capacity provided for each type of Collection service for proper separation of materials and containment of materials; and, Generator shall adjust its service level for its Collection services as requested by the City.
- B. Shall participate in the three-Container system for Source Separated Recyclable Materials, Source Separated organic Organic Waste, and Trash Collection services. Generator participation in the Collection programs requires that Generators place only approved materials in the appropriate colored Containers. Generators shall not place materials designated for the Trash Container into the Organics Container or Recycling Container.

Notwithstanding the above, and in accordance with the SB 1383 Regulations, the City is not required to replace functional Containers, including Containers purchased prior to January 1, 2022, that do not comply with the color requirements of this Chapter and the Regulations, prior to the end of the useful life of those Containers, or prior to January 1, 2036, whichever comes first. Labels will be placed on the Containers indicating the primary materials accepted and the primary materials prohibited in the Containers. Until SB 1383 compliant colored Containers are provided (Recycling Container, Organics Container, and Trash Container),

Single-Family Waste Generators shall comply with the Container label requirements.

- C. Nothing in this Section prohibits a Generator from preventing or reducing waste generation, managing Organic Waste on site, and/or using a Community Composting site pursuant to 14 CCR Section 18984.9(c).

#### **SECTION 8.44.150 Requirements for Commercial Businesses**

Commercial Businesses, which includes Multi-Family Residential Dwellings, shall:

- A. Subscribe to the three-Container Organic Waste Collection services. The City shall have the right to review the number, size, and location of a Generator's Containers and frequency of Collection to evaluate adequacy of capacity provided for each type of Collection service for proper separation of materials and containment of materials; and, Commercial Business shall adjust its service level for its Collection services as requested by the City.
- B. Participate in and comply with the three-Container (Recycling Container, Organics Container, and Trash Container) Collection service by placing designated materials in designated Containers. Generator shall place only approved materials in the appropriate colored Containers. Generators shall not place materials designated for the Trash Container into the Organics Container or Recycling Container.

Notwithstanding the above, and in accordance with the SB 1383 Regulations, the City is not required to replace functional Containers, including Containers purchased prior to January 1, 2022, that do not comply with the color requirements of this Chapter and the Regulations, prior to the end of the useful life of those Containers, or prior to January 1, 2036, whichever comes first. Labels will be placed on the Containers indicating the primary materials accepted and the primary materials prohibited in the Containers. Until SB 1383 compliant colored Containers are provided (Recycling Container, Organics Container, and Trash Container), Commercial Businesses shall comply with the Container label requirements.

- C. Supply and allow access to adequate number, size, and location of Collection Containers with sufficient labels or colors (conforming with subsections (D)(1) and (D)(2) below), for employees, contractors, tenants and customers, consistent with the Recycling Container, Organics Container, and Trash Container Collection service.
- D. Excluding Multi-Family Residential Dwellings, provide Containers for the Collection of Source Separated Organic Waste, and Source Separated Recyclable Materials in all indoor and outdoor areas where disposal Containers are provided for customers, for materials generated by that business. Such Containers do not need to be provided in restrooms. If a Commercial Business does not generate any of the materials that would be collected in one type of Container, then the business does not have to provide that particular Container in all areas where disposal

Containers are provided for customers. Pursuant to 14 CCR Section 18984.9(b), the Containers provided by the business shall have either:

1. A body or lid that conforms with the Container colors provided through the Collection service provided by the City, with either lids conforming to the color requirements or bodies conforming to the color requirements or both lids and bodies conforming to color requirements. A Commercial Business is not required to replace functional Containers, including Containers purchased prior to January 1, 2022, that do not comply with the requirements of the subsection prior to the end of the useful life of those Containers, or prior to January 1, 2036, whichever comes first.
  2. Container labels that include language or graphic images or both indicating the primary material accepted and the primary materials prohibited in that Container or Containers with imprinted text or graphic images that indicate the primary materials accepted and primary materials prohibited in the Container. Pursuant 14 CCR Section 18984.8, the Container labels are required on new Containers commencing January 1, 2022.
- E. Multi-Family Residential Dwellings are not required to comply with Container placement requirements or labeling requirement pursuant to 14 CCR Section 18984.9(b).
  - F. To the extent practical through education, training, Inspection, and/or other measures, excluding Multi-Family Residential Dwellings, prohibit employees from placing materials in a Container not designated for those materials per the Recycling Container, Organics Container, and Trash Container Collection service.
  - G. Excluding Multi-Family Residential Dwellings, periodically inspect Recycling Container, Organics Container, and Trash Containers for contamination and inform employees if Containers are contaminated and of the requirements to keep contaminants out of those Containers pursuant to 14 CCR Section 18984.9(b)(3).
  - H. Annually provide information to employees, contractors, tenants, and customers about Organic Waste Recovery requirements and about proper sorting of Source Separated Organic Waste and Source Separated Recyclable Materials.
  - I. Provide education information before or within fourteen (14) days of occupation of the premises to new tenants that describes requirements to keep Source Separated Organic Waste and Source Separated Recyclable Materials separate from Trash (when applicable) and the location of Containers and the rules governing their use at each property.
  - J. Provide or arrange access for the City or its agent to their properties during all Inspections conducted in accordance with this Chapter to confirm compliance with the requirements of this Chapter.

- K. If implemented, accommodate and cooperate with the City's Remote Monitoring program for Inspection of the contents of Containers for Prohibited Container Contaminants, to evaluate Generator's compliance with this Chapter. The Remote Monitoring program shall involve installation of Remote Monitoring equipment on or in the Recycling Containers, Organics Containers, and/or Trash Containers.
- L. Nothing in this Section prohibits a Generator from preventing or reducing waste generation, managing Organic Waste on site, or using a Community Composting site pursuant to 14 CCR Section 18984.9(c).
- M. Commercial Businesses that are Tier One or Tier Two Commercial Edible Food Generators shall comply with Food Recovery requirements of this Chapter.

#### **SECTION 8.44.160 Waivers for Generators**

- A. De Minimis Waivers: The City may, at its discretion, waive a Commercial Business' obligation (including Multi-Family Residential Dwellings) to comply with some or all of the Organic Waste requirements of this Chapter if the Commercial Business:
  - 1. Submits an application specifying the services that they are requesting a waiver from; and
  - 2. Provides documentation that either:
    - a. The Commercial Business' total Solid Waste Collection service is two cubic yards or more per week and Organic Waste subject to Collection in a Recycling Container or Organics Container comprises less than 20 gallons per week per applicable Container of the business' total waste; or,
    - b. The Commercial Business' total Solid Waste Collection service is less than two cubic yards per week and Organic Waste subject to Collection in a Recycling Container or Organics Container comprises less than 10 gallons per week per applicable Container of the business' total waste; and
  - 3. Notifies the City if circumstances change such that Commercial Business's Organic Waste exceeds the threshold required for waiver, in which case waiver will be rescinded; and
  - 4. Provides written verification of eligibility for de minimis waiver every 5 years, if the City has approved de minimis waiver.
- B. Physical Space Waivers: The City may, at its discretion, waive a Commercial Business' or property owner's obligations (including Multi-Family Residential Dwellings) to comply with some or all of the Recyclable Materials and/or Organic Waste Collection service requirements if the City has evidence from its own staff,

a hauler, licensed architect, or licensed engineer demonstrating that the premises lack adequate space for the Collection Containers required for compliance with the Organic Waste Collection requirements of this Chapter.

A Commercial Business or property owner may request a physical space waiver through the following process:

1. Submit an application form specifying the type(s) of Collection services for which they are requesting a compliance waiver.
2. Provide documentation that the premises lack adequate space for Recycling Containers and/or Organics Containers, including documentation from its hauler, licensed architect, or licensed engineer.
3. Provide written verification to the City that it is still eligible for physical space waiver every five years, if the City has approved application for a physical space waiver.

#### **SECTION 8.44.170 Requirements for Commercial Edible Food Generators**

- A. Tier One Commercial Edible Food Generators must comply with the below requirements commencing January 1, 2022, and Tier Two Commercial Edible Food Generators must comply commencing January 1, 2024, pursuant to 14 CCR Section 18991.3.
- B. Large Venue or Large Event operators not providing food services, but allowing for food to be provided by others, shall require Food Facilities operating at the Large Venue or Large Event to comply with the requirements of this Section, commencing January 1, 2024.
- C. Commercial Edible Food Generators shall comply with the following requirements:
  1. Arrange to recover the maximum amount of Edible Food that would otherwise be disposed.
  2. Contract with, or enter into a written agreement with Food Recovery Organizations or Food Recovery Services for: (i) the Collection of Edible Food for Food Recovery.
  3. Shall not intentionally spoil Edible Food that is capable of being recovered by a Food Recovery Organization or a Food Recovery Service.
  4. Allow the City's designated enforcement entity or designated third party enforcement entity to access the premises and review records pursuant to 14 CCR Section 18991.4.
  5. Keep records that include the following information, or as otherwise specified in 14 CCR Section 18991.4:

- a. A list of each Food Recovery Service or organization that collects or receives its Edible Food pursuant to a contract or written agreement established under 14 CCR Section 18991.3(b).
  - b. A copy of all contracts or written agreements established under 14 CCR Section 18991.3(b).
  - c. A record of the following information for each of those Food Recovery Services or Food Recovery Organizations:
    - i. The name, address and contact information of the Food Recovery Service or Food Recovery Organization.
    - ii. The types of food that will be collected by the Food Recovery Service or Food Recovery Organization.
    - iii. The established frequency that food will be collected.
    - iv. The quantity of food, measured in pounds recovered per month, collected by a Food Recovery Service or Food Recovery Organization for Food Recovery.
6. Commencing no later than January 1, 2022, for Tier One Commercial Edible Food Generators and January 1, 2024, for Tier Two Commercial Edible Food Generators, Commercial Edible Food Generators shall provide, at minimum, an annual Food Recovery report to the City which includes the information required in 14 CCR Section 18991.4 "Record Keeping Requirements for Commercial Edible Food Generators."
- D. Nothing in this Section shall be construed to limit or conflict with the protections provided by the California Good Samaritan Food Donation Act of 2017, the Federal Good Samaritan Act, or share table and school food donation guidance pursuant to Senate Bill 557 (Chapter 557, Statutes of 2017) (, relating to food safety, as amended, supplemented, superseded and replaced from time to time.

#### **SECTION 8.44.180 Requirements for Food Recovery Organizations and Services**

- A. Food Recovery Services collecting or receiving Edible Food directly from Commercial Edible Food Generators, via a contract or written agreement established under 14 CCR Section 18991.3(b), shall maintain the following records, or as otherwise specified by 14 CCR Section 18991.5(a)(1):
  - 1. The name, address, and contact information for each Commercial Edible Food Generator from which the service collects Edible Food.
  - 2. The quantity in pounds of Edible Food collected from each Commercial Edible Food Generator per month.

3. The quantity in pounds of Edible Food transported to each Food Recovery Organization per month.
  4. The name, address, and contact information for each Food Recovery Organization that the Food Recovery Service transports Edible Food to for Food Recovery.
- B. Food Recovery Organizations collecting or receiving Edible Food directly from Commercial Edible Food Generators, via a contract or written agreement established under 14 CCR Section 18991.3(b), shall maintain the following records, or as otherwise specified by 14 CCR Section 18991.5(a)(2):
1. The name, address, and contact information for each Commercial Edible Food Generator from which the organization receives Edible Food.
  2. The quantity in pounds of Edible Food received from each Commercial Edible Food Generator per month.
  3. The name, address, and contact information for each Food Recovery Service that the organization receives Edible Food from for Food Recovery.
- C. Commencing January 1, 2022, Food Recovery Organizations and Food Recovery Services that have their primary address physically located in the City and contract with or have written agreements with one or more Commercial Edible Food Generators pursuant to 14 CCR Section 18991.3(b) shall report to the City the total pounds of Edible Food recovered in the previous calendar year from the Tier One and Tier Two Commercial Edible Food Generators they have established a contract or written agreement with pursuant to 14 CCR Section 18991.3(b), as applicable.
- D. Food Recovery Capacity Planning
- In order to support Edible Food Recovery capacity planning assessments or other studies conducted by the City that provides solid waste Collection services, or its designated entity, Food Recovery Services and Food Recovery Organizations operating in the City shall provide information and consultation to the City, upon request, regarding existing, or proposed new or expanded, Food Recovery capacity that could be accessed by the City and its Commercial Edible Food Generators. A Food Recovery Service or Food Recovery Organization contacted by the City shall respond to such request for information within 60 days, unless a shorter timeframe is otherwise specified by the City.
- E. Commencing no later than January 1, 2022, Food Recovery Services and Organization shall provide, at minimum, an annual report to the City which includes the information required in 14 CCR Section 18991.5 “Food Recovery Services and Organizations.”

#### **SECTION 8.44.190 Requirements for Haulers, Facility Operators, and Community Composting Operations**

A. Requirements for Haulers.

1. The authorized hauler providing Residential, Commercial, or industrial Organic Waste Collection services to Generators within the City boundaries shall meet the following requirements and standards as a condition of approval of a contract, agreement, or other authorization with the City to collect Organic Waste:

Through written notice to the City initially on or before July 1, 2022 and as changes occur; identify the facilities to which they will transport Organic Waste including the facilities for Source Separated Recyclable Materials and Source Separated Organic Waste, as applicable.

- a. Transport Source Separated Recyclable Materials and Source Separated Organic Waste to a facility, operation, activity, or property that recovers Organic Waste, as defined in 14 CCR, Division 7, Chapter 12, Article 2.
- b. Obtain approval from the City to haul Organic Waste, unless it is transporting Source Separated Organic Waste to a Community Composting site.
- c. The authorized hauler shall comply with education, equipment, signage, Container labelling, Container color, contamination monitoring, reporting, and other requirements contained within its Franchise Agreement, as may be amended from time to time.
- d. Notwithstanding any the foregoing, nothing in this Chapter shall restrict or otherwise prohibit the authorized Hauler from meeting its compliance requirements by any alternative methods or procedures, provided it complies with SB 1383, the SB 1383 Regulations, and/or any other applicable law, as may be amended from time to time.

B. Requirements for Facility Operators and Community Composting Operations.

1. Owners of facilities, operations, and activities that recover Organic Waste, including, but not limited to, Compost facilities, in-vessel digestion facilities, and publicly-owned treatment works shall, upon the City's request, provide information regarding available and potential new or expanded capacity at their facilities, operations, and activities, including information about throughput and permitted capacity necessary for planning purposes. Entities contacted by the City shall respond within 30 days.
2. Community Composting operators, upon City request, shall provide information to the City to support Organic Waste capacity planning, including, but not limited to, an estimate of the amount of Organic Waste anticipated to be handled at the Community Composting operation. Entities contacted by the City shall respond within 60 days.

## **SECTION 8.44.200 Self-Hauler Requirements**

In addition to any other requirements for Self-haulers as contained in the Coachella Municipal Code:

- A. Self-Haulers shall source separate all Recyclable Materials and Organic Waste (materials that the City otherwise requires Generators to separate for Collection in the Organic Waste and Recycling Collection program) generated on-site from Solid Waste in a manner consistent with 14 CCR Sections 18984.1 and 18984.2, or shall haul Organic Waste to a High Diversion Organic Waste Processing Facility as specified in 14 CCR Section 18984.3.
- B. Self-Haulers shall haul their Source Separated Recyclable Materials to a permitted facility that recovers those materials; and haul their Source Separated Organic Waste to a Solid Waste facility, operation, activity, or property that processes or recovers Source Separated Organic Waste. Alternatively, Self-Haulers may haul Organic Waste to a High Diversion Organic Waste Processing Facility.
- C. Self-Haulers shall have a current Self-Haul application on file with the City and keep a monthly record of the amount of Organic Waste delivered to each Solid Waste facility, operation, activity, or property that processes or recovers Organic Waste; this record shall be reported and is subject to Inspection by the City. The records shall include the following information:
  - 1. Delivery receipts and weight tickets from the entity accepting the waste.
  - 2. The amount of material in cubic yards or tons transported by the Generator to each entity.
  - 3. If the material is transported to an entity that does not have scales on-site, or employs scales incapable of weighing the Self-Hauler's vehicle in a manner that allows it to determine the weight of materials received, the Self-Hauler is not required to record the weight of material but shall keep a record of the entities that received the Organic Waste.
- D. Self-Haulers shall provide information collected in subsection(C) to the City or its authorized designee or other representative, on a monthly basis.
- E. Contractors or builders, or their employees, but not their subcontractors, may remove their own construction and demolition debris from construction sites.
- F. Any Person holding a valid City business license to engage in the nursery or gardening business may remove shrubbery, grass, tree cuttings, tree trimmings, or other agricultural debris from property within the City. Persons may remove Solid Waste from any property owned or occupied by such Person.

## **SECTION 8.44.210 Compliance with CALGreen Recycling Requirements**

As applicable, all persons and/or entities subject to California Green Building Standards Code, 24 CCR, Part 11, known as CALGreen, shall comply with the following provisions of CALGreen, as amended July 1, 2019 and effective January 1, 2020:

1. Section 4.410.2 Recycling by Occupants Residential and Section 5.410.1 Recycling by Occupants Non-residential.
2. For organic waste commingled with construction and demolition debris, Section 4.408.1 Construction Waste Management Residential and Section 5.408.1 Construction Waste Management non-residential.

If, after the adoption of this Chapter, Sections 4.408.1, 4.410.2, 5.408.1, and 5.410.1 of CALGreen are amended in a manner that requires the City to incorporate the requirements in an updated local ordinance, and the amended requirements include provisions more stringent than those required in this Section, the revised requirements of Sections 4.408.1, 4.410.2, 5.408.1, and 5.410.1 of CALGreen shall be enforced.

#### **SECTION 8.44.220 Model Water Efficient Landscaping Ordinance Requirements**

As applicable, all persons and/or entities subject to the MWELo shall comply with Sections 492.6(a)(3)(B), (C), (D), and (G), as amended September 15, 2015. The MWELo compliance items listed herein are not an inclusive list of MWELo requirements; therefore, property owners or their building or landscape designers that meet the threshold for MWELo compliance outlined herein shall consult the full MWELo for all requirements.

If, after the adoption of this Chapter, the California Department of Water Resources, or its successor agency, amends 23 CCR, Division 2, Chapter 2.7, Sections 492.6(a)(3)(B), (C), (D), or (G) of the MWELo September 15, 2015 requirements in a manner that requires the City to incorporate the requirements of an updated MWELo in a local ordinance, and the amended requirements include provisions more stringent than those required in this Section, the revised requirements of 23 CCR, Division 2, Chapter 2.7 shall be enforced.

#### **SECTION 8.44.230 Inspections and Investigations by the City**

- A. City representatives and/or its Designees are authorized to conduct Inspections and investigations, at random or otherwise, of any Collection Container, Collection vehicle loads, or transfer, processing, or disposal facility for materials collected from Generators, or Source Separated materials to confirm compliance with this Chapter, subject to applicable laws. This Section does not allow the City to enter the interior of a private Residential property for Inspection. For the purposes of inspecting Commercial Business Containers for compliance with this Chapter, the City may conduct Container Inspections for Prohibited Container Contaminants using Remote Monitoring, and Commercial Businesses shall accommodate and cooperate with the Remote Monitoring, where applicable.
- B. Regulated entity shall provide or arrange for access during all Inspections (with the exception of Residential property interiors) and shall cooperate with City employees and/or its Designees during such Inspections and investigations. Such

Inspections and investigations may include confirmation of proper placement of materials in Containers, Edible Food Recovery activities, records, or any other requirement of this Chapter described herein. Failure to provide or arrange for: (i) access to an entity's premises; (ii) installation and operation of Remote Monitoring equipment, where required; or (iii) access to records for any Inspection or investigation is a violation of this Chapter and may result in penalties described.

- C. Any records obtained by a City during its Inspections, Remote Monitoring, and other reviews shall be subject to the requirements and applicable disclosure exemptions of the Public Records Act as set forth in Government Code Section 6250 *et seq.*
- D. City representatives and/or its Designees are authorized to conduct any Inspections, Remote Monitoring or other investigations as reasonably necessary to further the goals of this Chapter, subject to applicable laws.
- E. The City shall receive written complaints from persons regarding an entity that may be potentially non-compliant with SB 1383 Regulations, including receipt of anonymous complaints. Collectors shall relay to City in writing all written complaints they receive.

#### **SECTION 8.44.240 Enforcement**

- A. Violation of Sections 8.44.140 through 8.44.220 shall constitute grounds for issuance of a Notice of Violation and assessment of a fine by an Enforcement Official or representative. Enforcement Actions under this Section include the issuance of an administrative citation and assessment of a fine. . The procedures in Chapter 3.28 shall govern the imposition, enforcement, collection, and review of administrative citations issued to enforce this chapter and any rule or regulation adopted pursuant to this chapter, except as otherwise indicated in this chapter.
- B. Other remedies allowed by law may be used, including civil action or prosecution as misdemeanor or infraction. City may pursue civil actions in the California courts to seek recovery of unpaid administrative citations.
- C. Enforcement pursuant to this Section may be undertaken by the Enforcement Official.
- D. Process for Enforcement
  - 1. Enforcement Officials and/or their Designees will monitor compliance with Sections 8.44.140 through 8.44.220 randomly and through Compliance Reviews, Route Reviews, investigation of complaints, and an Inspection program, which may include Remote Monitoring.
  - 2. The City may issue an official notification to notify regulated entities of its obligations under Sections 8.44.140 through 8.44.220.

3. For incidences of Prohibited Container Contaminants found in Containers, the jurisdiction will issue a Notice of Violation to any Generator found to have Prohibited Container Contaminants in a Container. Such notice will be provide via a cart tag or other communication immediately upon identification of the Prohibited Container Contaminants. If the City or its authorized Designees observe Prohibited Container Contaminants in a Generator's Containers on three occasions within a six-month time period, the City may assess Contamination processing fees or Contamination penalties on the Generator.
4. With the exception of violations by Generator of Container Contamination provisions enforced pursuant to Section 8.44.240(D)(3), the City shall issue a Notice of Violation requiring compliance within sixty (60) days of issuance of the Notice of Violation.
5. Absent compliance by the respondent within the deadline set forth in the Notice of Violation, the City shall commence an action to impose penalties, via an administrative citation and fine, pursuant to Chapter 3.20 of Title 3 of the Coachella Municipal Code.

Notices shall be sent to "owner" at the official address of the owner maintained by the tax collector for the City or if no such address is available, to the owner at the address of the dwelling or Commercial property or to the party responsible for paying for the Collection services, depending upon available information.

E. Penalty Amounts for Types of Violations

1. For a first violation, the amount of the base penalty shall be \$100 per violation.
2. For a second violation, the amount of the base penalty shall be \$200 per violation.
3. For a third or subsequent violation, the amount of the base penalty shall be \$500 per violation.
4. The penalties shall be consistent with Government Code section 36900.

F. Factors Considered in Determining Penalty Amount

The following factors shall be used to determine the amount of the penalty for each violation within the appropriate penalty amount range:

1. The nature, circumstances, and severity of the violation(s).
2. The violator's ability to pay.

3. The willfulness of the violator's misconduct.
4. Whether the violator took measures to avoid or mitigate violations of Sections 8.44.140 through 8.44.220 this Chapter.
5. Evidence of any economic benefit resulting from the violation(s).
6. The deterrent effect of the penalty on the violator.
7. Whether the violation(s) were due to conditions outside the control of the violator.

G. Compliance Deadline Extension Considerations

The City may extend the compliance deadlines set forth in a Notice of Violation if it finds that there are extenuating circumstances beyond the control of the respondent that make compliance within the deadlines impracticable, including the following:

1. Acts of God such as earthquakes, wildfires, flooding, and other emergencies or natural disasters;
2. Delays in obtaining discretionary permits or other government agency approvals; or,
3. Deficiencies in Organic Waste recycling infrastructure or Edible Food Recovery capacity and the City is under a corrective action plan with CalRecycle pursuant to 14 CCR Section 18996.2 due to those deficiencies.

H. Appeals Process

Persons receiving an administrative citation containing a penalty for an uncorrected violation may request a hearing to appeal the citation. A hearing will be held only if it is requested within the time prescribed and consistent with City's procedures for appeals of administrative citations pursuant to Chapter 3.28. Evidence may be presented at the hearing. The City will appoint a hearing officer who shall conduct the hearing and issue a final written order.

I. Education Period for Non-Compliance

Beginning January 1, 2022 and through December 31, 2023, the City or City designee will conduct Inspections, Remote Monitoring, Route Reviews, waste evaluations, and Compliance Reviews, depending upon the type of regulated entity, to determine compliance, and if City determines that Organic Waste Generator, Self-hauler, hauler, Tier One or Tier Two Commercial Edible Food Generator, Food Recovery Organization, Food Recovery Service, or other entity is not in compliance, it shall provide educational materials to the entity describing its obligations under this Chapter and a notice that compliance is required by January

1, 2022, and that violations may be subject to administrative civil penalties starting on January 1, 2024.

- J. Civil Penalties for Non-Compliance Beginning January 1, 2024, if the City determines that an Organic Waste Generator, Self-hauler, hauler, Tier One or Tier Two Commercial Edible Food Generator, Food Recovery Organization, Food Recovery Service, or other entity is not in compliance with this Chapter, it shall document the noncompliance or violation, issue a Notice of Violation, and take Enforcement Action pursuant to this Section and State law, as needed.



## STAFF REPORT 1/26/2022

**TO:** Honorable Mayor and City Council Members

**FROM:** Nathan Statham, Finance Director

**SUBJECT:** Adopt Resolution No. 2022-01 receiving and filing the City of Coachella Development Impact Fees Annual Report 2021 pursuant to Government Code Sections 66000-66008.

### **STAFF RECOMMENDATION:**

City Council adopt Resolution No. 2022-01 receiving and filing the City's Development Impact Fee Annual Report pursuant to California Government Code Sections 66000-66008.

### **EXECUTIVE SUMMARY**

Government Code Section 66006 requires each local agency that imposes development impact fees to prepare an annual report for these specific fees. The fees, when collected, must be segregated from the General Fund and accounted for separately from other impact fees. This is done by placing the fees into their own accounting and only expending the monies for the purposes for which the fees were collected. The attached report, for the fiscal year ending June 30, 2021, includes the beginning (prior year ending) and current year ending fund balances for each fund as well as any changes during the year. The report also provides the amount of fees collected, interest, other income, and allowable expenditures for each fund.

### **BACKGROUND:**

The City imposes fees on developer projects for the purpose of mitigating the impacts caused by new development. The City's developer impact fees are collected to defray all or at least a portion of the cost of public facilities, recreation facilities, parks, infrastructure (streets, signals, drainage, etc.) and public safety facilities. The purpose for which many of these developer fees are imposed supports future impacts that are also consistent with several strategic results areas including: Land Use, Open Space; Parks and Recreation; Public Safety and Emergency Services and Transportation.

### **FISCAL IMPACT:**

Receive and File. There is no fiscal impact as a result of this action.

### **ATTACHMENTS:**

1. Resolution No. 2022-01,
2. Development Impact Fees Annual Report 2021

## RESOLUTION NO. 2022-01

### A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COACHELLA RECEIVING AND FILING THE FISCAL YEAR 2020-21 ANNUAL REPORT ON THE COLLECTION AND USE OF MITIGATION FEES FOR NEW DEVELOPMENT.

**WHEREAS**, the City of Coachella collects impact fees to mitigate the effects of increased demand for public facilities, transportation infrastructure, and parks; and

**WHEREAS**, pursuant to the Mitigation Fee Act (Government Code Section 66000 et seq.), the City is required to annually report certain information regarding the collection of development impact fees; and

**WHEREAS**, the Report for Fiscal Year 2020-21, attached as "Exhibit A," identifies unexpended impact fee programs; and

**WHEREAS**, the Report has been made available.

### NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF COACHELLA HEREBY RESOLVES AS FOLLOWS:

The City Council of the City of Coachella does hereby receives and files the City of Coachella Development Impact Fees Annual Report 2021.

**PASSED, APPROVED and ADOPTED**, this 26<sup>th</sup> day of January 2022.

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Steven A. Hernandez  
Mayor

**ATTEST:**

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Angela M. Zepeda  
City Clerk

**APPROVED AS TO FORM:**

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Carlos Campos  
City Attorney

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

**I HEREBY CERTIFY** that the foregoing Resolution No. 2022-01 was duly adopted by the City Council of the City of Coachella at a regular meeting thereof, held on this 26<sup>th</sup> day of January 2022, by the following vote of the City Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Andrea J. Carranza, MMC  
Deputy City Clerk

## City of Coachella Development Impact Fees Annual Report 2021

### Park Land Impact Fee (Fund 120)

Description - Providing necessary Parkland and Open-Space to meet the needs of new residential construction

Fee - Single Family Units - \$3,056.94

- Multi-Family Units - \$2,567.83

| Account Description        |  | Beginning<br>Fund Balance | FY 2020-2021      | Ending<br>Fund Balance |
|----------------------------|--|---------------------------|-------------------|------------------------|
| Revenues & Other Sources   |  |                           |                   |                        |
| Developer fees             |  |                           | 353,231           |                        |
| Investment earnings (loss) |  |                           | (21,188)          |                        |
| <b>Total Sources</b>       |  |                           | <b>\$ 332,043</b> |                        |
| Expenditures & Other Uses  |  |                           |                   |                        |
| <b>Total Uses</b>          |  |                           | <b>\$ -</b>       |                        |
| <b>Total Available</b>     |  | <b>\$ (1,657,924)</b>     | <b>\$ 332,043</b> | <b>\$ (1,325,881)</b>  |

### Public Facilities

| Current Year Expenditures |  | Cost<br>FY 2020-2021 | DIF Funded  | % DIF Funded |
|---------------------------|--|----------------------|-------------|--------------|
|                           |  |                      |             |              |
| <b>Total</b>              |  | <b>\$ -</b>          | <b>\$ -</b> |              |

| Total Facility Expenditures | Est. Facility<br>Cost | Complete | DIF Funded  | % DIF Funded |
|-----------------------------|-----------------------|----------|-------------|--------------|
|                             |                       |          |             |              |
| <b>Total</b>                | <b>\$ -</b>           |          | <b>\$ -</b> |              |

## City of Coachella Development Impact Fees Annual Report 2021

### Library Facilities Impact Fee (Fund 121)

Description - provide library access to books, internet, and other reading and learning materials to a growing residential population.

Fees - Single Family Units - \$577.88

- Multi-Family Units - \$485.42

| Account Description           |  | Beginning<br>Fund Balance | FY 2020-2021      | Ending<br>Fund Balance |
|-------------------------------|--|---------------------------|-------------------|------------------------|
| Revenues & Other Sources      |  |                           |                   |                        |
| Developer fees                |  |                           | 149,209           |                        |
| Investment earnings (loss)    |  |                           | (3,351)           |                        |
| <b>Total Sources</b>          |  |                           | <b>\$ 145,857</b> |                        |
| Expenditures & Other Uses     |  |                           |                   |                        |
| Interest expense <sup>1</sup> |  |                           | 2,988             |                        |
| <b>Total Uses</b>             |  |                           | <b>\$ 2,988</b>   |                        |
| <b>Total Available</b>        |  | <b>\$ (12,103,223)</b>    | <b>\$ 142,869</b> | <b>\$ (11,960,354)</b> |

### Public Facilities

| Current Year Expenditures |  | Cost<br>FY 2020-2021 | DIF Funded  | % DIF Funded |
|---------------------------|--|----------------------|-------------|--------------|
|                           |  |                      |             |              |
| <b>Total</b>              |  | <b>\$ -</b>          | <b>\$ -</b> |              |

| Total Facility Expenditures | Est. Facility<br>Cost | Complete | DIF Funded  | % DIF Funded |
|-----------------------------|-----------------------|----------|-------------|--------------|
|                             |                       |          |             |              |
| <b>Total</b>                | <b>\$ -</b>           |          | <b>\$ -</b> |              |

<sup>1</sup> As of June 30, 2021, outstanding interfund loans of \$1,038,106 were owed to the General Fund. The interfund loans will be repaid when impact fee revenues become available, with interest set at the Local Agency Investment Fund (LAIF) rate of return.

Note: On September 13, 2016 the City issued Lease Revenue Bonds, Series 2016 in the amount of \$12,150,000 payable over 30 years for the construction of a new library. As of June 30, 2021, the outstanding balance was \$10,922,417. These bonds are reflected as a long-term liability of this fund.

# City of Coachella Development Impact Fees Annual Report 2021

## Bus Shelter Impact Fee (Fund 123)

Description - To provide sufficient bus shelters at designated bus stops to accommodate transit expansion.

Fee - Residential - \$85/unit

- Hotel/Motel - \$85/Rm

- Office - \$99/1,000sq.ft.

- Retail - \$85/1,000sq.ft.

- Restaurant/Gaming - \$106/1,000sq.ft.

- Gasoline - \$118/1,000sq.ft.

- Open Uses - \$126/Acre

| Account Description        |  | Beginning<br>Fund Balance | FY 2020-2021    | Ending<br>Fund Balance |
|----------------------------|--|---------------------------|-----------------|------------------------|
| Revenues & Other Sources   |  |                           |                 |                        |
| Investment earnings (loss) |  |                           | (337)           |                        |
| <b>Total Sources</b>       |  |                           | <b>\$ (337)</b> |                        |
| Expenditures & Other Uses  |  |                           |                 |                        |
| <b>Total Uses</b>          |  |                           | <b>\$ -</b>     |                        |
| <b>Total Available</b>     |  | <b>\$ 246,033</b>         | <b>\$ (337)</b> | <b>\$ 245,696</b>      |

### Public Facilities

| Current Year Expenditures |  | Costs<br>FY 2020-2021 | DIF Funded  | % DIF Funded |
|---------------------------|--|-----------------------|-------------|--------------|
|                           |  |                       |             |              |
| <b>Total</b>              |  | <b>\$ -</b>           | <b>\$ -</b> |              |

| Current Year Expenditures | Est. Facility<br>Cost | Complete | DIF Funded  | % DIF Funded |
|---------------------------|-----------------------|----------|-------------|--------------|
|                           |                       |          |             |              |
| <b>Total</b>              | <b>\$ -</b>           |          | <b>\$ -</b> |              |

Note: The Bus Shelter Fee has not been charges to developers since Fiscal Year 2013 and is no longer considered a DIF fee of the City.

## City of Coachella Development Impact Fees Annual Report 2021

### Park Improvement Impact Fee (Fund 126)

Description - provide sufficient park facilities and equipment for additional residents.

Fees - Single Family Residential - \$6,480.35/unit

- Multi-Family Residential - \$5,443.49/unit

| Account Description                  |  | Beginning<br>Fund Balance | FY 2020-2021        | Ending<br>Fund Balance |
|--------------------------------------|--|---------------------------|---------------------|------------------------|
| Revenues & Other Sources             |  |                           |                     |                        |
| Developer fees                       |  |                           | 1,158,831           |                        |
| Investment earnings (loss)           |  |                           | (2,936)             |                        |
| <b>Total Sources</b>                 |  |                           | <b>\$ 1,155,895</b> |                        |
| Expenditures & Other Uses            |  |                           |                     |                        |
| Interest expense <sup>1</sup>        |  |                           | 5,704               |                        |
| Contribution adjustment <sup>2</sup> |  |                           | 537,500             |                        |
| <b>Total Uses</b>                    |  |                           | <b>\$ 543,204</b>   |                        |
| <b>Total Available</b>               |  | <b>\$ (1,098,604)</b>     | <b>\$ 612,691</b>   | <b>\$ (485,913)</b>    |

#### Public Facilities

| Current Year Expenditures |  | Costs<br>FY 2020-2021 | DIF Funded  | % DIF Funded |
|---------------------------|--|-----------------------|-------------|--------------|
|                           |  |                       |             |              |
| <b>Total</b>              |  | <b>\$ -</b>           | <b>\$ -</b> |              |

| Total Facility Expenditures | Est. Facility<br>Cost | Complete | DIF Funded  | % DIF Funded |
|-----------------------------|-----------------------|----------|-------------|--------------|
|                             |                       |          |             |              |
| <b>Total</b>                | <b>\$ -</b>           |          | <b>\$ -</b> |              |

<sup>1</sup> As of June 30, 2021, the Park Improvement Impact Fee fund has an outstanding interfund loan of \$67,631 due to the General Fund. The interfund loans will be repaid when impact fee revenues become available, with interest set at the Local Agency Investment Fund (LAIF) rate of return.

<sup>2</sup> The City agreed to reimburse Park Fees to a developer as part of a settlement agreement in 2012 for the Vista Escondida development. Residential units were completed in the current fiscal year leading to these adjustments.

## City of Coachella Development Impact Fees Annual Report 2021

### Street & Transportation Impact Fee (Fund 127)

Description - To provide for street improvements based on trip demand placed on the road system by new development. This fee includes streets, bridges, interchanges, and grade separations.

Fees -

Residential

Single Family Residential - \$3,357.48

Multi-Family Residential - \$1,738.69

Non-Residential Construction

Commercial - \$4.62/sq.ft.

Office - \$5.46/sq.ft.

Industrial - \$3.75/sq.ft.

| Account Description                    |  | Beginning<br>Fund Balance | FY 2020-2021      | Ending<br>Fund Balance |
|--|--|---------------------------|-------------------|------------------------|
| Revenues & Other Sources               |  |                           |                   |                        |
| Developer fees                         |  |                           | 738,932           |                        |
| Transfer in <sup>1</sup>               |  |                           | 130,615           |                        |
| Investment earnings (loss)             |  |                           | (6,979)           |                        |
| <b>Total Sources</b>                   |  |                           | <b>\$ 862,568</b> |                        |
| Expenditures & Other Uses              |  |                           |                   |                        |
| Adjustment to fee revenue <sup>2</sup> |  |                           | 223,593           |                        |
| Transfers out - CIP fund               |  |                           | 74,780            |                        |
| Reimbursement <sup>3</sup>             |  |                           | 70,000            |                        |
| <b>Total Uses</b>                      |  |                           | <b>\$ 368,373</b> |                        |
| <b>Total Available</b>                 |  | <b>\$ (791,111)</b>       | <b>\$ 494,195</b> | <b>\$ (296,916)</b>    |

### Public Facilities

| Current Year Expenditures        |  | Costs<br>FY 2020-2021 | DIF Funded       | % DIF Funded |
|----------------------------------|--|-----------------------|------------------|--------------|
| Ave 50 Bridge/Whitewater (ST-69) |  | 5,257                 | 2,496            | 47.48%       |
| Avenue 50 Interchange (ST-81)    |  | 48,651                | 7,857            | 16.15%       |
| 50 Widening Project (ST-93)      |  | 166,297               | 41,574           | 25.00%       |
| Ave 50 Extension (ST-98)         |  | 218,812               | 6,852            | 3.13%        |
| Ave 48 Widening Proj (ST-78)     |  | 19,022                | 19,022           | 100.00%      |
| <b>Total</b>                     |  | <b>\$ 458,040</b>     | <b>\$ 77,801</b> |              |

| Total Facility Expenditures      | Est. Facility<br>Cost | Complete | DIF Funded          | % DIF Funded |
|----------------------------------|-----------------------|----------|---------------------|--------------|
| Ave 50 Bridge/Whitewater (ST-69) | 52,365,000            | 2%       | 17,369              | 0%           |
| Avenue 50 Interchange (ST-81)    | 54,928,767            | 3%       | 14,735              | 0%           |
| 50 Widening Project (ST-93)      | 3,693,750             | 18%      | 96,608              | 3%           |
| Ave 50 Extension (ST-98)         | 2,765,773             | 83%      | 208,505             | 8%           |
| Ave 48 Widening Proj (ST-78)     | 3,942,977             | 100%     | 682,934             | 17%          |
| <b>Total</b>                     | <b>\$ 117,696,267</b> |          | <b>\$ 1,020,151</b> |              |

<sup>1</sup>During fiscal 2021, the Bridge and Grade Separation Fund and Traffic Safety fund with balances of \$90,747 and \$39,868 respectfully were closed and combined within the Street & Transportation Impact Fee Fund.

<sup>2</sup> The City made adjustments to previously recorded permits. The previously entered valuations were entered based on initial project estimates that were later modified as certain portions of the development were not completed.

<sup>3</sup> A City traffic signal was installed as part of a commercial development. The City reimbursed the developer for the cost of installing the City traffic signal.

## City of Coachella Development Impact Fees Annual Report 2021

### Police Facilities Impact Fee (Fund 128)

Description - To provide police facilities and service equipment for increased police needs from expected community growth.

Fees -

Residential

Single Family - \$306.54/unit

Multi-Family - \$257.49

Non-

Commercial - \$23.22/1,000sq.ft.

Office - \$30.57/1,000sq.ft.

Industrial - \$12.10/1,000sq.ft.

| Account Description                    |  | Beginning<br>Fund Balance | FY 2020-2021     | Ending<br>Fund Balance |
|--|--|---------------------------|------------------|------------------------|
| Revenues & Other Sources               |  |                           |                  |                        |
| Developer fees                         |  |                           | 79,483           |                        |
| Investment earnings (loss)             |  |                           | (829)            |                        |
| <b>Total Sources</b>                   |  |                           | <b>\$ 78,654</b> |                        |
| Expenditures & Other Uses              |  |                           |                  |                        |
| Adjustment to fee revenue <sup>1</sup> |  |                           | 883              |                        |
| <b>Total Uses</b>                      |  |                           | <b>\$ 883</b>    |                        |
|  |  |                           |                  |                        |
| <b>Total Available</b>                 |  | <b>\$ 595,931</b>         | <b>\$ 77,771</b> | <b>\$ 673,702</b>      |

### Public Facilities

| Current Year Expenditures |  | Costs<br>FY 2020-2021 | DIF Funded  | % DIF Funded |
|---------------------------|--|-----------------------|-------------|--------------|
|                           |  |                       |             |              |
|                           |  |                       |             |              |
| <b>Total</b>              |  | <b>\$ -</b>           | <b>\$ -</b> |              |

| Total Facility Expenditures | Est. Facility<br>Cost | Complete | DIF Funded  | % DIF Funded |
|-----------------------------|-----------------------|----------|-------------|--------------|
|                             |                       |          |             |              |
|                             |                       |          |             |              |
| <b>Total</b>                | <b>\$ -</b>           |          | <b>\$ -</b> |              |

<sup>1</sup> The City made adjustments to previously recorded permits. The previously entered valuations were entered based on initial project estimates that were later modified as certain portions of the development were not completed.

## City of Coachella Development Impact Fees Annual Report 2021

### General Government Facilities Impact Fee (Fund 129)

Description - To provide general government facilities to serve a growing City population.

**Fees -**

Residential

Single Family - \$2,357.61/unit

Multi-Family - \$1,980.39/unit

Non-Residential

Commercial - \$178.54/1,000sq.ft

Office - \$235.13/1,000sq.ft.

Industrial - \$93.04/1,000sq.ft.

| Account Description                    |  | Beginning Fund Balance | FY 2020-2021      | Ending Fund Balance   |
|--|--|------------------------|-------------------|-----------------------|
| Revenues & Other Sources               |  |                        |                   |                       |
| Developer fees                         |  |                        | 611,635           |                       |
| Investment earnings (loss)             |  |                        | (907)             |                       |
| <b>Total Sources</b>                   |  |                        | <b>\$ 610,728</b> |                       |
| Expenditures & Other Uses              |  |                        |                   |                       |
| Adjustment to fee revenue <sup>1</sup> |  |                        | 6,791             |                       |
| Interest expense <sup>2</sup>          |  |                        | 25,539            |                       |
| Debt service <sup>3</sup>              |  |                        | 106,515           |                       |
| <b>Total Uses</b>                      |  |                        | <b>\$ 138,845</b> |                       |
| <b>Total Available</b>                 |  | <b>\$ (4,879,990)</b>  | <b>\$ 471,883</b> | <b>\$ (4,408,107)</b> |

#### Public Facilities

| Current Year Expenditures |  | Cost FY 2020-2021 | DIF Funded  | % DIF Funded |
|---------------------------|--|-------------------|-------------|--------------|
|                           |  |                   |             |              |
| <b>Total</b>              |  | <b>\$ -</b>       | <b>\$ -</b> |              |

| Total Facility Expenditures | Est. Facility Costs | Complete | DIF Funded  | % DIF Funded |
|-----------------------------|---------------------|----------|-------------|--------------|
|                             |                     |          |             |              |
| <b>Total</b>                | <b>\$ -</b>         |          | <b>\$ -</b> |              |

<sup>1</sup> The City made adjustments to previously recorded permits. The previously entered valuations were entered based on initial project estimates that were later modified as certain portions of the development were not completed.

<sup>2</sup> As of June 30, 2021, outstanding interfund loans of \$4,408,666 were owed to the General Fund. The interfund loans will be repaid when impact fee revenues become available, with interest set at the Local Agency Investment Fund (LAIF) rate of return.

<sup>3</sup> The General Government Facilities Impact Fee Fund has an outstanding note payable for the purchase of the Civic Center Facility. As of June 30, 2021 the balance of the note is \$906,183. The note requires monthly payments of \$8,876.26 (Principal and Interest). The note has an annual interest rate of 4%.

## City of Coachella Development Impact Fees Annual Report 2021

### Fire Facilities Impact Fee (Fund 130)

Description - To provide fire protection and medical services facilities and equipment.

Fees -

Residential

Single Family - \$1,750.03/unit

Multi-Family - \$1,470.02/unit

Non- Residential

Commercial - \$381.04/1,000sq.ft.

Office - \$501.80/1,000sq.ft.

Industrial - \$198.57sq.ft.

| Account Description                    |  | Beginning<br>Fund Balance | FY 2020-2021      | Ending<br>Fund Balance |
|--|--|---------------------------|-------------------|------------------------|
| Revenues & Other Sources               |  |                           |                   |                        |
| Developer fees                         |  |                           | 734,594           |                        |
| Investment Earnings (Loss)             |  |                           | (3,733)           |                        |
| <b>Total Sources</b>                   |  |                           | <b>\$ 730,861</b> |                        |
| Expenditures & Other Uses              |  |                           |                   |                        |
| Adjustment to fee revenue <sup>1</sup> |  |                           | 14,633            |                        |
| Transfers out - CIP project fund       |  |                           | 69,466            |                        |
| <b>Total Uses</b>                      |  |                           | <b>\$ 84,099</b>  |                        |
| <b>Total Available</b>                 |  | <b>\$ 1,137,075</b>       | <b>\$ 646,762</b> | <b>\$ 1,783,837</b>    |

### Public Facilities

| Current Year Expenditures      |  | Costs<br>FY 2020-2021 | DIF Funded       | % DIF Funded |
|--------------------------------|--|-----------------------|------------------|--------------|
| Fire Facilities Expansion (F7) |  | 561,850               | 69,466           | 12%          |
| <b>Total</b>                   |  | <b>\$ 561,850</b>     | <b>\$ 69,466</b> |              |

| Total Facility Expenditures    | Est. Facility<br>Cost | Complete | DIF Funded        | % DIF Funded |
|--------------------------------|-----------------------|----------|-------------------|--------------|
| Fire Facilities Expansion (F7) | 7,584,794             | 10%      | 146,451           | 1.93%        |
| <b>Total</b>                   | <b>\$ 7,584,794</b>   |          | <b>\$ 146,451</b> |              |

<sup>1</sup> The City made adjustments to previously recorded permits. The previously entered valuations were entered based on initial project estimates that were later modified as certain portions of the development were not completed.

## City of Coachella Development Impact Fees Annual Report 2021

### Art in Public Places Impact Fee (Fund 131)

Description - To provide continued access to public art in the community as the community grows.

**Fees -**

- 1) One half of one percent for new commercial or industrial construction
- 2) One half of one percent for remodel or reconstruction of existing commercial or industrial property
- 3) One quarter of one percent for new residential subdivisions of two or more units
- 4) One quarter of one percent for new individual single family units constructed in an existing subdivision with a building permit over \$100,000 for that portion of the building permit valuation in excess of \$100,000

| Account Description                    |  | Beginning<br>Fund Balance | FY 2020-2021      | Ending<br>Fund Balance |
|--|--|---------------------------|-------------------|------------------------|
| Revenues & Other Sources               |  |                           |                   |                        |
| Developer fees                         |  |                           | 128,223           |                        |
| Investment earnings (loss)             |  |                           | (868)             |                        |
| <b>Total Sources</b>                   |  |                           | <b>\$ 127,355</b> |                        |
| Expenditures & Other Uses              |  |                           |                   |                        |
| Adjustment to fee revenue <sup>1</sup> |  |                           | 31,073            |                        |
| Art works - murals                     |  |                           | 88,672            |                        |
| <b>Total Uses</b>                      |  |                           | <b>\$ 119,745</b> |                        |
|  |  |                           |                   |                        |
| <b>Total Available</b>                 |  | <b>\$ 214,502</b>         | <b>\$ 7,610</b>   | <b>\$ 222,112</b>      |

### Public Facilities

| Current Year Expenditures |  | Costs<br>FY 2020-2021 | DIF Funded | % Funded with fee |
|---------------------------|--|-----------------------|------------|-------------------|
| Mural-Angel of the Desert |  | 20,500                | 20,500     | 100%              |
| Desert Tree Art Sculpture |  | 20,000                | 20,000     | 100%              |
| <b>Total</b>              |  | <b>\$ 40,500</b>      |            |                   |

| Total Facility Expenditures | Est. Facility<br>Cost | Complete | DIF Funded       | % Funded with fee |
|-----------------------------|-----------------------|----------|------------------|-------------------|
| Mural-Angel of the Desert   | 20,500                | 100%     | 20,500           | 100%              |
| Desert Tree Art Sculpture   | 20,000                | 100%     | 20,000           | 100%              |
| <b>Total</b>                | <b>\$ 40,500</b>      |          | <b>\$ 40,500</b> |                   |

<sup>1</sup> The City made adjustments to previously recorded permits. The previously entered valuations were entered based on initial project estimates that were later modified as certain portions of the development were not completed.

## City of Coachella Development Impact Fees Annual Report 2021

### Water Connection Fee (177)

*Description - provide adequate water facilities to meet the demands of a growing residential and business population.*

*Fee - The Water System Backup Facilities Charges (Connection Fee) is \$3,948.17 per equivalent dwelling unit (EDU). The determination of EDUs is based on the number and size of water connections required.*

| <b>Account Description</b>             |  | <b>Beginning<br/>Fund Balance</b> | <b>FY 2020-2021</b> | <b>Ending<br/>Fund Balance</b> |
|--|--|-----------------------------------|---------------------|--------------------------------|
| Revenues & Other Sources               |  |                                   |                     |                                |
| Developer Fees                         |  |                                   | 780,444             |                                |
| Investment Earnings (Loss)             |  |                                   | (10,181)            |                                |
| <b>Total Sources</b>                   |  |                                   | <b>\$ 770,263</b>   |                                |
| Expenditures & Other Uses              |  |                                   |                     |                                |
| Adjustment to fee revenue <sup>1</sup> |  |                                   | 262,049             |                                |
| <b>Total Uses</b>                      |  |                                   | <b>\$ 262,049</b>   |                                |
|  |  |                                   |                     |                                |
| <b>Total Available</b>                 |  | <b>\$ 7,771,389</b>               | <b>\$ 508,214</b>   | <b>\$ 8,279,603</b>            |

### Public Facilities

| <b>Current Year Expenditures</b> |  | <b>Costs<br/>FY 2020-2021</b> | <b>DIF Funded</b> | <b>% DIF Funded</b> |
|----------------------------------|--|-------------------------------|-------------------|---------------------|
|                                  |  |                               |                   |                     |
|                                  |  |                               |                   |                     |
| <b>Total</b>                     |  | <b>\$ -</b>                   | <b>\$ -</b>       |                     |

| <b>Total Facility Expenditures</b>      | <b>Est. Facility<br/>Cost</b> | <b>Complete</b> | <b>DIF Funded</b> | <b>% DIF Funded</b> |
|---|-------------------------------|-----------------|-------------------|---------------------|
|   |                               |                 |                   |                     |
|   |                               |                 |                   |                     |
| <b>Total Anticipated Future Project</b> | <b>\$ -</b>                   |                 | <b>\$ -</b>       |                     |

<sup>1</sup> The City made adjustments to previously recorded permits. The previously entered valuations were entered based on initial project estimates that were later modified as certain portions of the development were not completed.

## City of Coachella Development Impact Fees Annual Report 2021

### Sanitary District Connection Fee (360)

*Description - to provide adequate sanitation facilities to meet the demands of a growing residential and business population.*

*Fees - Equivalent Dwelling Units (EDU) are used to provide a common evaluation factor for all development types. One EDU is equal to one single family residential unit. Commercial developments are converted to "equivalent" residential units to facilitate the analysis. Residential development includes all detached homes, apartments units, vacation homes, or mobile homes. The Water System Backup Facilities Charges (Connection Fee) for residential units is \$4,141.56 per EDU. EDUs are determined based on the number and type of included fixtures.*

| <b>Account Description</b>             |  | <b>Beginning<br/>Fund Balance</b> | <b>FY 2020-2021</b> | <b>Ending<br/>Fund Balance</b> |
|--|--|-----------------------------------|---------------------|--------------------------------|
| Revenues & Other Sources               |  |                                   |                     |                                |
| Developer fees                         |  |                                   | 1,043,775           |                                |
| Investment earnings (loss)             |  |                                   | (6,998)             |                                |
| <b>Total Sources</b>                   |  |                                   | <b>\$ 1,036,777</b> |                                |
| Expenditures & Other Uses              |  |                                   |                     |                                |
| Debt service <sup>1</sup>              |  |                                   | 1,505,256           |                                |
| Adjustment to fee revenue <sup>2</sup> |  |                                   | 96,538              |                                |
| <b>Total Uses</b>                      |  |                                   | <b>\$ 1,601,793</b> |                                |
| <b>Total Available</b>                 |  | <b>\$ 5,245,377</b>               | <b>\$ (565,016)</b> | <b>\$ 4,680,361</b>            |

#### Public Facilities

| <b>Current Year Expenditures</b> |  | <b>Costs<br/>FY 2020-2021</b> | <b>DIF Funded</b> | <b>% DIF Funded</b> |
|----------------------------------|--|-------------------------------|-------------------|---------------------|
|                                  |  |                               |                   |                     |
|                                  |  |                               |                   |                     |
| <b>Total</b>                     |  | <b>\$ -</b>                   | <b>\$ -</b>       |                     |

| <b>Total Facility Expenditures</b> | <b>Est. Facility<br/>Costs</b> | <b>Complete</b> | <b>DIF Funded</b> | <b>% DIF Funded</b> |
|------------------------------------|--------------------------------|-----------------|-------------------|---------------------|
|                                    |                                |                 |                   |                     |
|                                    |                                |                 |                   |                     |
| <b>Total</b>                       | <b>\$ -</b>                    |                 | <b>\$ -</b>       |                     |

<sup>1</sup> On September 26, 2005 the Sanitary District entered into a loan agreement with the State of California Water Resources Control Board ("SWRCB") for \$23,658,615. The interest rate on this loan is 2.3%. The outstanding balance for the SWRCB loan at June 30, 2021 was in the amount of \$8,346,882.

<sup>2</sup> The City made adjustments to previously recorded permits. The previously entered valuations were entered based on initial project estimates that were later modified as certain portions of the development were not completed.



**STAFF REPORT**  
**1/26/2022**

**TO:** Honorable Mayor/President and City Council/Board Members

**FROM:** Nathan Statham, Finance Director

**SUBJECT:** Adopt Resolutions WA-2022-01 and 2022-05 approving the form and authorizing the execution of an official statement and other agreements for the issuance of water revenue refunding bonds and approving additional actions related thereto

**STAFF RECOMMENDATION:**

Staff recommends that the Board of Directors of the Coachella Water Authority and City Council adopt resolutions WA-2022-01 and 2022-05 respectively, authorizing the issuance of 2022 Water Revenue Refunding Bonds Series A & B (“new bonds”) for a total not to exceed amount of \$13,000,000 by authorizing the execution of an indenture of trust, continuing disclosure agreement, escrow agreement, bond purchase contract and a preliminary official statement.

**BACKGROUND:**

The Authority identified significant cost savings opportunities as interest rates have significantly decrease over the past couple of years. With borrowing costs near all-time lows, Authority staff recommended to the Board that a finance team be assembled and the preliminary steps be taken to begin refunding the Authority’s 2008 and 2012 outstanding bonds in September of 2021. The Board approved the recommendation. Current market conditions remain favorable, with Board approval, the finance team anticipates the sale of the new bonds will take place in February of 2022.

The finance team has gone through the rating process with S&P Global Ratings. S&P has issued an A+ rating for the new bonds.

**DISCUSSION/ANALYSIS:**

**Bond Sizing**

The intent of issuing the new bonds was to obtain interest savings to benefit the financial position of the Authority. As a result, the structure of the new bonds was substantially unchanged from the combined structures of the 2008 and 2012 outstanding bonds. The maturity and payments of the

new bonds mirrors that of the outstanding bonds. This structure results in net present value savings of \$1.3 million due to interest savings. This savings will result in \$1.2 million of additional funds to be used for capital improvement projects.

### **Legal Documents**

The legal documents subject to approval with this item are as follows:

- **Indenture of Trust:** The Indenture of Trust lays out the terms and operating requirements to be followed by the trustee Wilmington Trust. The trustee is responsible for receiving and remitting debt service payments between the Authority and bond investors.
- **Continuing Disclosure Agreement:** Executed for the benefit of bondholders, the Continuing Disclosure Agreement obligates the Authority to file its most recent audited financial statements. The Authority is also required to report certain events which are significant to bondholders if and when they occur. Urban Futures Inc. is the dissemination agent under the agreement and is responsible for preparing and posting the required disclosures.
- **Escrow Agreement:** Under the Escrow Agreement, US Bank will hold funds on behalf of the Authority from the new bonds for the repayment of the outstanding 2012 bonds until the earliest allowed redemption date.
- **Bond Purchase Contract:** Stifel, Nicolas & Company is the Authority's underwriter for the new bonds. The bond purchase contract allows for the sale of the new bonds to the underwriter.
- **Preliminary Official Statement:** The Preliminary Official Statement ("POS") is the offering document with respect to the new bonds and contains all operating and financial information about the Authority that would be considered material to a prospective investor's decision on whether to purchase the bonds. While the financing team has participated in preparing the POS, Board and staff are ultimately responsible for ensuring the POS is accurate, contains no misleading information and does not omit any information necessary to make the POS not misleading to investors.

If this item is approved, the POS will be made available to the rating agency and prospective investors some time over the next week and the new bonds will be sold to investors.

### **ALTERNATIVES:**

1. Approve resolutions WA-2022-01 and 2022-05 as recommended.
2. Refer the matter back to Authority staff for further analysis or the development of alternative debt structures.
3. Retain existing bond debt with higher interest costs.

**FISCAL IMPACT:**

Based on current market conditions, total savings are estimated to be \$1.3 million over the term of the bonds. This will make additional cash available to the Authority to finance already budgeted capital improvements.

Costs associated with all the actions surrounding the issuance of the new bonds will be paid from bond proceeds. Not-to-exceed fees for the financing team have been previously approved by the Board. All costs, except those of Standard & Poor's as the credit rating agency will be contingent upon the successful sale of the bonds.

Good Faith Estimates (required by SB 450) are attached to this item and provided to the Board assuming the new bonds will be issued at the \$13 million not-to-exceed amount. These amounts are still preliminary and are subject to prevailing market conditions at the time of bond pricing.

**ATTACHMENTS:**

1. Resolution WA-2022-01
2. Resolution 2022-05
3. Indenture of Trust
4. Continuing Disclosure Agreement
5. Escrow Agreement
6. Bond Purchase Contract 2022A
7. Bond Purchase Contract 2022B (forward delivery)
8. Preliminary Official Statement (POS)
9. Good Faith Estimates

## RESOLUTION NO. WA-2022-01

**A RESOLUTION OF THE COACHELLA WATER AUTHORITY APPROVING THE ISSUANCE AND SALE OF NOT TO EXCEED \$6,000,000 PRINCIPAL AMOUNT OF ITS WATER REVENUE REFUNDING BONDS, 2022A SERIES AND \$7,000,000 PRINCIPAL MOUNT OF ITS WATER REVENUE REFUNDING BONDS, 2022B SERIES (FORWARD DELIVERY), APPROVING AN INDENTURE OF TRUST FOR EACH SERIES, A BOND PURCHASE CONTRACT FOR EACH SERIES, A CONTINUING DISCLOSURE AGREEMENT FOR EACH SERIES, AN ESCROW AGREEMENT AND A PRELIMINARY OFFICIAL STATEMENT, AUTHORIZING AND DIRECTING THE EXECUTION THEREOF AND AUTHORIZING ACTIONS RELATED THERETO**

**WHEREAS**, the Coachella Water Authority (the “Authority”) is a joint powers authority duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement, dated as of July 1, 2003, by and between the City of Coachella (the “City”) and the Coachella Redevelopment Agency (the “Agency” and, with the City, the “Members”), and under the provisions of Articles 1 through 4 (commencing with section 6500) of Chapter 5 of Division 7 of Title 1 of the California Government Code (the “Act”), and is authorized pursuant to Article 4 of the Act to borrow money for the purpose of financing and refinancing the acquisition of bonds, notes and other obligations of, or for the purpose of making loans to, public entities, including the Members, and to provide financing for public capital improvements of public entities, including the Members; and

**WHEREAS**, the Authority has previously issued its Water Revenue Bonds (USDA) Series 2008 (the “2008 Bonds”); and

**WHEREAS**, the Authority has previously issued its Water Revenue Refunding Bonds, 2012 Series (the “2012 Bonds”); and

**WHEREAS**, the Authority is authorized pursuant to the provisions of sections 6584 *et seq.* of the Act (the “Bond Law”), to issue its revenue bonds for the purpose of financing and refinancing facilities for the production, storage, transmission, or treatment of water; and

**WHEREAS**, payment of the principal of and interest on the revenue bonds will be secured by a pledge of net revenues received by the Authority from the operation by the City of its water system (the “Enterprise”); and

**WHEREAS**, the Authority, after due investigation and deliberation, has determined that it is in the interests of the Authority at this time to provide for the issuance of bonds under the Bond Law to (a) refinance the 2008 Bonds and the 2012 Bonds, (b) finance certain improvements to the Enterprise, and (c) pay the costs of issuance of such bonds; and

**WHEREAS**, to that end, the Authority has determined to issue two series of its revenue bonds, to be designated as the Coachella Water Authority Water Revenue Refunding Bonds, 2022A Series, in the principal amount not to exceed \$6,000,000, and Coachella Water Authority Water Revenue Refunding Bonds, 2022B Series (Forward Delivery) (the "2022A Bonds," the "2022B Bonds," and collectively, the "Bonds"), in the principal amount not to exceed \$7,000,000, to be secured by a pledge of the net revenues derived from the operation of the Enterprise; and

**WHEREAS**, the Authority previously adopted Resolution No. WA-2021-09 authorizing and directing staff to undertake the process of issuing the Bonds; and

**WHEREAS**, the firm of Stifel Nicolaus & Company, Incorporated (the "Underwriter") has proposed to purchase the Bonds; and

**WHEREAS**, the Board of Directors (the "Board") of the Authority has duly considered such transactions and wishes at this time to approve said transactions in the public interests of the Authority.

**NOW, THEREFORE, THE COACHELLA WATER AUTHORITY DOES HEREBY FIND, ORDER, AND RESOLVE AS FOLLOWS:**

**Section 1. Determination to Carry Out Project.** The Board hereby determines to carry out the issuance and sale of the Bonds and the financing and refinancing of certain improvements to the Enterprise.

**Section 2. Issuance of the Bonds; Approval of Indenture.**

(a) The Board hereby authorizes the issuance of the Bonds. The maximum aggregate principal amount of the 2022A Bonds shall not exceed \$6,000,000 and the maximum aggregate principal amount of the 2022B Bonds shall not exceed \$7,000,000.

(b) Each series of the Bonds shall be issued pursuant to an Indenture of Trust (the "Indenture"), by and between the Authority and Wilmington Trust, National Association, as trustee (the "Trustee"). The Board hereby approves the Indenture in substantially the form on file with the Secretary, together with such additions thereto and changes therein as the President, the Vice President, the Executive Director or the Treasurer of the Authority (the "Designated Officers") shall deem necessary, desirable or appropriate, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Designated Officers, each acting alone, are hereby authorized and directed to execute, and the Secretary is hereby authorized and directed to attest to, the final form of the Indenture for and in the name and on behalf of the Authority. The Board hereby authorizes the delivery and performance of the Indenture.

**Section 3. Approval of Continuing Disclosure Agreement.** The Authority hereby approves the Continuing Disclosure Agreement (the "Disclosure Agreement") for each series of the Bonds, in substantially the form of the Disclosure Agreement on file with the Secretary, together with such additions thereto and changes therein as a Designated Officer shall deem necessary, desirable or appropriate, the execution of which by the Authority shall be conclusive

Resolution No. WA-2022-01

Page 2

evidence of the approval of any such additions and changes. The Designated Officers, each acting alone, are hereby authorized and directed to execute, and the Secretary is hereby authorized and directed to attest to, the final form of the Disclosure Agreement for and in the name and on behalf of the Authority. The Authority hereby authorizes the delivery and performance of the Disclosure Agreement.

**Section 4. Approval of Escrow Agreement.** The Authority hereby approves the Escrow Agreement (the "Escrow Agreement") in substantially the form of the Escrow Agreement on file with the Secretary, together with such additions thereto and changes therein as a Designated Officer shall deem necessary, desirable or appropriate, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Designated Officers, each acting alone, are hereby authorized and directed to execute, and the Secretary is hereby authorized and directed to attest to, the final form of the Escrow Agreement for and in the name and on behalf of the Authority. The Authority hereby authorizes the delivery and performance of the Escrow Agreement.

**Section 5. Sale of Bonds.** The Board hereby approves the sale of the Bonds by the Authority by negotiation with the Underwriter, pursuant to the Bond Purchase Contracts (the "Purchase Contracts") in substantially the forms on file with the Secretary, together with such additions thereto and changes therein as a Designated Officer shall deem necessary, desirable or appropriate, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes, so long as the true interest cost shall not exceed 4.00%. The Designated Officers, each acting alone, are hereby authorized and directed to execute the final forms of the Purchase Contracts for and in the name and on behalf of the Authority upon the submission of an offer by the Underwriter to purchase the Bonds, which offer is acceptable to a Designated Officer and consistent with the requirements of this Resolution. The amount of Underwriter's discount for each series of the Bonds shall be not more than 0.60% of the par amount thereof (not taking into account any original issue discount on the sale thereof).

**Section 6. Official Statement.** The Authority hereby approves a Preliminary Official Statement (the "Preliminary Official Statement") in substantially the form on file with the Secretary, together with such additions thereto and changes therein as a Designated Officer shall deem necessary, desirable or appropriate. The Designated Officers, each acting alone, are hereby authorized and directed to deem final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934 except for permitted omissions, the Preliminary Official Statement. Distribution of the Preliminary Official Statement by the Underwriter is hereby approved. The Designated Officers, each acting alone, are hereby authorized to execute the final form of an Official Statement (including any updates thereto, the "Official Statement"), including as it may be modified by such additions thereto and changes therein as a Designated Officer shall deem necessary, desirable or appropriate, and the execution of the Official Statement by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Authority hereby authorizes the distribution of the Official Statement by the Underwriter. The Official Statement shall be executed in the name and on behalf of the Authority by a Designated Officer.

**Section 7. Municipal Bond Insurance and Reserve Fund Surety.** The Authority hereby authorizes the Executive Director to select a municipal bond insurer to insure payments of principal of and interest on all or a portion of the Bonds so long as the Executive Director determines that obtaining the municipal bond insurance policy provided thereby will result in a lower interest rate or yield to maturity with respect to such Bonds. The Authority hereby authorizes the Executive Director to also obtain a debt service reserve policy from a municipal bond insurer provided such debt service reserve policy provides debt service savings or other benefits to the proposed transaction, as determined by the Executive Director. Bond Counsel is hereby directed to make all changes to the Indentures, the Preliminary Official Statement, the Purchase Contracts, the Escrow Agreement and the Continuing Disclosure Agreements, as are necessary to reflect the selection of a municipal bond insurer and the reasonable comments thereof.

**Section 8. Official Actions.** The President, the Vice President, the Executive Director, the Treasurer, the Secretary and any and all other officers of the Authority are hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions, including execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and sale of the Bonds and the consummation of the transactions as described herein.

**Section 8. Effective Date.** This Resolution shall take effect from and after the date of its passage and adoption.

**PASSED, APPROVED and ADOPTED**, this 26<sup>th</sup> day of January 2022.

\_\_\_\_\_  
Steven A Hernandez, President

**ATTEST:**

\_\_\_\_\_  
Angela M. Zepeda, Secretary

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Carlos Campos, Authority Counsel

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

**I HEREBY CERTIFY** that the foregoing Resolution No. WA-2022-01 was duly adopted by the Board of Directors of the Coachella Water Authority at a regular meeting thereof, held on this 26<sup>th</sup> day of January 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

Andrea J. Carranza, MMC  
Deputy City Clerk

**RESOLUTION NO. 2022-05****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COACHELLA APPROVING AN INDENTURE OF TRUST RELATING TO THE COACHELLA WATER AUTHORITY WATER REVENUE REFUNDING BONDS, 2022A SERIES, AND WATER REVENUE REFUNDING BONDS, 2022B SERIES (FORWARD DELIVERY), AND AUTHORIZING AND DIRECTING THE EXECUTION THEREOF AND AUTHORIZING ACTIONS RELATED THERETO**

**WHEREAS**, the Coachella Water Authority (the “Authority”) is a joint powers authority duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement, dated as of July 1, 2003 by and between the City of Coachella (the “City”) and the Coachella Redevelopment Agency (the “Agency” and, with the City, the “Members”), and under the provisions of Articles 1 through 4 (commencing with section 6500) of Chapter 5 of Division 7 of Title 1 of the California Government Code (the “Act”), and is authorized pursuant to Article 4 of the Act to borrow money for the purpose of financing and refinancing the acquisition of bonds, notes and other obligations of, or for the purpose of making loans to, public entities, including the Members, and to provide financing for public capital improvements of public entities, including the Members; and

**WHEREAS**, the Authority has previously issued its Water Revenue Bonds (USDA) Series 2008 (the “2008 Bonds”); and

**WHEREAS**, the Authority has previously issued its Water Revenue Refunding Bonds, 2012 Series (the “2012 Bonds”); and

**WHEREAS**, the Authority is authorized pursuant to the provisions of sections 6584 *et seq.* of the Act (the “Bond Law”), to issue its revenue bonds for the purpose of financing and refinancing facilities for the production, storage, transmission, or treatment of water; and

**WHEREAS**, payment of the principal of and interest on the revenue bonds will be secured by a pledge of net revenues received by the Authority from the operation by the City of its combined water system (the “Enterprise”); and

**WHEREAS**, the Authority, after due investigation and deliberation, has determined that it is in the interests of the Authority at this time to provide for the issuance of bonds under the Bond Law to (a) refinance the 2008 Bonds and the 2012 Bonds, (b) finance certain improvements to the Enterprise, and (c) pay the costs of issuance of such bonds; and

**WHEREAS**, to that end, the Authority has determined to issue two series of its revenue bonds, to be designated as the Coachella Water Authority Enterprise Water Revenue Refunding Bonds, 2022A Series, in the principal amount not to exceed \$6,000,000 and Coachella Water Authority Water Revenue Refunding Bonds, 2022B Series (Forward Delivery), in the principal amount not to exceed \$7,000,000 (collectively, the “Bonds”), to be secured by a pledge of the net revenues derived from the operation of the Enterprise; and

**WHEREAS**, the City Council has duly considered such transactions and wishes at this time to approve said transactions in the public interests of the City.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COACHELLA DOES HEREBY FIND, ORDER, AND RESOLVE AS FOLLOWS:**

**Section 1. Findings and Determinations.** The City Council hereby finds and determines that the recitals hereto are true and correct.

**Section 2. Approval of Indenture.** Each series of the Bonds shall be issued pursuant to an Indenture of Trust (the "Indenture"), by and between the Authority and Wilmington Trust, National Association, as trustee (the "Trustee"). The Council hereby approves the Indenture in substantially the form on file with the City Clerk, together with such additions thereto and changes therein as the Mayor, the Mayor Pro Tem, the City Manager, and the Finance Director (the "Designated Officers") shall deem necessary, desirable or appropriate, the execution of which by the City shall be conclusive evidence of the approval of any such additions and changes. The Designated Officers, each acting alone, are hereby authorized and directed to execute, and the City Clerk is hereby authorized and directed to attest to, the final form of the Indenture for and in the name and on behalf of the City. The Council hereby authorizes the delivery and performance of the Indenture.

**Section 3. Official Actions.** The Mayor, the Mayor Pro Tem, the City Manager, the Finance Director and the City Clerk and any and all other officers of the City are hereby authorized and directed, for and in the name and on behalf of the City, to do any and all things and take any and all actions, including execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and sale of the Bonds and the consummation of the transactions as described herein.

**Section 4. Effective Date.** This Resolution shall take effect from and after the date of its passage and adoption.

**PASSED, APPROVED and ADOPTED** this 26<sup>th</sup> day of January 2022.

\_\_\_\_\_  
Steven A. Hernandez  
Mayor

**ATTEST:**

\_\_\_\_\_  
Angela M. Zepeda  
City Clerk

**APPROVED AS TO FORM:**

---

Carlos Campos  
City Attorney

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

**I HEREBY CERTIFY** that the foregoing Resolution No. 2022-05 was duly adopted by the City Council of the City of Coachella at a regular meeting thereof, held on this 26<sup>th</sup> day of January 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

Andrea J. Carranza, MMC  
Deputy City Clerk

---

**INDENTURE OF TRUST**

**by and between the**

**COACHELLA WATER AUTHORITY**

**and**

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

**Dated as of [February][May] 1, 2022**

**Relating to the**

**\$ \_\_\_\_\_**

**Coachella Water Authority**

**Water Revenue Refunding Bonds, [2022A][2022B] Series**

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## INDENTURE OF TRUST

THIS INDENTURE OF TRUST, is dated as of [February][May] 1, 2022, by and between the COACHELLA WATER AUTHORITY, a joint exercise of powers authority organized and existing under the constitution and laws of the State of California (the “Authority”), and WILMINGTON TRUST, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, with a corporate trust office in Los Angeles, California, and being qualified to accept and administer the trusts hereby created (the “Trustee”);

### WITNESSETH:

WHEREAS, the Authority is a joint powers authority duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement, dated as of December 1, 2003, by and between the City of Coachella (the “City”) and the Coachella Redevelopment Agency (the “Agency” and, with the City, the “Members”), and under the provisions of Articles 1 through 4 (commencing with section 6500) of Chapter 5 of Division 7 of Title 1 of the California Government Code (the “Act”), and is authorized pursuant to Article 4 of the Act to borrow money for the purpose of financing and refinancing the acquisition of bonds, notes and other obligations of, or for the purpose of making loans to, public entities, including the Members, and to provide financing for public capital improvements of public entities, including the Members;

WHEREAS, the Authority is authorized pursuant to the provisions of section 6584 of the Act (the “Bond Law”), to issue its revenue bonds for the purpose of financing and refinancing facilities for the production, storage, transmission, or treatment of water;

WHEREAS, payment of the principal of and interest on the revenue bonds will be secured by a pledge of net revenues received by the Authority from the operation of its water system (the “Enterprise”);

WHEREAS, the Authority, after due investigation and deliberation, has determined that it is in the interests of the Authority at this time to provide for the issuance of bonds under the Bond Law to (a) refund certain prior obligations of the Authority, [(b) finance certain improvements to the Enterprise], and (c) pay the costs of issuance of such bonds;

WHEREAS, to that end, the Authority has determined to issue its revenue bonds, to be designated as the Coachella Water Authority Water Revenue Refunding Bonds, [2022A][2022B] Series, in the principal amount of \$\_\_\_\_\_ (the “Bonds”), to be secured by a pledge of the net revenues derived from the operation of the Enterprise;

WHEREAS, in order to provide for the authentication and delivery of the Bonds from time to time and in such series as may be established by the Authority, to establish and declare the terms and conditions upon which the Bonds are to be issued and secured and to secure the payment of the principal thereof and premium (if any) and of the interest thereon, the Board of Directors of the Authority has authorized the execution of this Indenture;

WHEREAS, all Bonds issued under this Indenture will be secured by a pledge of the Net Revenues, as defined herein, and certain other moneys and securities held by the Trustee hereunder; and

WHEREAS, all acts and proceedings required by law necessary to make the Bonds, when executed by the Authority, authenticated and delivered by the Trustee and duly issued, the valid, binding and legal special obligations of the Authority, and to constitute this Indenture a valid and binding agreement for the uses and purposes herein set forth, in accordance with its terms, have been done and taken; and the execution and delivery of this Indenture have been in all respects duly authorized.

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the payment of the principal of and premium (if any) and interest on all Bonds at any time issued and Outstanding under this Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the owners thereof, and for other valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Authority does hereby covenant and agree with the Trustee, for the benefit of the respective owners from time to time of the Bonds, as follows:

## ARTICLE I

### DEFINITIONS; RULES OF CONSTRUCTION; EQUAL SECURITY

Section 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.01 shall for all purposes of this Indenture and of any Supplemental Indenture and of any certificate, opinion, request or other documents herein mentioned, have the meanings herein specified, to be equally applicable to both the singular and plural forms of any of the terms herein defined.

“*Act*” means Articles 1 through 4 (commencing with section 6500) of Chapter 5 of Division 7 of Title 1 of the California Government Code.

[“*Acquisition*,” “*Acquire*” or “*Acquired*” means, with respect to the Project, the acquisition of an ownership interest in the Project, or the financing, construction or ownership of the Project.]

[“*Acquisition Costs*” with respect to the Project mean the contract price paid or to be paid to the contractors therefor upon acquisition, construction, refinancing, improvement, repair, modification or delivery of any portion of the Project and related equipment, in accordance with the purchase order or contract therefor. Acquisition Costs include the costs of site preparation necessary for the installation of any improvements to the Project, including engineering costs. Acquisition Costs also include costs incurred by the City, the Authority and the contractors in connection with the acquisition, delivery and installation of the Project.]

“*Additional Revenues*” means, with respect to the issuance of any Bonds or Parity Obligations, an allowance for Net Revenues (i) arising from any increase in the charges made for service from the Enterprise adopted prior to the incurring of such Bonds or Parity Obligations and effective within eighteen (18) months following the date of incurring such Bonds or Parity Obligations, in an amount equal to the total amount by which the Net Revenues would have been increased if such increase in charges had been in effect during the whole of the most recent completed Fiscal Year or during any more recent twelve (12) month period selected by the Authority, and (ii) arising from any increase in service connections to the Enterprise prior to the incurring of such Bonds or Parity Obligations, in an amount equal to the total amount by which the Net Revenues would have been increased if such connections had been in existence during the whole of the most recent completed Fiscal Year or during any more recent twelve (12) month period selected by the Authority, all as shown by the certificate or opinion of an Independent Financial Consultant.

[“*Alternate Project*” means an alternate project designated by the Authority pursuant to Section 3.03 hereof.]

“*Authority*” means the Coachella Water Authority, a joint exercise of powers authority organized and existing under the constitution and laws of the State, and any successor thereto.

“*Authorized Representative*” means, with respect to the Authority, its President, Vice President, Executive Director, Treasurer, Chief Financial Officer, Secretary or any other person

designated as an Authorized Representative of the Authority by a Certificate of the Authority signed by the Executive Director of the Authority and filed with the Trustee.

“*Board of Directors*” means the Board of Directors of the Authority.

“*Bond Fund*” means the fund by that name established pursuant to Section 5.02.

“*Bond Law*” means section 6584 of the Act, as in effect on the Closing Date or as thereafter amended in accordance with its terms.

“*Bond Registration Books*” means the books maintained by the Trustee pursuant to Section 2.08 for the registration and transfer of ownership of the Bonds.

“*Bond Year*” means any twelve-month period commencing on August 2 in a year and ending on the next succeeding August 1, both dates inclusive; *provided, however*, that the first Bond Year shall commence on the Closing Date relating to the Bonds and shall end on August 1, 2022.

“*Bonds*” means the Authority’s Water Revenue Refunding Bonds, [2022A][2022B] Series, issued and at any time Outstanding hereunder.

“*Bond Insurance Policy*” means the insurance policy issued by the Bond Insurer guaranteeing the scheduled payment, of principal of and interest on the Bonds when due.

“*Bond Insurer*” means \_\_\_\_\_ or any successor thereto or assignee thereof.

“*Bond Insurer Default*” means (a) the Bond Insurer shall be in payment default under the Bond Insurance Policy and such failure shall continue for three business days, or (b) any material provision of the Bond Insurance Policy shall be held to be invalid by a final, non-appealable order of a court of competent jurisdiction, or the validity or enforceability thereof shall be contested by the Bond Insurer.

“*Business Day*” means a day of the year which is not (a) a Saturday, Sunday or legal holiday as set forth by the Federal Reserve Bank of Los Angeles, (b) a day on which banks or trust companies in Los Angeles, California, Wilmington, Delaware, New York, New York or the city where the principal corporate trust office of the Trustee is located are not required or authorized by law, regulation or executive order to remain closed, or (c) a day on which The New York Stock Exchange is not closed.

“*Certificate*,” “*Statement*,” “*Request*,” “*Requisition*” and “*Order*” of the Authority mean, respectively, a written certificate, statement, request, requisition or order signed in the name of the Authority by an Authorized Representative of the Authority. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument.

“*Certificate of Completion*” means a certificate of an Authorized Representative of the Authority certifying that all equipment and other property constituting the Project has been

acquired, constructed, installed and accepted by the Authority, and that all Acquisition Costs for the Project have been paid.

“*City*” means the City of Coachella, a general law city and municipal corporation organized and existing under the constitution and laws of the State, and any successor thereto.

“*City Council*” means the City Council of the City.

“*Closing Date*” means the date upon which there is an exchange of the Bonds for the proceeds representing the purchase of the Bonds by the original purchasers thereof.

“*Code*” means the Internal Revenue Code of 1986 as in effect on the Closing Date, or as it may be amended to apply to obligations issued on the Closing Date, together with applicable temporary and final regulations promulgated under the Code.

“*Completion Date*” means the date certified by an Authorized Representative of the Authority that all equipment and other property constituting the Project has been acquired, installed and accepted by the Authority, and that all Acquisition Costs for such Project have been paid.

“*Continuing Disclosure Agreement*” means that certain Continuing Disclosure Agreement executed by the Authority and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“*Costs of Issuance*” means all expenses directly or indirectly payable by the Authority and related to the authorization, issuance, sale and delivery of Bonds, including but not limited to advertising and printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of the Trustee, compensation, fees and expenses of the Authority, the Trustee and its respective counsel, compensation to any financial consultants or underwriters, legal fees and expenses, rating agency fees, bond insurance fees, fees and charges for preparation, execution, transportation and safekeeping of Bonds, and any other cost, charge or fee in connection with the original issuance of Bonds.

“*Costs of Issuance Fund*” means the fund so designated and established pursuant to Section 3.02.

“*Debt Service*” means, for any period of calculation, the sum of:

(a) the interest accruing during such period on all outstanding Bonds, assuming that all outstanding serial Bonds are retired as scheduled and that all outstanding term Bonds are redeemed or paid from sinking fund payments as scheduled (except to the extent that such interest is capitalized or is reasonably anticipated to be reimbursed to the City by the United States of America pursuant to Section 54AA of the Code (Section 1531 of Title I of Division B of the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111 5, 23 Stat. 115 (2009), enacted February 17, 2009)), or any future similar program);

(b) those portions of the principal amount of all outstanding serial Bonds maturing in such period;

(c) those portions of the principal amount of all outstanding term Bonds required to be prepaid or paid in such period; and

(d) those portions of the Parity Obligations that are required to be paid during such period (except to the extent that the interest that is evidenced and represented thereby is capitalized or is reasonably anticipated to be reimbursed to the City by the United States of America pursuant to Section 54AA of the Code (Section 1531 of Title I of Division B of the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111 5, 23 Stat. 115 (2009), enacted February 17, 2009)), or any future similar program);

but less the earnings to be derived from the investment of moneys on deposit in debt service reserve funds established for Bonds or Parity Obligations;

provided that, as to any such Bonds or Parity Obligations bearing or comprising interest at other than a fixed rate, the rate of interest used to calculate Debt Service shall, for all purposes, be assumed to be a fixed rate equal to the higher of: (1) the then-current variable interest rate borne by such Bonds or Parity Obligations plus 1%; and (2) the highest variable rate borne over the preceding 3 months by outstanding variable rate debt issued by the City or, if no such variable rate debt is at the time outstanding, by variable rate debt of which the interest rate is computed by reference to an index that is comparable to that to be utilized in determining the interest rate for the debt then proposed to be issued;

provided further that if any series or issue of such Bonds or Parity Obligations have twenty-five percent (25%) or more of the aggregate principal amount of such series or issue due in any one year, Debt Service shall be determined for the period of determination as if the principal of and interest on such series or issue of such Bonds or Parity Obligations were being paid from the date of incurrence thereof in substantially equal annual amounts over a period of twenty-five (25) years from the date of calculation; and

provided further that, as to any such Bonds or Parity Obligations or portions thereof which bear no interest but which are sold at a discount and which discount accretes with respect to such Bonds or Parity Obligations or portions thereof, such accreted discount shall be treated as interest in the calculation of Debt Service; and

provided further that if the Bonds or Parity Obligations constitute interest rate swap agreements or other paired obligations, the interest rate on such Bonds or Parity Obligations shall be the resulting linked rate or the effective fixed interest rate to be paid by the City with respect to such paired obligations; and

provided further that the amount on deposit in a debt service reserve fund on any date of calculation of Debt Service shall be deducted from the amount of principal due at the final maturity of the Bonds and Parity Obligations for which such debt service reserve fund was established and, to the extent that the amount in such debt service reserve fund is in excess of such amount of principal, such excess shall be applied to the full amount of principal due, in each preceding year, in descending order, until such amount is exhausted.

*“Defeasance Obligations”* means (1) cash, (2) non-callable direct obligations of the United States of America (“Treasures”), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasures held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasures are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) subject to the prior written consent of the Bond Insurer, pre-refunded municipal obligations rated “AAA” and “Aaa” by S&P and Moody’s, respectively, or (5) subject to the prior written consent of the Bond Insurer, securities eligible for “AAA” defeasance under then existing criteria of S & P or any combination thereof, shall be used to effect defeasance of the Bonds unless the Bond Insurer otherwise approves.

*“Enterprise”* means the properties and assets, real and personal, tangible and intangible, of the City, now or hereafter existing, used or pertaining to the generation, transmission, distribution and sale of water, including all additions, expansions, improvements and betterments thereto and equipping thereof.

[*“Escrow Agent”* means \_\_\_\_\_, as escrow agent under the Escrow Agreement.]

[*“Escrow Agreement”* means the Escrow Agreement, dated as of May 1, 2022, by and between the Authority and the Escrow Agent.]

[*“Escrow Fund”* means the fund by that name created under the Escrow Agreement.]

*“Event of Default”* means any of the events of default described in Section 8.01.

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

*“Fiscal Year”* means the period commencing on July 1 of each year and terminating on the next succeeding June 30.

*“Governmental Loan”* means a loan from the State or the United States of America, acting through any of its agencies, to finance improvements to the Enterprise, and the obligation of the Authority to make payments to the State or the United States of America under the loan agreement memorializing said loan on a parity basis with the payment of Debt Service payments.

*“Indenture”* means this Indenture of Trust, as originally executed or as it may from time to time be supplemented, modified or amended by any Supplemental Indenture pursuant to the provisions hereof.

*“Independent Accountant”* means any certified public accountant or firm of such accountants appointed and paid by the Authority, and who, or each of whom:

- (a) is in fact independent and not under domination of the Authority;
- (b) does not have any substantial interest, direct or indirect, with the Authority; and
- (c) is not connected with the Authority as an officer or employee of the Authority, but who may be regularly retained to make annual or other audits of the books of or reports to the Authority.

*“Independent Financial Consultant”* means any financial consultant or firm of such consultants of national reputation generally recognized to be well qualified in financial matters relating to systems similar to the Enterprise, appointed and paid by the Authority, and who, or each of whom:

- (a) is in fact independent and not under the control of the Authority;
- (b) does not have a substantial financial interest, direct or indirect, in the Authority; and
- (c) is not connected with the Authority as a board member, officer or employee of the Authority or City, but may be regularly retained to make reports to the Authority or City.

*“Information Services”* means the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access system; or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other services providing information with respect to called bonds as the Authority may specify in a certificate to the Trustee and as the Trustee may select.

*“Insurance and Condemnation Proceeds Fund”* means the fund by that name established pursuant to Section 7.04.

*“Insurance Consultant”* means a person (which may be the Authority’s insurance agent or broker) having experience and a favorable reputation in consulting on the insurance requirements of water utilities in the State of the general size and character of the Enterprise, selected by the Authority.

*“Interest Account”* means the account by that name in the Bond Fund established pursuant to Section 5.02.

*“Interest Payment Date”* means February 1 and August 1 in each year, beginning \_\_\_\_\_, and continuing so long as any Bonds remain Outstanding.

*“Lease Agreement”* means that certain Water Enterprise Lease Agreement, dated as of July 1, 2003, by and between the City and the Authority, pursuant to which the City leased the Enterprise to the Authority and the Authority leased the Enterprise from the City.

*“Maximum Aggregate Annual Debt Service”* means, as of the date of calculation, the maximum amount of Debt Service for the current or any future Fiscal Year with respect to all Bonds and any Parity Obligations Outstanding.

*“Moody’s”* means Moody’s Investors Service, Inc., or any successor thereto.

*“Net Proceeds”* means the par amount of the Bonds plus accrued interest and premium, if any, less the amount of any underwriter’s and original issue discount, if any, less the proceeds applied to pay Costs of Issuance.

*“Net Revenues”* means, for any Fiscal Year, an amount equal to all of the Revenues received with respect to such Fiscal Year, minus the amount required to pay all Operation and Maintenance Costs becoming payable with respect to such Fiscal Year.

*“Operation and Maintenance Costs”* means costs spent or incurred for maintenance and operation of the Enterprise calculated in accordance with generally accepted accounting principles, including (among other things) the cost of purchasing water, the reasonable expenses of management and repair and other expenses necessary to maintain and preserve the Enterprise in good repair and working order, and including administrative costs of the City that are charged directly or apportioned to the Enterprise, including but not limited to salaries and wages of employees, payments to any pension system, overhead, insurance, taxes (if any), fees of auditors, accountants, attorneys or engineers and insurance premiums, and including all other reasonable and necessary costs of the City and the Authority or charges (other than debt service payments) required to be paid by it to comply with the terms of the Bonds or of any resolution or indenture authorizing the issuance of Parity Obligations, or of such Parity Obligations, but excluding, in all cases, depreciation, replacement and obsolescence charges or reserves therefore and amortization of intangibles or other bookkeeping entries of a similar nature and all capital charges.

*“Optional Redemption Account”* means the account by that name in the Redemption Fund established pursuant to Section 5.06.

*“Outstanding,”* when used as of any particular time with reference to Bonds, means all Bonds theretofore executed, issued and delivered by the Authority under this Indenture except:

- (a) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation;
- (b) Bonds paid or deemed to have been paid within the meaning of Section 11.01; and
- (c) Bonds in lieu of or in substitution for which other Bonds shall have been executed, issued and delivered by the Authority pursuant to this Indenture or any Supplemental Indenture.

Additionally, amounts paid by the Bond Insurer under the Bond Insurance Policy shall not be deemed paid for purposes of the Indenture and the Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the Authority in accordance with the Indenture. The Indenture shall not be discharged unless all amounts due or to become due to the Bond Insurer have been paid in full or duly provided for.

“*Owner*” or “*Bond Owner*,” when used with respect to any Bond, means the person in whose name the ownership of such Bond shall be registered on the Bond Registration Books.

“*Parity Obligations*” means indebtedness or other obligations of the Authority (including leases and installment sale agreements) hereafter issued or incurred and secured by a pledge of and lien on Net Revenues equally and ratably with the Bonds.

“*Participating Underwriter*” shall have the meaning ascribed thereto in the Continuing Disclosure Agreement.

“*Permitted Investments*” means the following:

- (a) Federal Securities;
- (b) Federal Housing Administration debentures;
- (c) The following listed obligations government-sponsored agencies which are not backed by the full faith and credit of the United States of America:
  - (i) Federal Home Loan Mortgage Corporation (FHLMC) senior debt obligations and participation certificates (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts),
  - (ii) Farm Credit System (formerly Federal Land Banks, Federal Intermediate Credit Banks and Banks for Cooperatives) consolidated system-wide bonds and notes,
  - (iii) Federal Home Loan Banks (FHL Banks) consolidated debt obligations, and
  - (iv) Federal National Mortgage Association (FNMA) senior debt obligations and mortgage-backed securities (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts);
- (d) Unsecured certificates of deposit, time deposits, and bankers’ acceptances (having maturities of not more than 365 days) of any bank the short-term obligations of which are rated “A-1+” or better by S&P and “Prime-1” by Moody’s, which may include the Trustee and its affiliates.
- (e) Deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation, in banks which have capital and surplus of at least \$15 million.

(f) Commercial paper (having original maturities of not more than 270 days) rated at the time of purchase “A-1+” by S&P and “Prime-1” by Moody’s.

(g) Money market funds rated “AAm” by S&P, or better and if rated by Moody’s rated “Aa2” or better, including funds for which the Trustee, its parent holding company, if any, or any affiliates or subsidiaries of the Trustee receives and retains a fee for services provided to the fund, whether as a custodian, transfer agent, investment advisor or otherwise.

(h) “State Obligations,” which means:

(i) Direct general obligations of any state of the United States of America or any subdivision of agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated at least “A3” by Moody’s and at least “A-” by S&P, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated,

(ii) Direct general short-term obligations of any state agency or subdivision or agency thereof described in (i) above and rated “A-1+” by S&P and “MIG-1” by Moody’s, and

(iii) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state or state agency described in (ii) above and rated “AA-” or better by S&P and “Aa3” or better by Moody’s;

(i) Pre-refunded municipal obligations rated “AAA” by S&P and “Aaa” by Moody’s meeting the following requirements:

(i) the municipal obligations are (A) not subject to redemption prior to maturity or (B) the trustee for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions,

(ii) the municipal obligations are secured by cash or U.S. Treasury Obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations,

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

(iv) the cash or U.S. Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations

(v) no substitution of a U.S. Treasury Obligation shall be permitted except with another U.S. Treasury Obligation and upon delivery of a new Verification Report, and

(vi) the cash or U.S. Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent.

(j) Repurchase agreements with

(i) any domestic bank, or domestic branch of a foreign bank, the long term debt of which is rated at least “A-” by S&P and “A3” by Moody’s; or

(ii) any broker-dealer with “retail customers” or a related affiliate thereof which broker-dealer has, or the parent company (which guarantees the provider) of which has, long-term debt rated at least “A-” by S&P and “A3” by Moody’s, which broker-dealer falls under the jurisdiction of the Securities Investors Protection Corporation, or

(iii) any other entity rated at least “A-” by S&P and “A3” Moody’s and acceptable to the Bond Insurer (each an “Eligible Provider”), provided that:

(A) (1) permitted collateral shall include U.S. Treasury Obligations, or senior debt obligations of GNMA, FNMA or FHLMC (no collateralized mortgage obligations shall be permitted for these providers), and (2) collateral levels must be at least 102% of the total principal when the collateral type is U.S. Treasury Obligations, 103% of the total principal when the collateral type is GNMA’s and 104% of the total principal when the collateral type is FNMA and FHLMC (“Eligible Collateral”),

(B) the trustee or a third party acting solely as agent therefor or for the issuer (the “Custodian”) has possession of the collateral or the collateral has been transferred to the Custodian in accordance with applicable state and federal laws (other than by means of entries on the transferor’s books) and such collateral shall be marked to market,

(C) the collateral shall be marked to market on a daily basis and the provider or Custodian shall send monthly reports to the Trustee, the Authority and the Bond Insurer setting forth the type of collateral, the collateral percentage required for that collateral type, the market value of the collateral on the valuation date and the name of the Custodian holding the collateral,

(D) the repurchase agreement (or guaranty, if applicable) may not be assigned or amended without the prior written consent of the Bond Insurer,

(E) the repurchase agreement shall state and an opinion of counsel shall be rendered at the time such collateral is delivered that the Custodian has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof,

(F) the repurchase agreement shall provide that if during its term the provider's rating by either Moody's or S&P is withdrawn or suspended or falls below "A-" by S&P or "A3" by Moody's, as appropriate, the provider must, notify the Authority, the Trustee and the Bond Insurer within five (5) days of receipt of such notice. Within ten (10) days of receipt of such notice, the provider shall either: (1) provide a written guarantee acceptable to the Bond Insurer, (2) post Eligible Collateral, or (3) assign the agreement to an Eligible Provider. If the provider does not perform a remedy within ten (10) business days, the provider shall, at the direction of the trustee (who shall give such direction if so directed by the Bond Insurer) repurchase all collateral and terminate the repurchase agreement, with no penalty or premium to the issuer or the Trustee.

(k) Investment agreements: with a domestic or foreign bank or corporation the long-term debt of which, or, in the case of a guaranteed corporation the long-term debt, or, in the case of a monoline financial guaranty insurance company, claims paying ability, or the guarantor is rated at least "AA-" by S&P and "Aa3" by Moody's, and acceptable to the Bond Insurer (each an "Eligible Provider"); provided that:

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

(ii) the invested funds are available for withdrawal without penalty or premium, at any time upon not more than seven (7) days' prior notice; the Authority and the Trustee agree to give or cause to be given notice in accordance with the terms of the investment agreement so as to receive funds thereunder with no penalty or premium paid,

(iii) the provider shall send monthly reports to the Trustee, the Authority and the Bond Insurer setting forth the balance the Authority or Trustee has invested with the provider and the amounts and dates of interest accrued and paid by the provider,

(iv) the investment agreement shall state that is an unconditional and general obligation of the provider, and is not subordinated to any other obligation of, the provider thereof or, if the provider is a bank, the agreement or the opinion of counsel shall state that the obligation of the provider to make payments thereunder ranks *pari passu* with the obligations of the provider to its other depositors and its other unsecured and unsubordinated creditors,

(v) the investment agreement (or guaranty, if applicable) may not be assigned or amended without the prior written consent of the Bond Insurer,

(vi) the Authority, the Trustee and the Bond Insurer shall receive an opinion of domestic counsel to the provider that such investment agreement is legal, valid, binding and enforceable against the provider in accordance with its terms,

(vii) the Authority, the Trustee and the Bond Insurer shall receive an opinion of foreign counsel to the provider (if applicable) that (A) the investment agreement has been duly authorized, executed and delivered by the provider and constitutes the legal, valid

and binding obligation of the provider, enforceable against the provider in accordance with its terms, (B) the choice of law of the state set forth in the investment agreement is valid under that country's laws and a court in such country would uphold such choice of law, and (C) any judgment rendered by a court in the United States would be recognized and enforceable in such country;

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

(A) the provider's rating by either S&P or Moody's falls below "AA-" or "Aa3", the provider shall, at its option, within ten (10) days of receipt of publication of such downgrade, either (1) provide a written guarantee acceptable to the Bond Insurer, (2) post Eligible Collateral with the Issuer, the Trustee or a third party acting solely as agent therefor (the "Custodian") free and clear of any third party liens or claims, (3) assign the agreement to an Eligible Provider, or (4) repay the principal of and accrued but unpaid interest on the investment, and

(B) the provider's rating by either S&P or Moody's is withdrawn or suspended or falls below "A-" or "A3", the provider must, at the direction of the Authority or the Trustee (who shall give such direction if so directed by the Bond Insurer), within ten (10) days of receipt of such direction, repay the principal of and accrued but unpaid interest on the investment, in either case with no penalty or premium to the Authority or Trustee,

(ix) in the event the provider is required to collateralize, permitted collateral shall include U.S. Treasury Obligations, or senior debt obligations of GNMA, FNMA or FHLMC (no collateralized mortgage obligations shall be permitted for these providers) and collateral levels must be 102% of the total principal when the collateral type is U.S. Treasury Obligations, 103% of the total principal when the collateral type is GNMA's and 104% of the total principal when the collateral type is FNMA and FHLMC ("Eligible Collateral"). In addition, the collateral shall be marked to market on a daily basis and the provider or Custodian shall send monthly reports to the Trustee, the Authority and the Bond Insurer setting forth the type of collateral, the collateral percentage required for that collateral type, the market value of the collateral on the valuation date and the name of the Custodian holding the collateral;

(x) the investment agreement shall state and an opinion of counsel shall be rendered, in the event collateral is required to be pledged by the provider under the terms of the investment agreement, at the time such collateral is delivered, that the Custodian has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof, and

(xi) the investment agreement must provide that if during its term: (A) the provider shall default in its payment obligations, the provider's obligations under the investment agreement shall, at the direction of the Authority or the Trustee (who shall give such direction if so directed by the Bond Insurer), be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Authority or Trustee, as appropriate, and (B) the provider shall become insolvent, not pay its debts as

they become due, be declared or petition to be declared bankrupt, etc. (“event of insolvency”), the provider’s obligations shall automatically be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Authority or Trustee, as appropriate.

(l) the Local Agency Investment Fund of the State, created pursuant to section 16429.1 of the California Government Code, to the extent the Trustee is authorized to register such investment in its name.

(m) any other investments approved in writing by the Bond Insurer.

“*Principal Account*” means the account by that name in the Bond Fund established pursuant to Section 5.02.

“*Principal Payment Date*” means August 1 in each year, beginning August 1, 20\_\_\_\_, and continuing so long as any Bonds remain Outstanding.

[“*Project*” means the Project described in Exhibit B attached hereto, including any Alternate Project.]

[“*Project Fund*” means the fund by that name established in Section 3.03 hereof.]

“*Rate Stabilization Account*” means the account of that name established by the Authority pursuant to Section 3.05 hereof.

“*Record Date*” means the fifteenth (15th) calendar day of the month immediately preceding an Interest Payment Date.

“*Redemption Fund*” means the fund by that name established pursuant to Section 5.06.

“*Redemption Price*” means, with respect to any Bond (or portion thereof) the principal amount of such Bond (or portion) plus the applicable premium, if any, payable upon redemption thereof pursuant to the provisions of such Bond and this Indenture.

“*Revenue Fund*” means the Revenue Fund held by the Authority into which all Revenues, as received, are deposited.

“*Revenues*” means all revenues, income, rents, fees, charges, rates and other moneys and receipts derived or to be derived by the Authority from or attributable to the lease and operation of the Enterprise including, without limiting the generality of the foregoing, (i) all revenues attributable to the Enterprise or to the payment of the costs thereof received or to be received by the Authority under any contract for service from the Enterprise or any part thereof or any contractual arrangement, with respect to the use of the Enterprise or any portion thereof or the services or capacity thereof, (ii) the proceeds of any standby water availability charges or connection fees collected by the Authority or the City to the extent such proceeds are available to pay debt service on the Bonds, (iii) the proceeds of any insurance covering business interruption loss relating to the Enterprise, and (iv) investment income earned on any moneys or securities deposited in any accounts to secure or provide for the payment of debt service on obligations

issued or incurred by the Authority and secured by Net Revenues, and interest received on any invested moneys of the Enterprise, but excluding any proceeds of taxes restricted by law to be used by the Authority to pay bonds hereafter issued and any state and federal grants received by the Authority. Revenues shall also be increased by the amounts, if any, transferred during such Fiscal Year or other period from the Rate Stabilization Account to the Revenue Fund and shall be decreased by the amounts, if any, transferred during such Fiscal Year or other period from the Revenue Fund to the Rate Stabilization Account, pursuant to Section 3.05 hereof. Revenues shall not include unrealized investment earnings or losses as a result of mark to market calculations.

“S&P” means S&P Global Ratings, or any successor thereto.

“*Securities Depositories*” means The Depository Trust Company; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the Authority may designate in a Written Request of the Authority delivered to the Trustee.

“*Special Record Date*” means the date established by the Trustee pursuant to Section 2.02 as a record date for the payment of defaulted interest on Bonds.

“*Special Redemption Account*” means the account by that name in the Redemption Fund established pursuant to Section 5.06.

“*State*” means the State of California.

“*Supplemental Indenture*” means any indenture hereafter duly authorized and entered into between the Authority and the Trustee, amendatory of or supplemental to this Indenture, but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

“*Term Bonds*” means the Bonds maturing on August 1, 20\_\_\_\_ and August 1, 20\_\_\_\_.

“*Trust Office*” means the principal corporate trust office of the Trustee in Costa Mesa, California; provided, however, that the Trustee may from time to time designate other offices for purposes of payment, transfer, exchange or registration of Bonds.

“*Trustee*” means Wilmington Trust, National Association, appointed by the Authority to act as trustee hereunder pursuant to Section 9.01, and its assigns or any other corporation or association which may at any time be substituted in its place, as provided in Section 10.01.

“*Value*” which shall be determined as of the end of each month, means that the value of any investment shall be calculated as follows: for the purpose of determining the amount of any funds, all Permitted Investment credited to such fund shall be valued a fair market value. The Trustee shall determine the fair market value based on accepted industry standards and from accepted industry providers. Accepted industry providers shall include, but are not limited to, pricing services provided by Financial Times Interactive Data Corporation, Bank of America Merrill Lynch and Morgan Stanley Smith Barney.

Section 1.02. Rules of Construction. All references in this Indenture to “Articles,” “Sections,” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture; and the words “herein,” “hereof,” “hereunder,” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

Section 1.03. Equal Security. In consideration of the acceptance of the Bonds by the Owners thereof, this Indenture shall be deemed to be and shall constitute a contract between the Authority and the Owners from time to time of the Bonds; and the covenants and agreements herein set forth to be performed on behalf of the Authority shall be for the equal and proportionate benefit, security and protection of all Owners of the Bonds without preference, priority or distinction as to security or otherwise of any of the Bonds over any of the others by reason of the number or date thereof or the time of sale, execution or delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or herein.

## ARTICLE II

## THE BONDS

Section 2.01. Authorization of the Bonds. At any time after the adoption, execution and delivery of this Indenture, the Authority may execute and the Trustee, upon Request of the Authority, shall authenticate and deliver Bonds in the aggregate principal amount of \_\_\_\_\_ dollars (\$\_\_\_\_\_).

Section 2.02. Terms of the Bonds. The Bonds shall be issued in fully registered form without coupons in denominations of \$5,000 or any integral multiple thereof, so long as no Bond shall have more than one maturity date. The Bonds shall be dated as of their date of delivery, shall mature on August 1 in each of the years and in the amounts, and shall bear interest at the rates, as follows:

| <u>Maturity Date</u><br><u>(August 1)</u> | <u>Principal</u><br><u>Amount</u> | <u>Interest</u><br><u>Rate</u> | <u>Maturity Date</u><br><u>(August 1)</u> | <u>Principal</u><br><u>Amount</u> | <u>Interest</u><br><u>Rate</u> |
|---|-----------------------------------|--------------------------------|---|-----------------------------------|--------------------------------|
|---|-----------------------------------|--------------------------------|---|-----------------------------------|--------------------------------|

Interest on the Bonds shall be payable on each Interest Payment Date to the person whose name appears on the Bond Registration Books as the Owner thereof as of the Record Date immediately preceding each such Interest Payment Date, such interest to be paid on such Interest Payment Date by check or, at the option of any Owner of at least \$1,000,000 aggregate principal amount of Bonds and upon written notice received by the Trustee prior to the Record Date, by wire transfer, at the Owner's address as it appears on the Bond Registration Books or to such account as shall have been identified by the Owner in the notice requesting payment by wire transfer. Interest on the Bonds shall be computed on the basis of a year consisting of 360 days and twelve 30-day months. Principal of and premium (if any) on any Bond shall be paid upon presentation and surrender thereof at the Trust Office of the Trustee. Both the principal of and interest and premium (if any) on the Bonds shall be payable in lawful money of the United States of America.

Each Bond shall bear interest from the Interest Payment Date next preceding the authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date; or (b) it is authenticated on or before \_\_\_\_\_ 15, 20\_\_\_\_, in which event it shall bear interest from its date of delivery; provided, however, that if, as of the date of authentication of any Bond, interest thereon is in default, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Owner on such Record Date and shall be paid to the person in whose name the Bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice whereof being given to the Owners not less than ten (10) days prior to such Special Record Date.

The Bonds shall be subject to redemption as provided in Article IV.

Section 2.03. Form of Bonds. The Bonds, the form of Trustee's certificate of authentication, and the form of assignment to appear thereon, shall be substantially in the respective forms set forth in Exhibit A attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture.

Section 2.04. Execution of Bonds. The Bonds shall be signed in the name and on behalf of the Authority with the manual or facsimile signature of its President and attested by the manual or facsimile signature of its Secretary. The Bonds shall then be delivered to the Trustee for authentication by it. In case any officer who shall have signed any of the Bonds shall cease to be such officer before the Bonds so signed shall have been authenticated or delivered by the Trustee or issued by the Authority, such Bonds may nevertheless be authenticated, delivered and issued and, upon such authentication, delivery and issue, shall be as binding upon the Authority as though the individual who signed the same had continued to be such officer of the Authority. Also, any Bond may be signed on behalf of the Authority by any individual who on the actual date of the execution of such Bond shall be the proper officer although on the nominal date of such Bond such individual shall not have been such officer of the Authority.

Only such of the Bonds as shall bear thereon a certificate of authentication in substantially the form set forth in Exhibit A, manually executed by the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such certificate of the Trustee shall be conclusive evidence that the Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Indenture.

Section 2.05. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the Bond Registration Books, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, endorsed or accompanied by delivery of a written instrument of transfer in a form acceptable to the Trustee, duly executed. Every Bond so surrendered to the Trustee shall be canceled by it and destroyed. Whenever any Bond shall be surrendered for transfer, the Authority shall execute and the Trustee shall thereupon authenticate and deliver to the transferee a new Bond or Bonds of like maturity and aggregate principal amount of authorized denominations. The Trustee shall require the Owner requesting such transfer to pay any tax or other charge required to be paid with respect to such transfer. No Bond, the notice of redemption of which has been mailed pursuant to Section 4.03, shall be subject to transfer pursuant to this Section 2.05. No transfer shall be required during the period established by the Trustee for the selection of Bonds for redemption.

Prior to any transfer of the Bonds outside the book-entry system (including, but not limited to, the initial transfer outside the book-entry system) the transferor shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045, as amended. The Trustee shall conclusively rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

Section 2.06. Exchange of Bonds. Bonds may be exchanged at the Trust Office of the Trustee, for a like aggregate principal amount of Bonds of other authorized denominations of the same maturity. The Trustee shall require the Owner requesting such exchange to pay any tax or other charge required to be paid with respect to such exchange. No Bond, the notice of redemption of which has been mailed pursuant to Section 4.03, shall be subject to exchange pursuant to this Section 2.06. No exchange of Bonds shall be required during the period established by the Trustee for the selection of Bonds for redemption.

Section 2.07. Temporary Bonds. The Bonds may be issued initially in temporary form exchangeable for definitive Bonds when ready for delivery. Any temporary Bond may be printed, lithographed or typewritten, shall be of such denomination as may be determined by the Authority and may contain such reference to any of the provisions of this Indenture as may be appropriate. A temporary Bond may be in the form of a single registered bond payable in installments, each on the date, in the amount and at the rate of interest established for the Bonds maturing on such date. Every temporary Bond shall be executed by the Authority and authenticated by the Trustee upon the same conditions and in the same manner as the definitive Bonds. If the Authority issues temporary Bonds, it will execute and deliver definitive Bonds as promptly thereafter as practicable, and thereupon the temporary Bonds may be surrendered, for cancellation, in exchange therefor at the Trust Office of the Trustee, and the Trustee shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations of the same maturity or maturities. Until so exchanged, the temporary Bonds shall be entitled to the same benefits under this Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.08. Bond Registration Books. The Trustee will keep or cause to be kept at its Trust Office sufficient books for the registration and transfer of the Bonds, which shall at all times during regular business hours be open to inspection by the Authority; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Bonds as hereinbefore provided.

Section 2.09. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the Authority shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and authorized denomination in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be canceled by it and destroyed and the Trustee shall provide evidence of such destruction to the Authority. If any Bond issued hereunder shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Authority and the Trustee and, if such evidence be satisfactory to the Trustee and indemnity for the

Authority and the Trustee satisfactory to the Trustee shall be given, the Authority, at the expense of the Bond Owner, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond shall have matured or shall have been called for redemption, instead of issuing a substitute Bond, the Trustee may pay the same without surrender thereof upon receipt of the aforementioned indemnity). The Authority may require payment of a reasonable fee for each new Bond issued under this Section 2.09 and of the expenses which may be incurred by the Authority and the Trustee in connection therewith. Any Bond issued under the provisions of this Section 2.09 in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original contractual obligation on the part of the Authority whether or not the Bond alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds secured by this Indenture.

Section 2.10. Book-Entry System. Notwithstanding any provision of this Indenture to the contrary:

(a) The Bonds shall be initially issued registered in the name of “Cede & Co.,” as nominee of The Depository Trust Company and shall be evidenced by one Bond maturing on each of the maturity dates set forth in Section 2.02 hereof to be in a denomination corresponding to the total principal therein designated to mature on such date. Registered ownership of such Bonds, or any portions thereof, may not thereafter be transferred except:

(i) to any successor of The Depository Trust Company or its nominee, or of any substitute depository designated pursuant to paragraph (ii) of this subsection (a) (“substitute depository”); provided that any successor of The Depository Trust Company or substitute depository shall be qualified under any applicable laws to provide the service proposed to be provided by it;

(ii) to any substitute depository designated in a written request of the Authority, upon (A) the resignation of The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository or (B) a determination by the Authority that The Depository Trust Company or its successor is no longer able to carry out its functions as depository; provided that any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(iii) to any person as provided below, upon (A) the resignation of The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository or (B) a determination by the Authority that The Depository Trust Company or its successor is no longer able to carry out its functions as depository; provided that no substitute depository which is not objected to by the Authority and the Trustee can be obtained.

(b) In the case of any transfer pursuant to paragraph (i) or paragraph (ii) of subsection (a) of this Section 2.10, upon receipt of all Outstanding Bonds by the Trustee, together with a written request of an Authorized Representative of the Authority to the Trustee, a

single new Bond shall be issued, authenticated and delivered for each maturity of such Bond then outstanding, registered in the name of such successor or such substitute depository or their nominees, as the case may be, all as specified in such written request of an Authorized Representative of the Authority. In the case of any transfer pursuant to paragraph (iii) of subsection (a) of this Section 2.10, upon receipt of all Outstanding Bonds by the Trustee together with a written request of an Authorized Representative of the Authority, new Bonds shall be issued, authenticated and delivered in such denominations and registered in the names of such persons as are requested in a written request of the Authority provided the Trustee shall not be required to deliver such new Bonds within a period less than sixty (60) days from the date of receipt of such a written request of an Authorized Representative of the Authority.

(c) In the case of partial redemption or a partial advance refunding of any Bonds evidencing all of the principal maturing in a particular year, The Depository Trust Company shall, at the Authority's expense, deliver the Bonds to the Trustee for cancellation and re-registration to reflect the amounts of such reduction in principal.

(d) The Authority and the Trustee shall be entitled to treat the person in whose name any Bond is registered as the absolute Owner thereof for all purposes of this Indenture and any applicable laws, notwithstanding any notice to the contrary received by the Trustee or the Authority; and the Authority and the Trustee shall have no responsibility for transmitting payments to, communication with, notifying or otherwise dealing with any beneficial owners of the Bonds. Neither the Authority nor the Trustee will have any responsibility or obligations, legal or otherwise, to the beneficial owners of the Bonds or to any other party including The Depository Trust Company or its successor (or substitute depository or its successor), except for the registered owner of any Bond.

(e) So long as all outstanding Bonds are registered in the name of Cede & Co. or its registered assign, the Authority and the Trustee shall reasonably cooperate with Cede & Co., as sole registered Owner, or its registered assign in effecting payment of the principal and redemption premium, if any, and interest due with respect to the Bonds by arranging for payment in such manner that funds for such payments are properly identified and are made immediately available on the date they are due.

(f) So long as all Outstanding Bonds are registered in the name of Cede & Co. or its registered assigns (hereinafter, for purposes of this paragraph (f), the "Owner"):

(i) All notices and payments addressed to the Owners shall contain the Bonds' CUSIP number.

(ii) Notices to the Owner shall be forwarded in the manner set forth in the form of blanket issuer letter of representations (prepared by The Depository Trust Company) executed by the Authority and received and accepted by The Depository Trust Company.

## ARTICLE III

### ISSUE OF BONDS; APPLICATION OF PROCEEDS; COSTS OF ISSUANCE FUND

#### Section 3.01. Application of Proceeds of Bonds and Other Moneys.

(a) The Trustee shall apply the proceeds derived from the sale of the Bonds (\$\_\_\_\_\_), being the principal amount of the Bonds of \$\_\_\_\_\_, plus/less net original issue premium/discount of \$\_\_\_\_\_, less underwriters' discount of \$\_\_\_\_\_, less the aggregate Bond Insurance Policy [and surety] premium of \$\_\_\_\_\_ which the Underwriter will transfer directly to the Bond Insurer, as follows:

(i) The Trustee shall deposit to the Costs of Issuance Fund the sum of \$\_\_\_\_\_;

(ii) [The Trustee shall transfer to United States Department of Agriculture the prepayment of the Authority's Water Revenue Bonds (USDA) Series 2008 pursuant to a wiring instruction provided to the Trustee;]

(iii) [The Trustee shall transfer to the Escrow Agent for deposit in the Escrow Fund the sum of \$\_\_\_\_\_;] and

(iv) [The Trustee shall deposit to the Project Fund the sum of \$\_\_\_\_\_.]

(b) The Trustee may establish temporary funds or accounts on its records to facilitate such transfers.

#### Section 3.02. Establishment and Application of Costs of Issuance Fund.

(a) The Trustee shall establish, maintain and hold in trust a separate fund designated as the "Costs of Issuance Fund." The moneys in the Costs of Issuance Fund shall be used and withdrawn by the Trustee to pay Costs of Issuance upon receipt by the Trustee of a Requisition of the Authority stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said account. Each Requisition of the Authority shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts.

(b) At the end of six (6) months from the Closing Date, or upon earlier receipt of a Certificate of the Authority stating that amounts in the Costs of Issuance Fund are no longer required for the payment of Costs of Issuance, the Costs of Issuance Fund shall be closed and any amounts then remaining in said account shall be transferred to the Bond Fund.

#### Section 3.03. [Establishment and Maintenance of Project Fund.]

The Trustee hereby agrees to establish and maintain a fund entitled the "2022A Bond Project Fund" (the "Project Fund") until the completion of the Acquisition of the Project. All

money in the Project Fund shall be held by the Trustee in trust and shall be applied by the Trustee for the payment of Acquisition Costs and the expenses incidental thereto.

The Authority may change the specifications of the Project, so long as such change does not substantially alter the nature of the Project; provided, however, that the Authority, in its sole discretion, may designate an Alternate Project. In the event an Alternate Project is designated, the Authority shall certify in writing to the Trustee that Acquisition Costs shall not materially increase as a result from such change. In the event Acquisition Costs shall materially increase as a result of the designation of an Alternate Project, prior to designating such Alternate Project the Authority shall either deposit in the Project Fund an amount sufficient to pay such increase, or shall certify in writing to the Trustee that funds sufficient to pay such increase in Acquisition Costs are otherwise available to the Authority.

Except for the foregoing specified transfers, before any payment is made from the Project Fund by the Trustee, the Authority shall file with the Trustee a signed requisition (stating the amount to be disbursed and the party or parties being paid) approved by an Authorized Representative of the Authority and accompanied by an invoice or statement for each such amount. Upon receipt of each such requisition, the Trustee shall pay the amount set forth therein as directed by the terms thereof from moneys on deposit in the Project Fund. Each Requisition of the Authority shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts.

When the Acquisition of the Project has been completed to the satisfaction of the Authority or when the Authority determines that a portion of the Project will not be Acquired, the Authority shall deliver a Certificate of Completion to the Trustee stating the fact and date of the completion of such improvements, and stating that all the Acquisition Costs and the expenses incidental thereto have been determined and paid (or that such claims and expenses have been paid less specified claims which are subject to dispute and for which a retention in the Project Fund is to be maintained in the full amount of such claims until such dispute is resolved). Upon receipt of such Certificate of Completion, the Trustee shall transfer (but less the amount of such retention) all remaining moneys in the Project Fund to the Bond Fund, to be credited to the payment of the Debt Service as provided herein. In the event the Project Fund has not been depleted by the date which is three years after the Closing Date, the Authority shall give written instructions to the Trustee as to the investment of any moneys remaining therein fifteen (15) days prior to such date and shall provide an opinion of nationally recognized bond counsel to the effect that such investment shall not adversely affect the tax-exempt status of the Bonds.]

#### Section 3.04. Validity of Bonds.

(a) The Authority has reviewed all proceedings heretofore taken relative to the authorization of the Bonds and has found, as a result of such review, and hereby finds and determines that all acts, conditions and things required by law to exist, happen or be performed precedent to and in the issuance of the Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and the Authority is now authorized, pursuant to each and every requirement of the Bond Law to issue the Bonds in the form and manner provided in this Indenture and the Bonds shall be entitled to the benefit, protection and security of the provisions of this Indenture.

(b) From and after the issuance of the Bonds, the findings and determinations of the Authority respecting the Bonds shall be conclusive evidence of the existence of the facts so found and determined in any action or proceeding in any court in which the validity of the Bonds is at issue, and no bona fide purchaser of any of the Bonds shall be required to see to the existence of any fact or to the performance of any condition or to the taking of any proceeding required prior to such issuance or to the application of the proceeds of sale of the Bonds. The recital contained in the Bonds that the same are issued pursuant to the Bond Law and this Indenture shall be conclusive evidence of their validity and of the regularity of their issuance and all Bonds shall be incontestable from and after their issuance. The Bonds shall be deemed to be issued, within the meaning of this Indenture, whenever the definitive Bonds (or any temporary Bonds exchangeable therefor) have been delivered to the purchaser thereof and the proceeds of sale thereof received.

Section 3.05. Rate Stabilization Account. There is hereby established a special account designated as the “Rate Stabilization Account” to be held by the Authority in trust for the benefit of the Owners of the Bonds, which fund the Authority agrees and covenants to maintain and to hold separate and apart from other funds so long as any Bonds remain unpaid. Money transferred by Authority from the Revenue Fund to the Rate Stabilization Account in accordance with Section 5.02 shall be held in the Rate Stabilization Account and applied in accordance with the Indenture.

The Authority may withdraw all or any portion of the amounts on deposit in the Rate Stabilization Account and transfer such amounts to the Revenue Fund for application in accordance with Section 5.02 hereof or, in the event that all or a portion of the Bonds are discharged in accordance with Article XI hereof, transfer all or any portion of such amounts for application in accordance with said Article XI. Amounts transferred from the Rate Stabilization Account to the Revenue Fund pursuant to this Section 3.05 during or within 270 days after a Fiscal Year, may be taken into account as Revenues for purposes of the calculations in Section 6.07 in such Fiscal Year.

## ARTICLE IV

## REDEMPTION OF BONDS

Section 4.01. Terms of Redemption.

(a) The Bonds are subject to redemption as a whole or in part, on any date, by such maturities as are selected by the Authority (or, if the Authority fails to designate such maturities, in inverse order of maturity) and by lot within a maturity from and to the extent insurance proceeds received with respect to the Enterprise are not used to repair, rebuild or replace the Enterprise, deposited in the Special Redemption Account pursuant to Section 7.04, or from and to the extent of eminent domain proceeds received with respect to the Enterprise are elected for such use by the Authority, deposited in the Special Redemption Account pursuant to Section 7.06, at a redemption price equal to the principal amount thereof plus accrued interest thereon to the date fixed for redemption, without premium.

(b) [The Bonds are not subject to optional redemption prior to their respective stated maturities.][The Bonds maturing on or before August 1, 20\_\_\_\_, shall not be subject to optional redemption prior to their respective stated maturities. The Bonds maturing on or after August 1, 20\_\_\_\_, are subject to redemption prior to their respective stated maturities, from moneys deposited in the Optional Redemption Account or from any other source of available funds, at the option of the Authority, in whole on any date, or in part by such maturities as are selected by the Authority (or, if the Authority fails to designate such maturities, then in inverse order of maturity) and by lot within a maturity on any interest payment date, on or after August 1, 20\_\_\_\_, at a redemption price equal to the principal amount of Bonds called for redemption, without premium, together with accrued interest to the date fixed for redemption.]

(c) The Bonds maturing August 1, 20\_\_\_\_ shall be subject to mandatory sinking fund redemption in part, by lot, commencing on August 1, 20\_\_\_\_, from mandatory sinking fund payments set aside in the Sinking Fund Account, a subaccount of the Bond Fund, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date fixed for redemption, without premium, in the aggregate respective principal amounts and on the dates set forth below:

**Bonds maturing August 1, 20\_\_\_\_**

| <b>Redemption Date<br/>(August 1)</b> | <b>Redemption<br/>Amount</b> |
|---------------------------------------|------------------------------|
| <hr/>                                 | <hr/>                        |

<sup>†</sup> Maturity

(d) The Bonds maturing August 1, 20\_\_\_\_ shall be subject to mandatory sinking fund redemption in part, by lot, commencing on August 1, 20\_\_\_\_, from mandatory sinking fund payments set aside in the Sinking Fund Account, a subaccount of the Bond Fund, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date fixed for redemption, without premium, in the aggregate respective principal amounts and on the dates set forth below:

**Bonds maturing August 1, 20\_\_\_\_**

| <b>Redemption Date<br/>(August 1)</b> | <b>Redemption<br/>Amount</b> |
|---------------------------------------|------------------------------|
| _____                                 | _____                        |

\_\_\_\_\_  
† Maturity

When Bonds are to be redeemed at the option of the Authority as set forth in this Section 4.01, the Authority shall give written notice to the Trustee of the exercise of such option at least forty-five (45) days prior to the proposed redemption date. Such notice shall state the proposed redemption date, the principal amount of Bonds to be redeemed and the maturity or maturities from which such redemption shall be made.

Section 4.02. Selection of Bonds for Redemption. Whenever provision is made in this Indenture for the redemption of less than all of the Bonds or any given portion thereof, and unless otherwise specified in Section 4.01, the Trustee shall select the Bonds to be redeemed, from all Bonds of or such given portion thereof not previously called for redemption, in inverse order of maturity or, at the election of the Authority evidenced by a Certificate of the Authority filed with the Trustee, on a pro rata basis among maturities, and by lot in any manner which the Trustee in its sole discretion shall deem appropriate and fair. The Trustee shall promptly notify the Authority in writing of the Bonds or portions thereof so selected for redemption.

Section 4.03. Notice of Redemption.

(a) Unless waived by any Owner of Bonds to be redeemed, notice of any such redemption shall be given by the Trustee on behalf of the Authority by mailing a copy of a redemption notice by first class mail, postage prepaid, at least twenty (20) days and not more than sixty (60) days prior to the date fixed for redemption to the Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Registration Books, to the Securities Depositories and the Information Services.

All notices of redemption shall be dated and shall state: (i) the redemption date, (ii) the redemption price, (iii) if less than all Outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed, (iv) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall

cease to accrue from and after said date, and (v) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the Trust Office of the Trustee.

Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Authority shall default in the payment of the redemption price) interest with respect to such Bonds or portions of Bonds shall cease to accrue and be payable. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Trustee at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Owner a new Bond or Bonds of the same maturity in the amount of the unredeemed principal. All Bonds which have been redeemed shall be canceled and destroyed by the Trustee and shall not be reissued.

(b) Notice of redemption of Bonds shall be given by the Trustee, at the expense of the Authority, for and on behalf of the Authority.

(c) Notwithstanding the foregoing, in the case of any optional redemption of the Bonds under Section 4.01(b), such notice shall state that such redemption shall be conditional upon the receipt by the Trustee on or prior to the date fixed for such redemption of moneys sufficient to pay the principal of, premium, if any, and interest on such Bonds to be redeemed and that, if such moneys shall not have been so received, said notice shall be of no force and effect and the Trustee shall not be required to redeem such Bonds. In the event that such notice of optional redemption contains such a condition and such moneys are not so received, the redemption shall not be made, and the Trustee shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

Section 4.04. Partial Redemption of Bonds. Upon surrender of any Bond redeemed in part only, the Authority shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Authority, a new Bond or Bonds of authorized denominations, and of the same maturity, equal in aggregate principal amount to the unredeemed portion of the Bond surrendered.

Section 4.05. Effect of Redemption. Notice of redemption having been duly given as aforesaid, and moneys for payment of the Redemption Price of, together with interest accrued to the redemption date on, the Bonds (or portions thereof) so called for redemption being held by the Trustee, on the redemption date designated in such notice, the Bonds (or portions thereof) so called for redemption shall become due and payable at the Redemption Price specified in such notice plus interest accrued thereon to the redemption date, interest on the Bonds so called for redemption shall cease to accrue, said Bonds (or portions thereof) shall cease to be entitled to any benefit or security under this Indenture, and the Owners of said Bonds shall have no rights in respect thereof except to receive payment of said Redemption Price and accrued interest.

All Bonds redeemed pursuant to the provisions of this Article IV shall be canceled upon surrender thereof and destroyed with a certificate of destruction delivered to or upon the Order of the Authority.

## ARTICLE V

### GROSS REVENUES; NET REVENUES

Section 5.01. Pledge of Net Revenues. Subject to the provisions of Section 9.06, the Bonds and any Parity Obligations shall be secured by a first pledge of all of the Net Revenues. In addition, the Bonds shall be secured by a pledge of all of the moneys in all funds and accounts held by the Trustee hereunder, including all amounts derived from the investment of such moneys. Such pledge shall constitute a lien on the Net Revenues and such other moneys for the payment of the principal of and interest and premium (if any) on the Bonds in accordance with the terms hereof. The Bonds and any Parity Obligations shall be equally secured by a pledge, charge and lien upon the Net Revenues, without priority for number or date. So long as any of the Bonds are Outstanding, the Net Revenues and such moneys shall not be used for any other purpose, except as set forth in this Section 5.01 except, that out of the Net Revenues, there may be apportioned such sums, for such purposes, as are expressly permitted by Section 5.02.

In consideration of the acceptance of the Bonds by those who shall hold the same from time to time, this Indenture shall be deemed to be and shall constitute a contract between the Authority and the Owners from time to time of the Bonds and the covenants and agreements herein set forth to be performed by or on behalf of the Authority shall be for the equal and proportionate benefit, security and protection of all Owners of the Bonds without preference, priority or distinction as to security or otherwise of any of the Bonds over any of the others by reason of the number or date thereof or the time of sale, execution and delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or herein.

The Authority hereby represents and warrants that it has not heretofore made a pledge of, granted a lien on or security interest in, or made an assignment or sale of the Net Revenues that ranks on a parity with or prior to the pledge granted hereunder, except to secure the obligations disclosed herein that will be outstanding upon issuance of the Bonds. The Authority also hereby represents and warrants that it has not described the Net Revenues in a Uniform Commercial Code financing statement that will remain effective when the Bonds are issued, except in connection with the foregoing pledges, assignments, liens, and security interests. The Authority shall not hereafter make or suffer to exist any pledge or assignment of, lien on, or security interest in the Net Revenues that ranks prior to or on a parity with the pledge granted hereunder, or file any financing statement describing any such pledge, assignment, lien, or security interest, except as expressly permitted under this Indenture.

The Authority will, to the extent required by law, cause all UCC financing statements or other instruments, to be kept, recorded and filed in such manner and in such places as may be required by law in order to create, perfect, preserve and protect fully the security of the Owners in the Net Revenues and any other collateral and the rights of the Trustee. The Authority covenants that it will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered such further acts, instruments and transfers as may be required for the better securing, assuring, continuing, transferring, conveying, pledging, assigning and confirming unto the Owners or the Trustee, the Net Revenues and any other collateral pledged to the payment of the principal of, premium, if any, and interest on the Bonds. Except to the extent

it is exempt therefrom, the Authority will pay or cause to be paid all filing fees incident to such filing and all expenses incident to the preparation, execution and acknowledgment of such instruments of further assurance, and all federal or State fees and other similar fees, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of such instruments of further assurance.

Section 5.02. Receipt, Deposit and Application of Revenues and Net Revenues; Rate Stabilization Account.

(a) *Application of Revenues.* All of the Revenues shall be deposited by the Authority, immediately upon receipt in the Revenue Fund. All Revenues shall be held in trust by the Authority in the Revenue Fund and shall be applied, transferred, used and withdrawn only for the following purposes. Additionally, amounts may, from time to time as the Authority deems necessary or appropriate, be transferred from the Rate Stabilization Account and deposited in the Revenue Fund, as provided in Section 3.05 hereof.

(i) Operation and Maintenance Costs. The Authority shall first pay from the moneys in the Revenue Fund the budgeted Operation and Maintenance Costs as such Operation and Maintenance Costs become due and payable.

(ii) Payment of Debt Service. On or before the 15th day of each January and July, the City, on behalf of the Authority, shall withdraw from the Revenue Fund and (A) transfer to the Trustee, for deposit in a special fund designated as the "Bond Fund" which is hereby established and which shall be held in trust, an amount which, together with the balance then on deposit in the Bond Fund, the Interest Account and the Principal Account (other than amounts required for payment of principal of or interest on any Bonds which have matured or been called for redemption but which have not been presented for payment), that is equal to the aggregate amount of principal of and interest coming due and payable on the Bonds on the next succeeding Interest Payment Date and (B) transfer to the trustee for the Parity Obligations an amount equal to the aggregate amount of principal of and interest coming due and payable on any Parity Obligations on the next succeeding Interest Payment Date.

(iii) Reserved.

(iv) Surplus/Rate Stabilization Account. As long as all of the foregoing payments, allocations and transfers are made at the times and in the manner set forth above in subsections (ii) and (iii), inclusive, and the payment of any amounts owed to the Bond Insurer shall have been paid, any moneys remaining in the Revenue Fund may at any time be treated as surplus and applied for any lawful purpose. The Authority may maintain and hold a separate fund to be known as the "Rate Stabilization Account." From time to time the Authority may deposit in the Rate Stabilization Account, from remaining Net Revenues described in this subsection (iv) or other available funds of the Authority, such amounts as the Authority shall determine. The Authority may withdraw amounts from the Rate Stabilization Account (i) for transfer to the Revenue Fund for inclusion in Revenues for any Fiscal Year, or (ii) for any other lawful use of the

Authority. All interest or other earnings upon deposits in the Rate Stabilization Account shall be withdrawn therefrom and accounted for as Revenues.

(b) *Application of Net Revenues.* On or before the Business Day preceding each Interest Payment Date, the Trustee shall transfer from the Bond Fund and deposit into the following respective accounts (each of which the Trustee shall establish and maintain within the Bond Fund), the following amounts, in the following order of priority, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of Net Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

*First:* to the Interest Account, the aggregate amount of interest becoming due and payable on the next succeeding Interest Payment Date on all Bonds then Outstanding; and

*Second:* to the Principal Account, the aggregate amount of principal becoming due and payable on the Outstanding Bonds on the next succeeding Interest Payment Date, if any.

Section 5.03. Application of Interest Account. All amounts in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds purchased or redeemed prior to maturity pursuant to this Indenture).

Section 5.04. Application of Principal Account.

(a) All amounts in the Principal Account shall be used and withdrawn by the Trustee solely for the purposes of paying the principal of the Bonds when due and payable, except that all amounts in the Sinking Accounts shall be used and withdrawn by the Trustee solely to purchase or redeem or pay at maturity Term Bonds, as provided herein.

(b) The Trustee hereby establishes and maintains within the Principal Account a subaccount for the Term Bonds. On or before the second Business Day preceding each Mandatory Sinking Account Payment date, the Trustee shall transfer the amount deposited in the Principal Account pursuant to Section 5.02 for the purpose of making a Mandatory Sinking Account Payment from the Principal Account to the Sinking Account.

With respect to the Sinking Account, on each Mandatory Sinking Account Payment date established for the Sinking Account, the Trustee shall apply the Mandatory Sinking Account Payment required on that date to the redemption (or payment at maturity, as the case may be) of Term Bonds, upon the notice and in the manner provided in Article IV; provided that, at any time prior to giving such notice of such redemption, the Trustee upon the Order of the Authority shall apply moneys in the Revenue Fund to the purchase of Term Bonds made by the Authority at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Account) as shall be directed by the Authority, except that the purchase price (excluding accrued interest) shall not exceed the Redemption Price that would be payable for such Bonds upon redemption by application of such Mandatory Sinking Account Payment. If, during the twelve-month period immediately preceding

said Mandatory Sinking Account Payment date, the Authority has purchased Term Bonds with moneys in the Sinking Account, or, during said period and prior to giving said notice of redemption, the Authority has deposited Term Bonds with the Trustee, or Term Bonds were at any time purchased by the Authority or redeemed by the Trustee from the Redemption Fund and allocable to said Mandatory Sinking Account Payment, such Bonds so purchased or deposited or redeemed shall be applied, to the extent of the full principal amount thereof, to reduce said Mandatory Sinking Account Payment. All Bonds purchased or deposited pursuant to this subsection shall be canceled and destroyed by the Trustee and the Trustee shall provide evidence of such destruction to the Authority. Any amounts remaining in the Sinking Account when all of the Term Bonds are no longer Outstanding shall be withdrawn by the Trustee and transferred to the Revenue Fund. All Term Bonds purchased from the Sinking Account or deposited by the Authority with the Trustee shall be allocated first to the next succeeding Mandatory Sinking Account Payment, then pro-rata to the remaining Mandatory Sinking Account Payments in proportion to the amount of such Mandatory Sinking Account Payments. All Bonds purchased or deposited pursuant to this subsection shall be canceled and destroyed by the Trustee and the Trustee shall provide evidence of such destruction to the Authority.

Notwithstanding the foregoing, if some but not all of the Term Bonds have been theretofore redeemed pursuant to Sections 4.01(a) or (b), the total amount of all future Mandatory Sinking Account Payments set forth in Section 5.04(c) shall be reduced by the aggregate principal amount of Term Bonds so redeemed, allocated among such Mandatory Sinking Account Payments on a pro rata basis in integral multiples of \$5,000 as determined by the Authority (notice of which determination which shall include a revised sinking fund schedule shall be given to the Trustee).

Any amounts remaining in the Sinking Account when all of the Term Bonds are no longer Outstanding shall be withdrawn by the Trustee and transferred to the Revenue Fund.

(c) Subject to the terms and conditions set forth in this Section 5.04 and in Section 4.01(c), the Term Bonds shall be redeemed (or paid at maturity, as the case may be) by application of Mandatory Sinking Account Payments in the amounts and upon the dates set forth in section 4.01(c).

In lieu of such redemption, the Trustee may apply amounts in the Sinking Account to the purchase of the Term Bonds at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Account) as may be directed by the Authority, except that the purchase price (exclusive of accrued interest) may not exceed the redemption price then applicable to the Term Bonds, as set forth in a Written Request of the Authority.

Section 5.05. Reserved.

Section 5.06. Application of Redemption Fund. The Trustee shall establish and maintain within the Redemption Fund (which the Trustee shall establish, maintain and hold in trust) a separate Optional Redemption Account and a separate Special Redemption Account. The Authority may at any time deposit moneys into the Optional Redemption Account for the purposes of redeeming Bonds in accordance with the terms of Section 4.01(b). The Authority

may at any time deposit moneys into the Special Redemption Account for the purposes of redeeming Bonds in accordance with the terms of Sections 7.04 or Section 7.06. All amounts deposited in the Optional Redemption Account and in the Special Redemption Account shall be used and withdrawn by the Trustee solely for the purpose of redeeming Bonds, in the manner and upon the terms and conditions specified in Article IV, at the next succeeding date of redemption for which notice has been given and at the redemption prices then applicable to redemptions from the Optional Redemption Account and the Special Redemption Account, respectively; provided that, at any time prior to giving such notice of redemption, the Trustee upon Order of the Authority shall apply such amounts to the purchase of Bonds made by the Authority at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Account) as shall be directed by the Authority, except that the purchase price (exclusive of accrued interest) may not exceed the par value of such Bonds.

Section 5.07. Investment of Moneys in Funds and Accounts. All moneys in any of the funds and accounts established pursuant to this Indenture shall, upon Request of the Authority provided at least two (2) Business Days prior to the date of investment, be invested by the Trustee, but solely in Permitted Investments. In the absence of such Request of the Authority, the Trustee shall invest available moneys in investments described in paragraph (h) of the definition of Permitted Investments. In the absence of any such directions from the Authority, the Trustee shall hold such funds uninvested pending the receipt of written investment instructions. All Permitted Investments shall be acquired subject to the limitations as to maturities hereinafter set forth in this Section 5.07 and such additional limitations or requirements consistent with the foregoing as may be established by Request of the Authority.

Moneys in the remaining funds and accounts shall be invested in Permitted Investments maturing not later than the date on which it is estimated that such moneys will be required by the Trustee.

All interest, profits and other income received from the investment of moneys in any other fund or account established pursuant to this Indenture shall be deposited when received in the Bond Fund. Notwithstanding anything to the contrary contained in this paragraph, an amount of interest received with respect to any Permitted Investment equal to the amount of accrued interest, if any, paid as part of the purchase price of such Permitted Investment shall be credited to the fund or account for the credit of which such Permitted Investment was acquired.

The Trustee may commingle any of the funds or accounts established pursuant to this Indenture into a separate fund or funds for investment purposes only, provided that all funds or accounts held by the Trustee hereunder shall be accounted for separately as required by this Indenture. The Trustee may act as principal or agent in the making or disposing of any investment. The Trustee may sell, or present for redemption, any Permitted Investments so purchased whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such Permitted Investment is credited, and, subject to the provisions of Section 9.03, the Trustee shall not be liable or responsible for any loss of any kind resulting from any such investment. The parties acknowledge that the Trustee is not providing investment supervision, recommendations or advice.

The Authority acknowledges that, to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grants the Authority the right to receive brokerage confirmations of security transactions as they occur, the Authority specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Authority periodic cash transaction statements which include detail for all investment transactions made by the Trustee hereunder. The Trustee may make any investments hereunder through its own bond or investment department or trust investment department, or those of its parent or any affiliate.

The Trustee or any of its affiliates may act as sponsor, advisor or manager in connection with any investments made by the Trustee hereunder.

## ARTICLE VI

### COVENANTS OF THE AUTHORITY; SPECIAL TAX COVENANTS

Section 6.01. Punctual Payment. The Authority shall punctually pay or cause to be paid the principal or Redemption Price and interest to become due in respect of all the Bonds, in strict conformity with the terms of the Bonds and of this Indenture, according to the true intent and meaning thereof, but only out of Net Revenues and other assets pledged for such payment as provided in this Indenture.

Section 6.02. Extension of Payment of Bonds. The Authority shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any of the claims for interest by the purchase or funding of such Bonds or claims for interest or by any other arrangement and in case the maturity of any of the Bonds or the time of payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any default hereunder, to the benefits of this Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest thereon which shall not have been so extended. Nothing in this Section 6.02 shall be deemed to limit the right of the Authority to issue Bonds for the purpose of refunding any Outstanding Bonds, and such issuance shall not be deemed to constitute an extension of maturity of Bonds.

Section 6.03. Discharge of Claims. The Authority covenants that in order to fully preserve and protect the priority and security of the Bonds the Authority shall pay from the Net Revenues and discharge all lawful claims for labor, materials and supplies furnished for or in connection with the Enterprise which, if unpaid, may become a lien or charge upon the Net Revenues prior or superior to the lien of the Bonds and impair the security of the Bonds. The Authority shall also pay from the Net Revenues all taxes and assessments or other governmental charges lawfully levied or assessed upon or in respect of the Enterprise or upon any part thereof or upon any of the Net Revenues therefrom.

Section 6.04. Operation of Enterprise in Efficient and Economical Manner. The Authority covenants and agrees to operate, or cause to be operated, the Enterprise in an efficient and economical manner and to operate, maintain and preserve the Enterprise in good repair and working order.

Section 6.05. Against Encumbrance. Except as provided herein, the Authority covenants that the property, facilities and improvements of the Enterprise shall not be mortgaged or otherwise encumbered, leased, pledged, any charge placed thereon, or disposed of as a whole or substantially as a whole unless: (a) the Authority shall cause to be filed with the Trustee written evidence from Moody's, if Moody's is rating the Bonds, and/or S&P, if S&P is rating the Bonds, that such sale or other disposition will not cause a reduction or withdrawal of the uninsured rating then assigned to the Bonds by each such rating agency; and (b) such sale or other disposition shall be so arranged as to provide for a continuance of payments into the Bond Fund sufficient in amount to permit payment therefrom of the principal of and interest on and premiums, if any, due upon the call and redemption thereof, of the Outstanding Bonds, and also

to provide for such payments into the funds as are required under the terms of this Indenture. Notwithstanding the foregoing, the Authority may lease real property or water rights constituting a portion of the Enterprise; provided that the lease payments shall be considered Revenues hereunder.

The Authority further covenants that the Net Revenues or any other funds pledged or otherwise made available to secure payment of the principal of and interest on the Outstanding Bonds shall not be mortgaged, encumbered, sold, leased, pledged, any charge placed thereon, or disposed of or used except as authorized by the terms of this Indenture. The Authority further covenants that it will not enter into any agreement which impairs the operation of the Enterprise or any part of it necessary to secure adequate Net Revenues to pay the principal and interest of the Bonds or which otherwise would impair the rights of the Bond Owners with respect to the Net Revenues. If any substantial part of the Enterprise is sold the payment therefor shall either be used for the acquisition and/or construction of improvements and extensions of the Enterprise or shall be deposited with the Trustee in the Redemption Fund and shall be used to redeem the Outstanding Bonds on a *pro rata* basis.

Section 6.06. Records and Accounts. The Authority covenants that it shall keep proper books of record and accounts of the Enterprise, separate from all other records and accounts, in which complete and correct entries shall be made of all transactions relating to the Enterprise. Said books shall, upon reasonable request, be subject to the inspection of the Owners of not less than ten percent (10%) of the Outstanding Bonds or their representatives authorized in writing.

The Authority covenants that it will cause the books and accounts of the Enterprise to be audited annually by an Independent Accountant and will make available for inspection by the Bond Owners at the Trust Office of the Trustee, upon reasonable request, a copy of the report of such Independent Accountant. Any such audit may be combined with and be a part of the general audit of the Authority's financial records.

Section 6.07. Rates and Charges.

(a) The Authority covenants to fix, prescribe, revise and collect rates, fees and charges for the Enterprise as a whole for the services and improvements furnished by the Enterprise during each Fiscal Year which are at least sufficient, after making allowances for contingencies and error in the estimates, to yield Revenues that are sufficient to pay the following amounts in the following order of priority:

(i) all anticipated Operation and Maintenance Costs of the Enterprise for such Fiscal Year;

(ii) Debt Service payments on the Bonds and on any Parity Obligations as they become due and payable during such Fiscal Year, without preference or priority, except to the extent such Debt Service payments are payable from the proceeds of the Bonds or Parity Obligations or from any other source of legally available funds of the Authority that have been deposited with the Trustee for purposes prior to the commencement of such Fiscal Year;

(iii) all other payments required to meet any other obligations of the Authority which are charges, liens, encumbrances upon the Revenues or Net Revenues during such Fiscal Year.

(b) To the fullest extent permitted by law, the Authority will fix, prescribe, revise and collect, or cause to be fixed, prescribed, revised and collected, rates, fees and charges for the services and improvements furnished by the Enterprise which are reasonably expected to be at least sufficient to yield during each Fiscal Year Net Revenues equal to 120% of Debt Service payments on the Bonds and Parity Obligations for such Fiscal Year. The Authority may make adjustments from time to time in such rates and charges and may make such classifications thereof as it deems necessary, but shall not reduce the rates and charges then in effect unless the Net Revenues from such reduced rates and charges are reasonably expected to be sufficient to meet the requirements of this Section. For purposes of this calculation, Net Revenues shall be calculated without regard to allocation of the City's administrative overhead costs to the Enterprise.

(c) So long as the Authority has complied with its obligations set forth in subsection (b) above, the failure of Net Revenues to meet the threshold set forth in Section 6.07(b) above at the end of a Fiscal Year shall not constitute a default or an Event of Default so long as the Authority has complied with Section 6.07(b) at the commencement of the succeeding Fiscal Year.

#### Section 6.08. Limitations on Future Obligations Secured by Net Revenues.

(a) *No Obligations Superior to Bonds or Parity Obligations.* In order to protect further the availability of the Net Revenues and the security for the Bonds and any Parity Obligations, the Authority covenants that no additional bonds or other indebtedness will be issued or incurred on a senior basis to the Bonds or such Parity Obligations that are payable out of the Net Revenues in whole or in part.

(b) *Parity Obligations.* The Authority further covenants that, except for obligations incurred to prepay or post a security deposit for the payment of the Bonds or Parity Obligations, the Authority may issue or incur Parity Obligations during the term of the Bonds if:

(i) The Authority is not in default under the terms of this Indenture unless such default shall be cured simultaneously with the issuance of such Parity Obligations; and

(ii) The Authority obtains or provides a certificate prepared by an Independent Accountant or Independent Financial Consultant showing that the Net Revenues as shown by the books of the Authority or City for any 12 consecutive calendar months during the 18 calendar month period ending prior to the incurring of such Parity Obligations, or the most recent audited financial statement available, shall have amounted to at least 120% of the Maximum Aggregate Annual Debt Service for all Bonds and Parity Obligations to be outstanding immediately after incurring such additional Parity Obligations. For purposes of this calculation, Net Revenues shall be calculated without regard to allocation of the City's administrative overhead costs to the Enterprise.

For purposes of preparing the certificate described in subsection (b)(ii) of this Section, as set forth above, the Independent Accountant or Independent Financial Consultant may rely upon financial statements prepared by the Authority or City, which have not been subject to audit by an independent certified public accountant if audited financial statements for the Fiscal Year or period are not available. For purposes of demonstrating compliance with the foregoing, Net Revenues may be adjusted (at the option of the Authority) to include the Additional Revenues.

If interest on any Parity Obligation is reasonably anticipated to be reimbursed to or on behalf of the Authority by the United States of America, then interest payments with respect to such Parity Obligations shall be excluded by the amount of such interest reasonably anticipated to be paid or reimbursed by the United States of America, and such reimbursements will not be included as Revenues for purposes of the coverage calculations required in subsection (b)(ii) of this Section.

The provisions of subsection (b)(ii) of this Section shall not apply to any Parity Obligations if all of the proceeds of which (other than proceeds applied to pay costs of issuing such Parity Obligations and to make a reserve fund deposit) shall be deposited in an irrevocable escrow held in cash or invested in Federal Securities for the purpose of paying the principal of and interest and premium (if any) on any Outstanding Bonds or on any outstanding Parity Obligations, if (i) at the time of the incurring of such Parity Obligations, the City certifies in writing that Maximum Aggregate Annual Debt Service on such Parity Obligations will not exceed Maximum Aggregate Annual Debt Service on the Outstanding Bonds or Parity Obligations to be refunded, and (ii) the final maturity of such Parity Obligations is not later than the final maturity of the refunded Bonds or Parity Obligations.

In order to maintain the parity relationship of the Debt Service payments to all Parity Obligations permitted hereunder, the Authority covenants that all payments in the nature of principal and interest or reserve account replenishment with respect to any Parity Obligations, except with respect to Governmental Loans, will be structured to occur semi-annually on the Record Dates and in each year as such payments are due with respect to the Debt Service payments, and reserve account replenishment with respect to any Parity Obligations, except with respect to Governmental Loans, will be structured to occur monthly, and to otherwise structure the terms of such Parity Obligations to ensure that they are in all respects payable on a parity with the Debt Service payments and not prior thereto; provided that the Authority shall not make a payment on such Governmental Loan to the extent it would have the effect of causing the Authority to fail to pay Debt Service payments of the Bonds or Parity Obligations on a timely basis. In such event, the Authority shall make Debt Service payments and payments on such Governmental Loan on a pro rata basis.

(c) *Subordinate Obligations.* Additional obligations may be issued on a basis subordinate to the Bonds and Parity Obligations.

**Section 6.09. Further Assurances.** The Authority will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture, and for the better assuring and confirming unto the Owners of the Bonds of the rights and benefits provided in this Indenture.

Section 6.10. Waiver of Laws. The Authority shall not at any time insist upon or plead in any manner whatsoever, or claim or take the benefit or advantage of, any stay or extension law now or at any time hereafter in force that may affect the covenants and agreements contained in this Indenture or in the Bonds, and all benefit or advantage of any such law or laws is hereby expressly waived by the Authority to the extent permitted by law.

Section 6.11. Private Activity Bond Limitation. The Authority shall assure that the proceeds of the Bonds are not so used as to cause the Bonds to satisfy the private business tests of Section 141(b) of the Code.

Section 6.12. Private Loan Financing Limitation. The Authority shall assure that the proceeds of the Bonds are not so used as to cause the Bonds to satisfy the private loan financing test of Section 141(c) of the Code.

Section 6.13. Federal Guarantee Prohibition. The Authority shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Bonds to be “federally guaranteed” within the meaning of Section 149(b) of the Code.

Section 6.14. Rebate Requirement. The Authority shall take any and all actions necessary to assure compliance with Section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government.

Section 6.15. No Arbitrage. The Authority shall not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the proceeds of the Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date would have caused the Bonds, to be “arbitrage bonds” within the meaning of Section 148 of the Code.

Section 6.16. Maintenance of Tax-Exemption. The Authority shall take all actions necessary to assure the exclusion of interest on the Bonds from the gross income of the Owners of the Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the Closing Date.

Section 6.17. Continuing Disclosure. The Authority hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of the Indenture, failure of the Authority to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

Section 6.18. Assumption of Obligations Upon Termination of the Lease Agreement. The Authority and the City covenant not to terminate the Lease Agreement so long as the Bonds remain outstanding. However, in the event the Lease Agreement is, for any reason, terminated prior to the final payment of all Bonds hereunder, the City will assume all of the Authority’s obligations hereunder for the payment of the principal of and interest on the Bonds.

## ARTICLE VII

### MAINTENANCE, TAXES, INSURANCE AND CONDEMNATION

Section 7.01. Maintenance and Operation of the Enterprise. The Authority covenants and agrees that it will operate and maintain the Enterprise in accordance with all applicable governmental laws, ordinances, approvals, rules, regulations and requirements including, without limitation, such zoning, sanitary, pollution and safety ordinances and laws and such rules and regulations thereunder as may be binding upon the Authority.

Section 7.02. Taxes, Assessments, Other Governmental Charges and Utility Charges. The Authority covenants and agrees that it will pay and discharge all taxes, assessments, governmental charges of any kind whatsoever, and utility charges which may be or have been assessed or which may have become liens upon the Enterprise or the interest therein of the Trustee or of the Owners of the Bonds, and will make such payments or cause such payments to be made, respectively, in due time to prevent any delinquency thereon or any forfeiture or sale of the Enterprise or any part thereof, and upon request, will furnish to the Trustee receipts for all such payments, or other evidence satisfactory to the Trustee; provided, however, that the Authority shall not be required to pay any tax, assessment, rate or charge as herein provided as long as it shall in good faith contest the validity thereof, provided that the Authority shall have set aside adequate reserves with respect thereto.

Section 7.03. Public Liability and Property Damage Insurance. The Authority shall maintain or cause to be maintained, so long as any Bonds or Parity Obligations remain outstanding, but only if and to the extent available at reasonable cost from reputable insurers, a standard comprehensive general insurance policy or policies in protection of the Authority, the Authority and their respective members, officers, agents, assignees and employees. Said policy or policies shall provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the operation of the Enterprise. Said policy or policies shall provide coverage in such liability amounts and shall be subject to such deductibles as shall be customary with respect to works and property of a like character. Such liability insurance may be maintained as part of or in conjunction with any other liability insurance coverage carried by the Authority or the City, and may be maintained in whole or in part in the form of self-insurance by the Authority or the City, in the form of the participation by the Authority or the City in a joint powers agency or other program providing pooled insurance. The proceeds of such liability insurance shall be applied toward extinguishment or satisfaction of the liability with respect to which such proceeds have been paid.

Section 7.04. Casualty Insurance. The Authority shall procure and maintain or cause to be procured and maintained, so long as any Bonds or Parity Obligations remain outstanding, but only in the event and to the extent available from reputable insurers at reasonable cost, casualty insurance against loss or damage to any improvements constituting any part of the Enterprise, covering such hazards as are customarily covered with respect to works and property of like character. Such insurance may be subject to deductible clauses which are customary with respect to works and property of a like character. Such insurance may be maintained as part of or in

conjunction with any other casualty insurance coverage carried by the Authority or the City and may be maintained, in whole or in part, in the form of self-insurance by the Authority or the City, subject to the provisions of Section 7.05, or in the form of the participation by the Authority or the City in a joint powers agency or other program providing pooled insurance. All amounts collected from insurance against accident to or destruction of any portion of the Enterprise shall be used to repair, rebuild or replace such damaged or destroyed portion of the Enterprise and, to the extent not so applied or to the extent the Authority determines it is not economically feasible or in the best interests of the Authority to so repair, rebuild or replace such damaged or destroyed portion of the Enterprise, shall be applied to redeem the Bonds pro rata with any Parity Obligations.

Section 7.05. Insurance Net Proceeds; Form of Policies. The Authority shall pay or cause to be paid when due the premiums for all insurance policies required by the Lease Agreement. The Authority shall annually, on or before December 1, deliver to the Trustee a certificate to the effect that the Authority has complied with the requirements of Sections 7.03 and 7.04 hereof. In the event that any insurance required pursuant to Section 7.03 or 7.04 shall be provided in the form of self-insurance, the Authority shall file with the Trustee annually, within ninety (90) days following the close of each Fiscal Year, a statement of an independent actuarial consultant identifying the extent of such self-insurance and stating the determination that the Authority maintains sufficient reserves with respect thereto. In the event that any such insurance shall be provided in the form of self-insurance by the Authority, the Authority shall not be obligated to make any payment with respect to any insured event except from Revenues or from such reserves.

Section 7.06. Eminent Domain. Any amounts received as awards as a result of the taking of all or any part of the Enterprise by the lawful exercise of eminent domain, at the election of the Authority (evidenced by a Written Certificate of the Authority filed with the Trustee and the City) shall either (a) be used for the lease, acquisition or construction of improvements or extension of the Enterprise, or (b) be applied to redeem the Bonds pro rata with any Parity Obligations.

## ARTICLE VIII

### EVENTS OF DEFAULT AND REMEDIES OF BONDOWNERS

Section 8.01. Events of Default. The following events shall be Events of Default:

(a) default in the due and punctual payment of the principal of any Bond or Parity Obligation when and as the same shall become due and payable, whether at maturity as therein expressed, by proceedings for redemption, by declaration or otherwise, in the amounts and at the times provided therefor;

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

(c) default by the Authority in the observance of any of the covenants, agreements or conditions on its part in this Indenture or in the Bonds contained (other than as referred to in subsections (a) or (b) of this Section 8.01), if such default shall have continued for a period of thirty (30) days after written notice thereof, specifying such default and requiring the same to be remedied, shall have been given to the Authority by the Trustee, or to the Authority and the Trustee by the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds at the time Outstanding; or

(d) the Authority's filing a petition in voluntary bankruptcy, for the composition of its affairs or for its corporate reorganization under any state or federal bankruptcy or insolvency law, or making an assignment for the benefit of creditors, or admitting in writing to its insolvency or inability to pay debts as they mature, or consenting in writing to the appointment of a trustee or receiver for itself or for the whole or any substantial part of the Enterprise.

Notwithstanding everything to the contrary, so long as the Bonds are insured by the Bond Insurer, no grace period for a covenant default shall exceed 30 days or be extended for more than 60 days, without the prior written consent of the Bond Insurer and further provided that no grace period shall be permitted for payment defaults.

Section 8.02. Acceleration of Maturities. If an Event of Default shall occur, then, and in each and every such case during the continuance of such Event of Default, the Trustee or the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding shall be entitled, upon notice in writing to the Authority, to declare the principal of all of the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, anything in this Indenture or in the Bonds contained to the contrary notwithstanding; provided however, so long as the Bonds are insured by the Bond Insurer, the maturity of such Bonds shall not be accelerated without the consent of the Bond Insurer and in the event the maturity of the Bonds is accelerated, the Insurer may elect, in its sole discretion, to pay accelerated principal, and interest accrued on such principal, to the date of acceleration (to the extent unpaid by the Authority) and the Trustee shall be required to accept such amounts. Upon payment of such accelerated principal and interest accrued to the acceleration date as

provided above, the Bond Insurer's obligations under the Bond Insurance Policy with respect to such Bonds shall be fully discharged.

Any such declaration, however, is subject to the condition that if, at any time after such declaration and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the Authority shall deposit with the Trustee a sum sufficient to pay all the principal or Redemption Price of and installments of interest on the Bonds payment of which is overdue, with interest on such overdue principal at the rate borne by the respective Bonds, and the reasonable charges and expenses of the Trustee, and any and all other defaults known to the Trustee (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall have been made therefor, then, and in every such case, the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding, by written notice to the Authority and the Trustee, or the Trustee if such declaration was made by the Trustee, may, on behalf of the Owners of all of the Bonds, rescind and annul such declaration and its consequences and waive such default; but no such rescission and annulment shall extend to or shall affect any subsequent default, or shall impair or exhaust any right or power consequent thereon.

**Section 8.03. Application of Net Revenues and Other Funds After Default.** If an Event of Default shall occur and be continuing, all Net Revenues and any other funds then held or thereafter received by the Trustee under any of the provisions of this Indenture (subject to Section 13.10) shall be applied by the Trustee as follows and in the following order:

(a) To the payment of any expenses necessary in the opinion of the Trustee to protect the interests of the Owners of the Bonds and payment of reasonable charges and expenses of the Trustee (including, but not limited to, reasonable fees and disbursements of its counsel) incurred in and about the performance of its powers and duties under this Indenture;

(b) To the payment of the principal or Redemption Price of and interest then due on the Bonds (upon presentation of the Bonds to be paid, and stamping thereon of the payment if only partially paid, or surrender thereof if fully paid) subject to the provisions of this Indenture (including Section 6.02), as follows:

(i) Unless the principal of all of the Bonds shall have become or have been declared due and payable,

*First:* To the payment to the persons entitled thereto of all installments of interest then due in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference; and

*Second:* To the payment to the persons entitled thereto of the unpaid principal or Redemption Price of any Bonds which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, with interest on the overdue principal at the rate borne by the respective Bonds, and, if the amount available shall not be

sufficient to pay in full all the Bonds due on any date, together with such interest, then to the payment thereof ratably, according to the amounts of principal or Redemption Price due on such date to the persons entitled thereto, without any discrimination or preference.

*Third:* To provide for payment of any other amount then due and owing to the Bond Insurer.

(ii) If the principal of all of the Bonds shall have become or have been declared due and payable, to the payment of the principal and interest then due and unpaid upon the Bonds, with interest on the overdue principal at the rate borne by the respective Bonds, and, if the amount available shall not be sufficient to pay in full the whole amount so due and unpaid, then to the payment thereof ratably, without preference or priority of principal over interest, or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference.

**Section 8.04. Trustee to Represent Owners.** The Trustee is hereby irrevocably appointed (and the successive respective Owners of the Bonds, by taking and holding the same, shall be conclusively deemed to have so appointed the Trustee) as trustee and true and lawful attorney-in-fact of the Owners of the Bonds for the purpose of exercising and prosecuting on their behalf such rights and remedies as may be available to such Owners under the provisions of the Bonds, this Indenture, the Bond Law and applicable provisions of any other law. Upon the occurrence and continuance of an Event of Default or other occasion giving rise to a right in the Trustee to represent the Owners, the Trustee in its discretion may, and shall, upon the written request of the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding, (or, if more than one such request is received, the written request executed by the Owners of the greatest percentage of Bonds then Outstanding in excess of twenty-five percent (25%)), and upon being indemnified to its satisfaction therefor, shall, proceed to protect or enforce its rights or the rights of such Owners by such appropriate action, suit, mandamus or other proceedings as it shall deem most effectual to protect and enforce any such right, at law or in equity, either for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or for the enforcement of any other appropriate legal or equitable right or remedy vested in the Trustee or in such Owners under this Indenture, the Bond Law or any other law; and upon instituting such proceeding, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver of the Net Revenues and other assets pledged under this Indenture, pending such proceedings. All rights of action under this Indenture or the Bonds or otherwise may be prosecuted and enforced by the Trustee without the possession of any of the Bonds or the production thereof in any proceeding relating thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in the name of the Trustee for the benefit and protection of all the Owners of such Bonds, subject to the provisions of this Indenture (including Section 6.02).

**Section 8.05. Owners' Direction of Proceedings.** Anything in this Indenture to the contrary notwithstanding, the Owners of a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to direct the method of conducting all remedial

proceedings taken by the Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law and the provisions of this Indenture, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Owners not parties to such direction or would expose the Trustee to liability for which it has not been indemnified to its satisfaction.

Section 8.06. Limitation on Owners' Right to Sue. No Owner of any Bond shall have the right to institute any suit, action or proceeding at law or in equity, for the protection or enforcement of any right or remedy under this Indenture, the Bond Law or any other applicable law with respect to such Bond, unless (1) such Owner shall have given to the Trustee written notice of the occurrence of an Event of Default; (2) the Owners of not less than twenty-five per cent (25%) in aggregate principal amount of the Bonds then Outstanding (or, if more than one such request is received, the written request executed by the Owners of the greatest percentage of Bonds then Outstanding in excess of twenty-five percent (25%)) shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such suit, action or proceeding in its own name; (3) such Owner or said Owners shall have tendered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request; and (4) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of Bonds of any remedy hereunder or under law; it being understood and intended that no one or more Owners of Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Indenture or the rights of any other Owners of Bonds, or to enforce any right under this Indenture, the Bond Law, the Government Code of the State or other applicable law with respect to the Bonds, except in the manner herein provided, and that all proceedings at law or in equity to enforce any such right shall be instituted, had and maintained in the manner herein provided and for the benefit and protection of all Owners of the Outstanding Bonds, subject to the provisions of this Indenture (including Section 6.02).

Section 8.07. Absolute Obligation of Authority. Nothing in Section 8.06 or in any other provision of this Indenture, or in the Bonds, contained shall affect or impair the obligation of the Authority, which is absolute and unconditional, to pay the principal or Redemption Price of and interest on the Bonds to the respective Owners of the Bonds at their respective dates of maturity, or upon call for redemption, as herein provided, but only out of the Net Revenues and other assets herein pledged therefor, or affect or impair the right of such Owners, which is also absolute and unconditional, to enforce such payment by virtue of the contract embodied in the Bonds.

Section 8.08. Termination of Proceedings. In case any proceedings taken by the Trustee or any one or more Owners on account of any Event of Default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or the Owners, then in every such case the Authority, the Trustee and the Owners, subject to any determination in such proceedings, shall be restored to their former positions and rights hereunder, severally

and respectively, and all rights, remedies, powers and duties of the Authority, the Trustee and the Owners shall continue as though no such proceedings had been taken.

Section 8.09. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the Owners of the Bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

Section 8.10. No Waiver of Default. No delay or omission of the Trustee or of any Owner of the Bonds to exercise any right or power arising upon the occurrence of any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Indenture to the Trustee or to the Owners of the Bonds may be exercised from time to time and as often as may be deemed expedient.

## ARTICLE IX

### THE TRUSTEE

#### Section 9.01. Appointment of Trustee; Duties, Immunities and Liabilities of Trustee.

(a) Wilmington Trust, National Association is hereby appointed to serve as Trustee under this Indenture. By execution hereof, the Trustee accepts such appointment. The Trustee shall perform such duties and only such duties as are specifically and expressly set forth in this Indenture. These duties shall be deemed purely ministerial in nature, and the Trustee shall not be liable except for the performance of such duties, and no implied covenants or obligations shall be read into this Indenture against the Trustee.

(b) The Trustee shall, prior to an Event of Default, and after the curing or waiver of all Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in this Indenture. The Trustee shall, during the existence of any Event of Default (which has not been cured or waived), exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

(c) The Authority may remove the Trustee at any time by thirty (30) days prior written request unless an Event of Default shall have occurred and then be continuing, and shall remove the Trustee if at any time requested to do so by an instrument or concurrent instruments in writing signed by the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding (or their attorneys duly authorized in writing) or if at any time the Trustee shall cease to be eligible in accordance with subsection (f) of this Section 9.01, or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or its property shall be appointed, or any public officer shall take control or charge of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, in each case by giving written notice of such removal to the Trustee, and thereupon shall appoint a successor Trustee by an instrument in writing.

(d) The Trustee may at any time resign and be discharged from its duties and obligations hereunder by giving thirty (30) days prior written notice of such resignation to the Authority and by giving the Owners notice of such resignation posting an electronic notice of such resignation through the Depository. Upon receiving such notice of resignation, the Authority shall promptly appoint a successor Trustee by an instrument in writing.

(e) Any removal or resignation of the Trustee and appointment of a successor Trustee shall become effective upon acceptance of appointment by the successor Trustee. If no successor Trustee shall have been appointed and have accepted appointment within thirty (30) days of giving notice of removal or notice of resignation as aforesaid, the resigning Trustee (at the sole cost and expense of the Authority, including with respect to reasonable attorneys' fees and expenses), or any Owner (on behalf of himself and all other Owners) may petition any court of competent jurisdiction for the appointment of a successor Trustee and for other appropriate relief, and such court may thereupon, after such notice (if any) as it may deem proper, appoint

such successor Trustee, and any such resulting appointment or relief shall be binding upon all of the parties in interest hereto. Any successor Trustee appointed under this Indenture, shall signify its acceptance of such appointment by executing and delivering to the Authority and to its predecessor Trustee a written acceptance thereof, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Trustee, with like effect as if originally named Trustee herein; but, nevertheless at the Request of the Authority or the request of the successor Trustee, such predecessor Trustee shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Trustee all the right, title and interest of such predecessor Trustee in and to any property held by it under this Indenture and shall pay over, transfer, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Upon request of the successor Trustee, the Authority shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor Trustee as provided in this subsection, the Authority shall mail a notice of the succession of such Trustee to the trusts hereunder to the Owners at the addresses shown on the registration books maintained by the Trustee. If the Authority fails to mail such notice within fifteen (15) days after acceptance of appointment by the successor Trustee, the successor Trustee shall cause such notice to be mailed at the expense of the Authority.

(f) Any Trustee appointed under the provisions of this Section 9.01 in succession to the Trustee shall be a trust company, national banking association or bank having the powers of a trust company having a corporate trust office in the State, having a combined capital and surplus of at least fifty million dollars (\$50,000,000), and subject to supervision or examination by federal or state authority. If such bank, national banking association or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such bank, national banking association or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this subsection (f), the Trustee shall resign immediately in the manner and with the effect specified in this Section 9.01.

Section 9.02. Merger or Consolidation. Any company or association into which the Trustee may be merged or converted or with which it may be consolidated or any company or association resulting from any merger, conversion or consolidation to which it shall be a party or any company or association to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company or association shall be eligible under subsection (f) of Section 9.01, shall be the successor to such Trustee, as the case may be, without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 9.03. Liability of Trustee.

(a) The recitals of facts herein and in the Bonds contained shall be taken as statements of the Authority, and the Trustee assumes no responsibility for the correctness of the same, or makes any representations as to the validity or sufficiency of this Indenture or of the Bonds, or shall incur any responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Bonds assigned to or imposed upon it. The Trustee shall, however, be responsible for its representations contained in its certificate of authentication on the Bonds. The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Trustee may become the owner of Bonds with the same rights it would have if it were not Trustee, and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners, whether or not such committee shall represent the Owners of a majority in principal amount of the Bonds then Outstanding.

(b) The Trustee shall not be liable for any action taken, or error of judgment made, in good faith by it or any of its officers, employees or agents, unless the Trustee was negligent in ascertaining the pertinent facts.

(c) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in accordance with the direction of the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds at the time Outstanding or the Bond Insurer relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture.

(d) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request, order or direction of any of the Owners or the Bond Insurer, pursuant to the provisions of this Indenture, unless such Owners or the Bond Insurer shall have offered to the Trustee security or indemnity acceptable to the Trustee in its sole and absolute discretion against the costs, expenses and liabilities which may be incurred therein or thereby.

(e) The Trustee shall not be liable for any action taken by it and reasonably believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture.

(f) No provision in this Indenture shall require the Trustee to risk or expend its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder if repayment of such funds or adequate indemnity against such risk or liability is not assured to it. The Trustee shall provide the Authority with seven (7) days' notice prior to making any advance of its own funds hereunder, and, if the Authority does not provide moneys in the amount needed, the Trustee shall be entitled to interest on the amounts advanced at a rate equal to the then 3-month certificates of deposit rate (by reference to the Wall Street Journal); provided that no such prior notice shall need be given and such interest on amounts advanced shall accrue from the date of any such advance following the occurrence of an Event of Default hereunder.

(g) The Trustee makes no representation, express or implied as to the title, value, design, compliance with specifications or legal requirements, quality, durability, operation,

condition, merchantability or fitness for any particular purpose or fitness for the use contemplated by the Authority of the Enterprise.

(h) The Trustee shall not be deemed to have knowledge of an Event of Default hereunder unless and until a responsible officer thereof shall have actual knowledge thereof.

(i) The Trustee shall have no responsibility with respect to any information, statement or recital in any official statement, offering memorandum or other disclosure material prepared or distributed with respect to the Bonds. Neither the Trustee nor any of its directors, officers, employees, agents or affiliates shall be responsible for nor have any duty to monitor the performance or any action of the Authority or any of its directors, members, officers, agents, affiliates or employee, nor shall it have any liability in connection with the malfeasance or nonfeasance by any such party. The Trustee may assume performance by all such persons of their respective obligations. The Trustee shall have no enforcement or notification obligations relating to breaches of representations or warranties of any other person.

(j) The immunities extended to the Trustee also extend to its directors, officers, employees and agents.

(k) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty.

(l) The Trustee may execute any of the trusts or powers hereof and perform any of its duties through attorneys, agents and receivers, shall be entitled to rely on and shall not be liable for any action taken or omitted to be taken by the Trustee in accordance with the advice of counsel or other professionals retained or consulted by the Trustee concerning all matters of trust and its duties hereunder, and shall not be answerable for the same if appointed by it with reasonable care. The Trustee may, at the expense of Authority, request, rely on and act in accordance with officer's certificates and/or opinions of counsel, and shall incur no liability and shall be fully protected in acting or refraining from acting in accordance with such officer's certificates and opinions of counsel.

(m) The Trustee shall be entitled to request and receive written instructions from the Authority under this Indenture and shall have no responsibility or liability for any losses or damages of any nature that may arise from any action taken or not taken by the Trustee in accordance with the written direction of Authority. The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Indenture and delivered using Electronic Means ("Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder); provided, however, that the Authority shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Authority whenever a person is to be added or deleted from the listing. If the Authority elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the

Trustee's understanding of such Instructions shall be deemed controlling. The Authority understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The Authority shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the Authority and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Authority. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Authority agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Authority; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

(n) The Trustee shall not be liable to the parties hereto or deemed in breach or default hereunder if and to the extent its performance hereunder is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the Trustee and could not have been avoided by exercising due care. Force majeure shall include, but not be limited to, acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics, quarantine restrictions, or other similar occurrences. In no event shall the Trustee be responsible or liable for special, indirect, punitive, incidental or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(o) The Trustee shall not be responsible for or accountable to anyone for the subsequent use or application of any moneys which shall be released or withdrawn in accordance with the provisions hereof.

(p) Ratings of Permitted Investments referred to herein shall be determined at the time of purchase of such Permitted Investments and without regard to rating subcategories. The Trustee shall have no responsibility to monitor the ratings of Permitted Investments after the initial purchase of such Permitted Investments, or the responsibility to validate Permitted Investments the ratings of Permitted Investments prior to the initial purchase.

(q) The Trustee may conclusively rely upon the Request of the Authority as to both the suitability and legality of the directed investments and such written direction shall be deemed to be a certification that such directed investments constitute Permitted Investments.

Section 9.04. Right of Trustee to Rely on Documents. The Trustee shall be protected in acting upon any notice, resolution, request, requisition, consent, order, judgment, decree, certificate, report, opinion, note or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel, who may be counsel of or to the Authority, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

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

Section 9.05. Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Indenture shall be retained in its possession and shall be subject during regular business hours with reasonable prior notice to the inspection of the Authority and any Owner, and their agents and representatives duly authorized in writing, at the Trust Office of the Trustee and under reasonable conditions.

Section 9.06. Compensation of Trustee. The Authority covenants to pay to the Trustee from time to time, from available moneys of the Authority, and the Trustee shall be entitled to, reasonable compensation for all services rendered by it in the exercise and performance of any of the powers and duties hereunder of the Trustee, and the Authority will pay or reimburse the Trustee upon its request, from available moneys of the Authority, for all expenses, disbursements and advances incurred or made by the Trustee in accordance with any of the provisions of this Indenture (including the reasonable compensation and the expenses and disbursements of its counsel and of all persons not regularly in its employ) except any such expense, disbursement or advance as may arise from its negligence or bad faith.

Section 9.07. Indemnification. The Authority covenants to indemnify the Trustee and to hold it harmless against any loss, liability, expenses or advance, including fees and expenses of counsel and other experts, incurred or made without negligence or bad faith on the part of the Trustee, in the exercise and performance of any of the powers and duties hereunder by the Trustee, including the costs and expenses of defending itself against any claim of liability arising under this Indenture. Such indemnification shall survive the termination or discharge of this Indenture and the resignation or removal of the Trustee.

## ARTICLE X

### MODIFICATION OR AMENDMENT OF THE INDENTURE

#### Section 10.01. Amendments Permitted.

(a) This Indenture and the rights and obligations of the Authority and of the Owners of the Bonds and of the Trustee may be modified or amended from time to time and at any time by a Supplemental Indenture, which the Authority and the Trustee may execute when the written consent of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding shall have been filed with the Trustee; provided that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any particular maturity remain Outstanding, the consent of the Owners of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Bonds Outstanding under this Section 10.01. No such modification or amendment shall (1) extend the fixed maturity of any Bond, or reduce the amount of principal thereof, provided in this Indenture for the payment of any Bond, or reduce the rate of interest thereon, or extend the time of payment of interest thereon, or reduce any premium payable upon the redemption thereof, without the consent of the Owner of each Bond so affected, or (2) reduce the aforesaid percentage of Bonds the consent of the Owners of which is required to effect any such modification or amendment, or permit the creation of any lien on the Net Revenues and other assets pledged under this Indenture prior to or on a parity with the lien created by this Indenture, other than Parity Obligations, or deprive the Owners of the Bonds of the lien created by this Indenture on such Net Revenues and other assets (except as expressly provided in this Indenture), or terminate the insurance of the Bonds, without the consent of the Owners of all of the Bonds then Outstanding or modify any of the rights or obligations of the Trustee without its prior written consent. It shall not be necessary for the consent of the Owners to approve the particular form of any Supplemental Indenture, but it shall be sufficient if such consent shall approve the substance thereof. Promptly after the execution by the Authority and the Trustee of any Supplemental Indenture pursuant to this subsection (a), the Trustee shall mail a notice, setting forth in general terms the substance of such Supplemental Indenture to the Owners at the addresses shown on the Bond Registration Books. Any failure to give such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such Supplemental Indenture.

(b) This Indenture and the rights and obligations of the Authority, of the Trustee and of the Owners of the Bonds may also be modified or amended from time to time and at any time by a Supplemental Indenture, which the Authority and the Trustee may execute without the consent of any Owners, but only to the extent permitted by law and only for any one or more of the following purposes:

(i) to add to the covenants and agreements of the Authority in this Indenture contained other covenants and agreements thereafter to be observed, to pledge or assign additional security for the Bonds (or any portion thereof), or to surrender any right or power herein reserved to or conferred upon the Authority, provided, that no such

covenant, agreement, pledge, assignment or surrender shall materially adversely affect the interests of the Owners of the Bonds;

(ii) to make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision, contained in this Indenture, or in regard to matters or questions arising under this Indenture, as the Authority may deem necessary or desirable and not inconsistent with this Indenture, and which shall not materially adversely affect the interests of the Owners of the Bonds;

(iii) to make such additions, deletions or modifications as may be necessary to assure exclusion from gross income for purposes of federal income taxation of interest on the Bonds; or

(iv) to issue Parity Obligations.

(c) No such Supplemental Indenture shall modify any of the rights or obligations of the Trustee without its prior written consent thereto; nor shall the Trustee be required to consent to any such Supplemental Indenture which affects its rights or obligations hereunder.

(d) In executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article or the modification thereby of the trusts created by this Indenture, the Trustee shall be entitled to receive, and shall be fully protected in relying upon, an opinion of counsel stating that the execution of such supplemental indenture is authorized or permitted by this Indenture and complies with the terms hereof.

Section 10.02. Effect of Supplemental Indenture. From and after the time any Supplemental Indenture becomes effective pursuant to this Article X, this Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture of the Authority, the Trustee and all Owners of Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any such Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 10.03. Endorsement of Bonds; Preparation of New Bonds. Bonds delivered after any Supplemental Indenture becomes effective pursuant to this Article X may, and if the Trustee so determines shall, bear a notation by endorsement or otherwise in form approved by the Authority and the Trustee as to any modification or amendment provided for in such Supplemental Indenture, and, in that case, upon demand of the Owner of any Bond Outstanding at the time of such execution and presentation of his Bond for the purpose at the Trust Office of the Trustee or at such additional offices as the Trustee may select and designate for that purpose, a suitable notation shall be made on such Bond. If the Supplemental Indenture shall so provide, new Bonds so modified as to conform, in the opinion of the Authority and the Trustee, to any modification or amendment contained in such Supplemental Indenture, shall be prepared and executed by the Authority and authenticated by the Trustee, and upon demand of the Owners of any Bonds then Outstanding shall be exchanged at the Trust Office of the Trustee, without cost

to any Owner, for Bonds then Outstanding, upon surrender for cancellation of such Bonds, in equal aggregate principal amounts of the same maturity.

Section 10.04. Amendment of Particular Bonds. The provisions of this Article X shall not prevent any Owner from accepting any amendment as to the particular Bonds held by him, provided that due notation thereof is made on such Bonds.

## ARTICLE XI

### DEFEASANCE

Section 11.01. Discharge of Indenture. Any or all of the Bonds may be paid by the Authority in any of the following ways; provided that the Authority also pays or causes to be paid any other sums payable hereunder by the Authority:

- (a) by paying or causing to be paid the principal or Redemption Price of and interest on such Bonds Outstanding, as and when the same become due and payable;
- (b) by depositing with the Trustee, in trust, at or before maturity, money or Permitted Investments described in paragraph (a) of the definition thereof (“Defeasance Obligations”) in the necessary amount (as provided in Section 11.03) to pay or redeem such Bonds Outstanding; or
- (c) by delivering to the Trustee, for cancellation by it, such Bonds Outstanding.

If the Authority shall pay all Bonds Outstanding and shall also pay or cause to be paid all other sums payable hereunder by the Authority, then and in that case, at the election of the Authority (evidenced by a Certificate of the Authority, filed with the Trustee, signifying the intention of the Authority to discharge all such indebtedness and this Indenture), and notwithstanding that any Bonds shall not have been surrendered for payment, this Indenture and the pledge of Net Revenues and other assets made under this Indenture and all covenants, agreements and other obligations of the Authority under this Indenture shall cease, terminate, become void and be completely discharged and satisfied, except only as provided in Section 11.02. In such event, upon Request of the Authority, the Trustee shall cause an accounting for such period or periods as may be requested by the Authority to be prepared and filed with the Authority and shall execute and deliver to the Authority all such instruments as may be necessary or desirable to evidence such discharge and satisfaction, and the Trustee shall pay over, transfer, assign or deliver to the Authority all moneys or securities or other property held by it pursuant to this Indenture which are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption.

Section 11.02. Discharge of Liability on Bonds. Upon the deposit with the Trustee, in trust, at or before maturity, of money or securities in the necessary amount (as provided in Section 11.10) to pay or redeem any Outstanding Bond (whether upon or prior to its maturity or the redemption date of such Bond), provided that, if such Bond is to be redeemed prior to maturity, notice of such redemption shall have been given as in Article IV provided or provision satisfactory to the Trustee shall have been made for the giving of such notice, then all liability of the Authority in respect of such Bond shall cease, terminate and be completely discharged, except only that thereafter the Owner thereof shall be entitled to payment of the principal of and interest to the maturity or redemption date on such Bond by the Authority, and the Authority shall remain liable for such payment, but only out of such money or securities deposited with the Trustee as aforesaid for such payment, provided further, however, that the provisions of Section 11.04 shall apply in all events.

The Authority may at any time surrender to the Trustee for cancellation by it any Bonds previously issued and delivered which the Authority may have acquired in any manner whatsoever, and such Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

To accomplish a defeasance under this Indenture the Authority shall cause to be delivered (i) a report of an Independent Certified Public Accountant verifying the sufficiency of the escrow established to pay the Bonds in full on the maturity date (“Verification”), (ii) an escrow deposit agreement (which shall be acceptable in form and substance to the Bond Insurer), (iii) an opinion of nationally recognized bond counsel to the effect that the Bonds are no longer “Outstanding” under the Indenture; and (iv) a certificate of discharge of the Trustee with respect to the Bonds; Each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Authority, Trustee and Bond Insurer. The Bond Insurer shall be provided with final drafts of the above-referenced documentation not less than five business days prior to the funding of the escrow.

Section 11.03. Deposit of Money or Securities with Trustee. Whenever in this Indenture it is provided or permitted that there be deposited with or held in trust by the Trustee money or Defeasance Obligations in the necessary amount to pay or redeem any Bonds, the money or Defeasance Obligations so to be deposited or held may include money or Defeasance Obligations held by the Trustee in the funds and accounts established pursuant to this Indenture and shall be:

(a) lawful money of the United States of America in an amount equal to the principal amount of such Bonds and all unpaid interest thereon to maturity, except that, in the case of Bonds which are to be redeemed prior to maturity and in respect of which notice of such redemption shall have been given as in Article IV provided or provision satisfactory to the Trustee shall have been made for the giving of such notice, the amount to be deposited or held shall be the principal amount or Redemption Price of such Bonds and all unpaid interest thereon to the redemption date; or

(b) Defeasance Obligations the principal of and interest on which when due will provide money sufficient, in the opinion of an Independent Accountant, to pay the principal or Redemption Price of and all unpaid interest to maturity, or to the redemption date, as the case may be, on the Bonds to be paid or redeemed, as such principal or Redemption Price and interest become due, provided that, in the case of Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as in Article IV provided or provision satisfactory to the Trustee shall have been made for the giving of such notice; provided, in each case, that the Trustee shall have been irrevocably instructed (by the terms of this Indenture or by Request of the Authority) to apply such money to the payment of such principal or Redemption Price and interest with respect to such Bonds.

The Bonds shall be deemed Outstanding under this Indenture unless and until they are in fact paid and retired or the above criteria are met.

Section 11.04. Payment of Bonds After Discharge of Indenture. Notwithstanding any provisions of this Indenture, any moneys held by the Trustee in trust for the payment of the

principal or redemption premium of, or interest on, any Bonds and remaining unclaimed for two years after the principal of all of the Bonds has become due and payable (whether at maturity or upon call for redemption or by acceleration as provided in this Indenture), if such moneys were so held at such date, or two years after the date of deposit of such moneys if deposited after said date when all of the Bonds became due and payable, shall be repaid without interest to the Authority free from the trusts created by this Indenture, and all liability of the Trustee with respect to such moneys shall thereupon cease; provided, however, that before the repayment of such moneys to the Authority as aforesaid, the Trustee, as the case may be, may (at the cost of the Authority) first mail a notice, in such form as may be deemed appropriate by the Trustee, to the Owners of the Bonds so payable and not presented and with respect to the provisions relating to the repayment to the Authority of the moneys held for the payment thereof.

## ARTICLE XII

### PROVISIONS RELATING TO THE BOND INSURER AND THE BOND INSURANCE POLICY

Section 12.01. Bond Insurance Provisions. The following provisions of this Article XII shall control and supersede any conflicting or inconsistent provisions in this Indenture.

(a) The Bond Insurer shall be deemed to be the sole holder of the Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the holders of the Bonds insured by it are entitled to take pursuant to the Indenture pertaining to (i) defaults -and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of the Indenture and each Bond, each Bondholder appoints the Bond Insurer as its agent and attorney-in-fact and agree that the Bond Insurer may at any time during the continuation of any proceeding by or against the Authority under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedes or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, each Bondholder delegates and assigns to the Bond Insurer, to the fullest extent permitted by law, the rights of each Bondholder in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. The Trustee acknowledges such appointment, delegation and assignment by each Bondholder for the Bond Insurer's benefit, and agrees to cooperate with the Insurer in taking any action reasonably necessary or appropriate in connection with such appointment, delegation and assignment. Remedies granted to the Bondholders shall expressly include mandamus.

(b) The Bond Insurer shall be included as a third party beneficiary to the Indenture.

(c) Upon the occurrence of an extraordinary optional, special or extraordinary mandatory redemption in part, the selection of Bonds to be redeemed shall be subject to the approval of the Bond Insurer. The exercise of any provision of the Indenture which permits the purchase of Bonds in lieu of redemption shall require the prior written approval of the Bond Insurer if any Bond so purchased is not cancelled upon purchase.

(d) Any amendment, supplement, modification to, or waiver of, the Indenture or any other transaction document, including any underlying security agreement (each a "Related Document"), that requires the consent of Bondowners or adversely affects the rights and interests of the Bond Insurer shall be subject to the prior written consent of the Bond Insurer.

(e) Unless the Bond Insurer otherwise directs, upon the occurrence and continuance of an Event of Default or an event which with notice or lapse of time would constitute an Event

of Default, amounts on deposit in the Project Fund shall not be disbursed, but shall instead be applied to the payment of debt service or redemption price of the Bonds.

(f) Each of the Authority and Trustee covenant and agree to take such action (including, as applicable, filing of UCC financing statements and continuations thereof) as is necessary from time to time to preserve the priority of the pledge of the Trust Estate under applicable law.

(g) Claims Upon the Insurance Policy and Payments by and to the Bond Insurer.

If, on the third Business Day prior to the related scheduled interest payment date or principal payment date ("Payment Date") there is not on deposit with the Trustee, after making all transfers and deposits required under the Indenture, moneys sufficient to pay the principal of and interest on the Bonds due on such Payment Date, the Trustee shall give notice to the Bond Insurer and to its designated agent (if any) (the "Bond Insurer's Fiscal Agent") by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Bonds due on such Payment Date, the Trustee shall make a claim under the Bond Insurance Policy and give notice to the Bond Insurer and the Bond Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Bonds and the amount required to pay principal of the Bonds, confirmed in writing to the Bond Insurer and the Bond Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the Bond Insurance Policy.

The Trustee shall designate any portion of payment of principal on Bonds paid by the Bond Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Bonds registered to the then current Bondholder, whether DTC or its nominee or otherwise, and shall issue a replacement Bond to the Bond Insurer, registered in the name of \_\_\_\_\_, in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement Bond shall have no effect on the amount of principal or interest payable by the Authority on any Bond or the subrogation rights of the Bond Insurer.

The Trustee shall keep a complete and accurate record of all funds deposited by the Bond Insurer into the Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any Bond. The Bond Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

Upon payment of a claim under the Bond Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Bondholders referred to herein as the "Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the Bond Insurance Policy in trust on behalf of Bondholders and shall deposit any such amount in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim

was made. Such amounts shall be disbursed by the Trustee to Bondholders in the same manner as principal and interest payments are to be made with respect to the Bonds under the sections hereof regarding payment of Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Authority agrees to pay to the Bond Insurer (i) a sum equal to the total of all amounts paid by the Bond Insurer under the Bond Insurance Policy (the "Bond Insurer Advances"); and (ii) interest on such Bond Insurer Advances from the date paid by the Bond Insurer until payment thereof in full, payable to the Bond Insurer at the Late Payment Rate per annum (collectively, the "Bond Insurer Reimbursement Amounts"). "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The Authority hereby covenants and agrees that the Bond Insurer Reimbursement Amounts are secured by a lien on and pledge of the Net Revenues and payable from such Net Revenues on a parity with debt service due on the Bonds.

Funds held in the Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the Policy Payments Account following a Bond payment date shall promptly be remitted to the Bond Insurer.

(h) The Bond Insurer shall, to the extent it makes any payment of principal or interest on the Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Bond Insurance Policy (which subrogation rights shall also include the rights of any such recipients in connection with any Insolvency Proceeding). Each obligation of the Authority to the Bond Insurer under the Related Documents shall survive discharge or termination of such Related Documents.

(i) The Authority shall pay or reimburse the Bond Insurer any and all charges, fees, costs and expenses that the Bond Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in any Related Document; (ii) the pursuit of any remedies under the Indenture or any other Related Document or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Indenture or any other Related Document whether or not executed or completed, or (iv) any litigation or other dispute in connection with the Indenture or any other Related Document or the transactions contemplated thereby, other than costs resulting from the failure of the Bond Insurer to honor its obligations under the Insurance Policy. The Bond Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Indenture or any other Related Document.

(j) After payment of reasonable expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the Authority or rebate only

after the payment of past due and current debt service on the Bonds and amounts required to restore the Debt Service Reserve Fund to the Debt Service Reserve Requirement.

(k) The Bond Insurer shall be entitled to pay principal or interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Authority (as such terms are defined in the Insurance Policy) and any amounts due on the Bonds as a result of acceleration of the maturity thereof, whether or not the Bond Insurer has received a Notice of Nonpayment (as such terms are defined in the Insurance Policy) or a claim upon the Insurance Policy.

(l) The Bond Insurer shall be provided with the following information by the Authority or Trustee, as the case may be:

(i) Annual audited financial statements within 9 months after the end of the Authority's fiscal year (together with a certification of the Authority that it is not aware of any default or Event of Default under the Indenture), and the Authority's annual budget within 30 days after the approval thereof together with such other information, data or reports as the Bond Insurer shall reasonably request from time to time;

(ii) Notice of any draw upon the Debt Service Reserve Fund within two Business Days after knowledge thereof other than (i) withdrawals of amounts in excess of the Debt Service Reserve Requirement and (ii) withdrawals in connection with a refunding of Bonds;

(iii) Notice of any default known to the Trustee or Authority within five Business Days after knowledge thereof;

(iv) Prior notice of the advance refunding or redemption of any of the Bonds, including the principal amount, maturities and CUSIP numbers thereof;

(v) Notice of the resignation or removal of the Trustee and Bond Registrar and the appointment of, and acceptance of duties by, any successor thereto;

(vi) Notice of the commencement of any proceeding by or against the Authority commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding");

(vii) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, the Bonds;

(viii) A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to the Related Documents; and

(ix) All reports, notices and correspondence to be delivered to Bondholders under the terms of the Related Documents.

In addition, to the extent that the Authority has entered into a continuing disclosure agreement, covenant or undertaking with respect to the Bonds, all information furnished pursuant to such agreements shall also be provided to the Bond Insurer, simultaneously with the furnishing of such information.

(m) The Bond Insurer shall have the right to receive such additional information as it may reasonably request.

(n) The Authority will permit the Bond Insurer to discuss the affairs, finances and accounts of the Authority or any information the Bond Insurer may reasonably request regarding the security for the Bonds with appropriate officers of the Authority and will use commercially reasonable efforts to enable the Bond Insurer to have access to the facilities, books and records of the Authority on any business day upon reasonable prior notice.

(o) The Trustee shall notify the Bond Insurer of any failure of the Authority to provide notices, certificates and other information under the transaction documents.

(p) Notwithstanding satisfaction of the other conditions to the issuance of Additional Bonds set forth in the Indenture, no such issuance may occur (1) if an Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance and (2) unless the Debt Service Reserve Fund is fully funded at the Debt Service Reserve Requirement (including the proposed issue) upon the issuance of such Additional Bonds, in either case unless otherwise permitted by the Bond Insurer.

(q) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under the Indenture would adversely affect the security for the Bonds or the rights of the Bondholders, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no Insurance Policy.

(r) No contract shall be entered into or any action taken by which the rights of the Bond Insurer or security for or sources of payment of the Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the Bond Insurer.

(s) If the Bonds are issued for refunding purposes, there shall be delivered an opinion of Bond Counsel addressed to the Bond Insurer (or a reliance letter relating thereto), or a certificate of discharge of the trustee for the Refunded Bonds, to the effect that, upon the making of the required deposit to the escrow, the legal defeasance of the Refunded Bonds shall have occurred.

(t) The notice address of the Bond Insurer is: \_\_\_\_\_, \_\_\_\_\_, New York, New York, \_\_\_\_\_, Attention: Managing Director— Surveillance, Re: Policy No. \_\_\_\_\_, Telephone: (212) \_\_\_\_\_; Telecopier: (212) \_\_\_\_\_. In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

## ARTICLE XIII

### MISCELLANEOUS

Section 13.01. Liability of Authority Limited to Net Revenues. Notwithstanding anything contained in this Indenture or in the Bonds, the Authority shall not be required to advance any moneys derived from any source other than the Net Revenues and other assets pledged under this Indenture for any of the purposes mentioned in this Indenture, whether for the payment of the principal or Redemption Price of or interest on the Bonds or for any other purpose of this Indenture.

Section 13.02. Successor Is Deemed Included in All References to Predecessor. Whenever in this Indenture either the Authority or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the Authority or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 13.03. Limitation of Rights to Parties and Owners. Except as provided in Article XII hereof, nothing in this Indenture or in the Bonds expressed or implied is intended or shall be construed to give to any person other than the Authority, the Trustee, the Bond Insurer and the Owners of the Bonds, any legal or equitable right, remedy or claim under or in respect of this Indenture or any covenant, condition or provision therein or herein contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the Authority, the Trustee and the Owners of the Bonds.

Section 13.04. Waiver of Notice. Whenever the giving of notice by mail or otherwise is required in this Indenture, the giving of such notice may be waived in writing by the person entitled to receive such notice and in any such case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 13.05. Destruction of Bonds. Whenever in this Indenture provision is made for the cancellation by the Trustee and the delivery to the Authority of any Bonds, the Trustee may, upon Request of the Authority, in lieu of such cancellation and delivery, destroy such Bonds (in the presence of an officer of the Authority, if the Authority shall so require), and deliver a certificate of such destruction to the Authority.

Section 13.06. Entire Agreement; Severability of Invalid Provisions. This Indenture and the exhibits hereto set forth the entire Agreement and understanding of the parties related to this transaction and supersedes all prior agreements and understandings, oral or written. If any one or more of the provisions contained in this Indenture or in the Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Indenture and such invalidity, illegality or unenforceability shall not affect any other provision of this Indenture, and this Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Authority hereby declares that it would have adopted this Indenture

and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this Indenture may be held illegal, invalid or unenforceable.

Section 13.07. Notices. Any notice, request, complaint, demand, communication or other paper shall be sufficiently given and shall be deemed given when delivered or mailed by first class, registered or certified mail, postage prepaid, or sent by confirmed telegram, telecopy or telex, to the address (or such other address as may have been filed with the Trustee in writing) set forth below:

To the Authority: Coachella Water Authority  
1515 Sixth Street  
Coachella, CA 92236  
Attention: Executive Director  
Fax: (\_\_\_\_) \_\_\_\_\_

To the Trustee: Wilmington Trust, National Association  
650 Town Center Drive, Suite 800  
Costa Mesa, CA 92626  
Attention: Corporate Trust Department  
Fax: (714) 384-4151

Section 13.08. Evidence of Rights of Owners. Any request, consent or other instrument required or permitted by this Indenture to be signed and executed by Owners may be in any number of concurrent instruments of substantially similar tenor and shall be signed or executed by such Owners in person or by an agent or agents duly appointed in writing. Proof of the execution of any such request, consent or other instrument or of a writing appointing any such agent, or of the holding by any person of Bonds transferable by delivery, shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee and of the Authority if made in the manner provided in this Section 13.08.

The fact and date of the execution by any person of any such request, consent or other instrument or writing may be proved by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to take acknowledgments of deeds, certifying that the person signing such request, consent or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution duly sworn to before such notary public or other officer.

The ownership of registered Bonds shall be proved by the Bond Registration Books held by the Trustee.

Any request, consent, or other instrument or writing of the Owner of any Bond shall bind every future Owner of the same Bond and the Owner of every Bond issued in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Authority in accordance therewith or reliance thereon.

Section 13.09. Disqualified Bonds. In determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are owned or held by or for the account of the Authority or by any other obligor on the Bonds, or by any person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Authority or any other obligor on the Bonds, shall be disregarded and deemed not to be Outstanding for the purpose of any such determination. Bonds so owned which have been pledged in good faith may be regarded as Outstanding for the purposes of this Section 13.09 if the pledgee shall establish to the satisfaction of the Trustee the pledgee's right to vote such Bonds and that the pledgee is not a person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Authority or any other obligor on the Bonds. In case of a dispute as to such right, any decision by the Trustee taken upon the advice of counsel shall be full protection to the Trustee. Upon request of the Trustee, the Authority shall specify, in a certificate to the Trustee, those Bonds disqualified pursuant to this Section 13.09 and the Trustee may conclusively rely on such certificate.

Section 13.10. Money Held for Particular Bonds. The money held by the Trustee for the payment of the interest, principal or Redemption Price due on any date with respect to particular Bonds (or portions of Bonds in the case of registered Bonds redeemed in part only) shall, on and after such date and pending such payment, be set aside on its books and held in trust by it without liability for interest thereon for the Owners of the Bonds entitled thereto, subject, however, to the provisions of Section 11.04.

Section 13.11. Funds and Accounts. Any fund required by this Indenture to be established and maintained by the Trustee may be established and maintained in the accounting records of the Trustee, either as a fund or an account, and may, for the purposes of such records, any audits thereof and any reports or statements with respect thereto, be treated either as a fund or as an account; but all such records with respect to all such funds shall at all times be maintained in accordance with customary standards of the corporate trust industry, to the extent practicable, and with due regard for the protection of the security of the Bonds and the rights of every holder thereof.

Section 13.12. Article and Section Headings and References. The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Indenture.

All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof; and words of the masculine gender shall mean and include words of the feminine and neuter genders.

Section 13.13. Waiver of Personal Liability. No member of the Authority Board, officer, agent or employee of the Authority shall be individually or personally liable for the payment of the principal or Redemption Price of or interest on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof; but nothing herein contained shall

relieve any such member of the Authority Board, officer, agent or employee from the performance of any official duty provided by law or by this Indenture.

Section 13.14. Execution in Several Counterparts. This Indenture may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the Authority and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

Section 13.15. Governing Law. This Indenture shall be construed in accordance with and governed by the Constitution and laws of the State. If this Indenture shall be the subject of litigation, venue shall reside in the federal or state courts of California.

IN WITNESS WHEREOF, the COACHELLA WATER AUTHORITY has caused this Indenture to be signed in its name by the Executive Director of the Authority and attested by the Secretary, and WILMINGTON TRUST, NATIONAL ASSOCIATION, in token of its acceptance of the trust created hereunder, has caused this Indenture to be signed in its corporate name by one of its authorized officers, all as of the day and year first above written.

**COACHELLA WATER AUTHORITY**

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

Attest:

\_\_\_\_\_  
Secretary

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

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

**APPROVAL OF CITY**

In accordance with Section 6.19 hereof, the City agrees that in the event the Lease Agreement is, for any reason, terminated prior to the final payment of all Bonds hereunder, the City will assume all of the Authority's obligations hereunder for the payment of the principal of and interest on the Bonds.

**CITY OF COACHELLA**

By \_\_\_\_\_  
City Manager

**EXHIBIT A**  
**FORM OF BOND**

**United States of America**  
**State of California**  
**County of Riverside**

**COACHELLA WATER AUTHORITY**  
**Water Revenue Refunding Bonds, [2022A][2022B] Series**

|               |                |             |       |
|---------------|----------------|-------------|-------|
| INTEREST RATE | MATURITY DATE  | DATED DATE  | CUSIP |
| _____%        | August 1, 20__ | _____, 2022 |       |

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: \_\_\_\_\_ DOLLARS

The COACHELLA WATER AUTHORITY, a joint exercise of powers authority duly organized and existing under the laws of the State of California (the “Authority”), for value received, hereby promises to pay to the Registered Owner named above or registered assigns (the “Owner”), on the Maturity Date stated above (subject to any right of prior redemption hereinafter provided for), the Principal Amount stated above in lawful money of the United States of America, and to pay interest thereon in like lawful money from the February 1 or August 1 (each an “Interest Payment Date”) next preceding the date of authentication hereof, unless said date of authentication is an Interest Payment Date, in which event such interest is payable from such date of authentication, and unless said date of authentication is on or before \_\_\_\_\_ 15, 20\_\_, in which event such interest is payable from the Dated Date stated above; provided, however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the date to which interest has previously been paid or made available for payment on this Bond in full at the Interest Rate per annum stated above, payable semiannually on each Interest Payment Date, commencing \_\_\_\_\_ 1, 20\_\_. The principal amount of this Bond is payable at the principal corporate trust office of Wilmington Trust, National Association, as trustee (the “Trustee”), in Costa Mesa, California, or at such office as the Trustee may designate, upon presentation and surrender of this Bond to the Trustee. Payment of the interest on this Bond will be made to the person whose name appears on the bond registration books of the Trustee as the Owner thereof as of the fifteenth day of the month immediately preceding an Interest Payment Date whether or not said day is a business day (the “Record Date”), such interest to be paid by check mailed on the Interest Payment Date to the Owner or, at the option of any Owner of at least \$1,000,000 aggregate principal amount of Bonds and upon written notice received by the Trustee prior to the Record Date, by wire transfer, at the Owner’s address as it appears on such bond registration books or to such account as shall have been identified by the Owner in the notice requesting payment by wire transfer. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Owner on such

Record Date and shall be paid to the person in whose name the Bond is registered at the close of business on a special record date for the payment of such defaulted interest to be fixed by the Trustee, notice whereof being given to the Owners not less than ten (10) days prior to such special record date.

Capitalized terms used herein and not otherwise defined are used with the meanings ascribed to them in the Indenture (as hereinafter defined).

This Bond is one of a series of Bonds of various maturities designated as “Coachella Water Authority Water Revenue Refunding Bonds, [2022A][2022B] Series” (the “Bonds”), issued in the aggregate principal amount of \$\_\_\_\_\_ all of like tenor (except for such variations, if any, as may be required to designate varying numbers, maturities, interest rates or redemption provisions), issued under and pursuant to an Indenture of Trust (the “Indenture”) by and between the Authority and the Trustee, dated as of [February][May] 1, 2022, approved by the Authority by Resolution No. 2020.001, adopted by the Board of Directors of the Authority on \_\_\_\_\_, 2022, under and pursuant to the provisions of Articles 1 through 4 (commencing with section 6500) of Chapter 5 of Division 7 of Title 1 of the California Government Code. A copy of the Indenture is on file at the office of the Trustee, and reference to the Indenture and any and all supplements thereto and modifications and amendments thereof and to the Bond Law is made for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the Net Revenues, as that term is defined in the Indenture, and the rights of the Owners of the Bonds. All the terms of the Indenture and the Bond Law are hereby incorporated herein and constitute a contract between the Authority and the Owners from time to time of this Bond, and to all the provisions thereof the Owner of this Bond, by his acceptance hereof, consents and agrees. Each taker and subsequent Owner hereof shall have recourse to all of the provisions of the Bond Law and the Indenture and shall be bound by all of the terms and conditions thereof.

The Bonds are issued to (a) refund certain obligations of the Authority, (b) finance certain improvements to the Enterprise, (c) purchase a municipal bond insurance policy, and (c) pay the costs of issuance of the Bonds.

The Bonds are payable from the net revenues (the “Net Revenues”) of the City’s combined water enterprise (the “Enterprise”), derived primarily from charges and revenues received by the Authority from or attributable to the lease and operation of the Enterprise, less the costs of the operation and maintenance of the Enterprise, and the Net Revenues are pledged, as a first and prior lien thereon, to pay the principal of and premium, if any, and interest on the Bonds, and any parity obligations hereafter issued or incurred by the Authority in accordance with the Indenture. Additional series of bonds payable from the Net Revenues may be issued on a parity with the Bonds, but only subject to the conditions and limitations contained in the Indenture.

The principal or redemption price of and interest on the Bonds are payable solely from the Net Revenues, and the Authority is not obligated to pay the Bonds except from the Net Revenues. The general fund of the Authority is not liable, and the full faith and credit or taxing power of the Authority is not pledged, for the payment of the principal or redemption price of and interest on the Bonds. The Bonds are not secured by a legal or equitable pledge of, or charge,

lien or encumbrance upon, any of the property of the Authority or any of its income or receipts, except the Net Revenues.

The Authority covenants that, so long as any of the Bonds are outstanding, it will fix, prescribe and collect charges so as to yield Net Revenues at least equal to the amounts thereof prescribed by the Indenture and sufficient to pay the principal or redemption price of and interest on the Bonds in accordance with the provisions of the Indenture.

The Bonds shall be subject to redemption as set forth in the Indenture.

As provided in the Indenture, notice of redemption shall be given by first class mail not less than twenty (20) days prior to the redemption date to the respective registered Owners of the Bonds designated for redemption at their addresses appearing on the bond registration books, but no defect in the notice so mailed shall affect the sufficiency of the proceedings for redemption.

If this Bond is called for redemption and payment is duly provided therefor as specified in the Indenture, interest shall cease to accrue hereon from and after the date fixed for redemption.

If an Event of Default, as defined in the Indenture, shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture, but such declaration and its consequences may be rescinded and annulled as further provided in the Indenture.

This Bond is transferable, as provided in the Indenture, only upon the books of the Authority kept for that purpose at the office of the Trustee, by the Owner hereof in person, or by his attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered Owner or his attorney duly authorized in writing, and thereupon a new Bond or Bonds, without coupons, and in the same aggregate principal amount and of the same maturity, shall be issued to the transferee in exchange herefor, as provided in the Indenture, and upon the payment of charges, if any, including, after the first exchange, the cost of preparing new Bonds therein prescribed.

The rights and obligations of the Authority and of the Owners of the Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the redemption price thereof or in the rate of interest thereon without the consent of the Owner of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds, the consent of the Owners of which is required to effect any such modification or amendment, all as more fully set forth in the Indenture.

It is hereby certified that all of the conditions, things and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due time, form and manner as required by law and that the amount of this Bond, together with all other indebtedness of the Authority, does not exceed any

limit prescribed by the Constitution or laws of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Indenture.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

IN WITNESS WHEREOF, the Coachella Water Authority has caused this Bond to be executed in its name and on its behalf with the manual or facsimile signature of its Executive Director and the manual or facsimile signature of its Secretary and its seal to be reproduced hereon all as of the Bond Date stated above.

COACHELLA WATER AUTHORITY

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

ATTEST:

\_\_\_\_\_  
Secretary

#### TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture, which has been authenticated and registered on \_\_\_\_\_.

WILMINGTON TRUST, NATIONAL  
ASSOCIATION, as Trustee

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

## STATEMENT OF INSURANCE

[TO COME]

**ASSIGNMENT**

For value received the undersigned hereby sells, assigns and transfers unto

whose address and social security or other tax identifying number is

the within-mentioned Bond and hereby irrevocably constitute(s) and appoint(s)

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

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

Signature Guaranteed:

Notice: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

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

**EXHIBIT B**  
**COMPONENTS OF THE PROJECT**

The Project consists of the following:

| Description  | Est. Amount |
|--------------|-------------|
|              |             |
| <b>TOTAL</b> |             |

## CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the “Disclosure Agreement”) is executed and delivered by and between the Coachella Water Authority (the “Authority”) and Urban Futures, Inc., as dissemination agent (the “Dissemination Agent”), in connection with the issuance and delivery of \$\_\_\_\_\_ Coachella Water Authority Water Revenue Refunding Bonds, [2022A Series][2022B Series] (the “Bonds”). The Bonds are issued pursuant to an Indenture of Trust, dated as of [February 1, 2022][May 1, 2022] (the “Indenture”), by and between the Authority and Wilmington Trust, National Association (the “Trustee”).

**SECTION 1. Purpose of this Disclosure Agreement.** This Disclosure Agreement is being executed and delivered by the Authority for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule.

**SECTION 2. Definitions.** In addition to the definitions set forth in the Trust Agreement, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the Authority pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Annual Report Date” shall mean March 31 of each year (beginning on March 31, [2022][2023]).

“Beneficial Owner” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“Fiscal Year” shall mean the one-year period ending on June 30 of each year.

“Holder” shall mean a registered owner of the Bonds.

“Listed Events” shall mean any of the events listed in Section 5 of this Disclosure Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934 or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Marketplace Access (EMMA) website of the MSRB, currently located at <http://emma.msrb.org>.

“Participating Underwriter” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Rule” shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

### SECTION 3. Provision of Annual Reports.

(a) The Authority shall provide, or cause the Dissemination Agent to provide, not later than the Annual Report Date to MSRB an Annual Report relating to the immediately preceding Fiscal Year which is consistent with the requirements of Section 4 of this Disclosure Agreement, which Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement. The Authority shall satisfy the requirement of filing the Annual Report for the Fiscal Year ending June 30, 2021 by filing the audited financial statements of the Authority for the Fiscal Year ending June 30, 2021.

(b) Not later than 15 business days prior to the Annual Report Date the Authority shall provide the Annual Report to the Dissemination Agent. If by such date, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the Authority to determine if the Authority is in compliance with the first sentence of this subsection (b).

(c) If the Authority is unable to provide to MSRB an Annual Report by the date required in subsection (a), the Authority, in a timely manner, shall send to MSRB a notice in substantially the form attached hereto as Exhibit A.

SECTION 4. Content of Annual Reports. The Annual Report shall contain or incorporate by reference the following:

1. The audited financial statements of the Authority for the most recently completed Fiscal Year, prepared in accordance with generally accepted accounting principles for governmental enterprises as prescribed from time to time by any regulatory body with jurisdiction over the Authority and by the Governmental Accounting Standards Board. If the Authority's audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available;

2. An update, for the fiscal year ended the June 30 next preceding the Annual Report Date, of the following tables contained in the Official Statement (to the extent not included in the audited financial statements described in paragraph (1) above):

Table 1 – Leading Users of the Water Enterprise

Table 3 – Water Enterprise Production and Number of Accounts

Table 4 – Water Account User Composition

Table 5 – Historical Financial Results

Table 6 – State of Net Position

Table 7 – Historical Financial Results and Debt Service Coverage

In addition to any of the information expressly required to be provided under subsections (1) and (2) of this Section, the Authority shall provide such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Authority or related public entities, which are available to the public on the MSRB's Internet Web site or filed with the Securities and Exchange Commission.

**SECTION 5. Reporting of Listed Events.** The Authority shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds (in each case to the extent applicable) in a timely manner not more than ten business days after the occurrence of the event:

1. principal or interest payment delinquencies;
2. non-payment related defaults, if material;
3. modifications to the rights of the Holders, if material;
4. optional, contingent or unscheduled calls, if material, and tender offers;
5. defeasances;
6. rating changes;
7. adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
8. unscheduled draws on the debt service reserves reflecting financial difficulties;
9. unscheduled draws on the credit enhancements reflecting financial difficulties;
10. substitution of the credit or liquidity providers or their failure to perform;
11. release, substitution or sale of property securing repayment of the Bonds, if material;
12. bankruptcy, insolvency, receivership or similar proceedings of the Authority, which shall occur as described below;
13. appointment of a successor or additional trustee or the change of name of a trustee, if material;
14. the consummation of a merger, consolidation, or acquisition involving the Authority or the sale of all or substantially all of the assets of the Authority other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
15. incurrence of a financial obligation of the Authority, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Authority, any of which affect security holders, if material; or

16. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Authority, any of which reflect financial difficulties.

For these purposes, any event described in item 12 of this Section 5 is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Authority in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Authority, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Authority.

The term financial obligation means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (3) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

SECTION 6. Termination of Obligation. The Authority's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Authority shall give notice of such termination in the same manner as for a Listed Event under Section 5.

SECTION 7. Dissemination Agent. The Authority may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign by providing 30 days' written notice to the Authority and the Trustee (if the Trustee is not the Dissemination Agent). The Dissemination Agent shall have no duty to prepare or review the Annual Report nor shall the Dissemination Agent be responsible for filing any Annual Report not provided to it by the Authority in a timely manner and in a form suitable for filing.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Authority may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that, in the opinion of nationally recognized bond counsel, such amendment or waiver is permitted by the Rule. In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Authority shall give notice of such amendment or waiver in the same manner as for a Listed Event under Section 5.

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Authority from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Authority chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Authority shall not thereby have any obligation under this Disclosure Agreement to update such information or include it in any future notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Authority to comply with any provision of this Disclosure Agreement, any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the

Authority to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Trust Agreement, and the sole remedy under this Disclosure Agreement in the event of any failure of the Authority to comply with this Disclosure Agreement shall be an action to compel performance.

No Holder or Beneficial Owner of the Bonds may institute such action, suit or proceeding to compel performance unless they shall have first delivered to the Authority satisfactory written evidence of their status as such, and a written notice of and request to cure such failure, and the Authority shall have refused to comply therewith within a reasonable time.

**SECTION 11. Duties, Immunities and Liabilities of the Dissemination Agent.** The Dissemination Agent (if other than the Authority) shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Authority agrees to indemnify and save the Dissemination Agent and its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall be paid compensation by the Authority for its services provided hereunder in accordance with its schedule of fees as amended from time to time and all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder. The Dissemination Agent shall have no duty or obligation to review any information provided to them hereunder and shall not be deemed to be acting in any fiduciary capacity for the Authority, the Holders, or any other party. The obligations of the Authority under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. No person shall have any right to commence any action against the Dissemination Agent hereunder, seeking any remedy other than to compel specific performance of this Disclosure Certificate. The Dissemination Agent shall not be liable under any circumstances for monetary damages to any person for any breach under this Disclosure Certificate.

**SECTION 12. Filings with the MSRB.** All financial information, operating data, financial statements, notices, and other documents provided to MSRB in accordance with this Disclosure Agreement shall be provided in an electronic format prescribed by MSRB and shall be accompanied by identifying information as prescribed by MSRB.

**SECTION 13. Beneficiaries.** This Disclosure Agreement shall inure solely to the benefit of the Authority, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 14. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Date: \_\_\_\_\_

COACHELLA WATER AUTHORITY

\_\_\_\_\_  
Authorized Signatory

URBAN FUTURES, INC., as Dissemination Agent

\_\_\_\_\_  
Authorized Signatory

**EXHIBIT A****NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT**

Name of Issuer: COACHELLA WATER AUTHORITY

Name of Issue: COACHELLA WATER AUTHORITY WATER REVENUE REFUNDING BONDS,  
[2022A SERIES][2022B SERIES]

Date of Issuance: \_\_\_\_\_

NOTICE IS HEREBY GIVEN that the Authority has not provided to the MSRB an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement, dated \_\_\_\_\_. The Authority anticipates that the Annual Report will be filed by \_\_\_\_\_.

Dated:

COACHELLA WATER AUTHORITY

By\_\_\_\_\_

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ESCROW AGREEMENT

by and between the

COACHELLA WATER AUTHORITY

and

U.S. BANK NATIONAL ASSOCIATION,  
as Defeased Bonds Trustee and  
as Escrow Agent

Dated as of May 1, 2022

Pertaining to the Defeasance of  
All of the Currently Outstanding

Coachella Water Authority  
Water Revenue Refunding Bonds, 2012 Series

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## ESCROW AGREEMENT

This Escrow Agreement (the “Agreement”), made and entered into as of May 1, 2022, by and between the COACHELLA WATER AUTHORITY, a joint exercise of powers agency organized and existing under, and by virtue of the laws of the State of California (the “Authority”), and U.S. BANK NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as Escrow Agent and as Defeased Bonds Trustee (the “Escrow Agent”);

### W I T N E S S E T H:

**WHEREAS**, the Authority has previously issued its Water Revenue Refunding Bonds, 2012 Series (the “2012 Bonds”); and

**WHEREAS**, the Authority has approved the issuance of its Water Revenue Refunding Bonds, 2022B Series (the “Refunding Bonds”), a portion of the proceeds of which are to be used, together with certain other available funds, to defease and redeem all of the 2012 Bonds (collectively, such defeased bonds shall be referred to herein as the “Defeased Bonds”); and

**NOW, THEREFORE**, in consideration of the mutual premises contained herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

**SECTION 1.** As used herein, the following terms shall have the following meanings:

“Code” means the Internal Revenue Code of 1986.

“Defeased Bonds Indenture” means the Indenture of Trust pursuant to which the Defeased Bonds were issued.

“Escrow Fund” means the Escrow Fund established and held by the Escrow Agent pursuant to Section 3 hereof.

“Escrow Requirements” means an amount sufficient to pay the principal of, redemption price, and interest on the Defeased Bonds through and including the Redemption Date, as shown on Exhibit A hereto.

“Escrow Securities” means such securities eligible to be used to defease the Defeased Bonds under the Defeased Bonds Indenture and deposited in the Escrow Fund pursuant to Section 5 hereof.

“Redemption Date” means August 1, 2022.

**SECTION 2.** The Authority hereby appoints U.S. Bank National Association, as Escrow Agent under this Agreement for the benefit of the holders of the Defeased Bonds. The Escrow Agent hereby accepts the duties and obligations of Escrow Agent under this Agreement and agrees that the irrevocable instructions to the Escrow Agent herein provided are in a form

satisfactory to it. The applicable and necessary provisions of the Defeased Bonds Indenture, including particularly the redemption provisions thereof, are incorporated herein by reference. Reference herein to, or citation herein of, any provisions of the Defeased Bonds Indenture shall be deemed to incorporate the same as a part hereof in the same manner and with the same effect as if the same were fully set forth herein.

**SECTION 3.** Pursuant to this Agreement, there is created and established with the Escrow Agent special and irrevocable trust fund designated the Escrow Fund to be held by the Escrow Agent separate and apart from all other funds and accounts, and used only for the purposes and in the manner provided in this Agreement.

**SECTION 4.** The Authority herewith deposits, or causes to be deposited, with the Escrow Agent into the Escrow Fund, to be held in irrevocable trust by the Escrow Agent and to be applied solely as provided in this Agreement, the sum of \$\_\_\_\_\_, as follows:

- (i) from the proceeds of the Refunding Bonds, the sum of \$\_\_\_\_\_; and
- (ii) from moneys held by the Defeased Bonds Trustee pursuant to the Defeased Bonds Indenture, the sum of \$\_\_\_\_\_ consisting of amounts held in a \_\_\_\_\_ fund established thereunder.

**SECTION 5.** The Escrow Agent acknowledges receipt of the moneys described in Section 4. The Escrow Agent agrees immediately to invest \$\_\_\_\_\_ of amounts in the Escrow Fund in the Escrow Securities set forth in Exhibit B hereto, and to retain the amounts of \$\_\_\_\_\_ uninvested. Such amounts shall be applied by the Escrow Agent to the payment of the Escrow Requirements for the equal and ratable benefit of the holders of the Defeased Bonds.

The Escrow Agent shall not have the power to sell, transfer, request the redemption of or otherwise dispose of some or all of the Escrow Securities in the Escrow Fund or to substitute other Escrow Securities therefor.

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

**SECTION 6.** The Authority hereby directs and the Escrow Agent hereby agrees that the Escrow Agent will perform all the duties expressly required to be taken by it hereunder. The liability of the Escrow Agent for the payment of the Escrow Requirements shall be limited to the application, in accordance with this Agreement, of the moneys and Escrow Securities available for such purposes in the Escrow Fund.

**SECTION 7.** The Authority irrevocably instructs the Escrow Agent (i) to pay to the Defeased Bonds Trustee from amounts held in the Escrow Fund, such amounts as are required for payment of principal of and interest on the Defeased Bonds coming due through and including the Redemption Date, as shown on Exhibit A hereto; and (ii) to pay to the Defeased Bonds Trustee from amounts held in the Escrow Fund, the amount equal to the redemption price of the remaining principal amount of the Defeased Bonds called for redemption on the Redemption Date, plus interest accrued thereon to the Redemption Date, all as shown on Exhibit A hereto. The Authority irrevocably instructs the Defeased Bonds Trustee under the Defeased Bonds Indenture to mail a notice of redemption of the Defeased Bonds as provided therein in the form attached as Exhibit C hereto. In addition, the Authority irrevocably instructs the Defeased Bonds Trustee under the Defeased Bonds Indenture to mail a notice of defeasance of the Defeased Bonds as provided therein in the form attached as Exhibit D hereto on \_\_\_\_\_, 2022 or as soon as practicable thereafter and in any event not later than 10 business days after \_\_\_\_\_, 2022.

**SECTION 8.** The trust hereby created shall be irrevocable and the holders of the Defeased Bonds shall have an express lien limited to all moneys and Escrow Securities in the Escrow Fund, including the interest earnings thereon, until paid out, used and applied in accordance with this Agreement.

**SECTION 9.** This Agreement is made pursuant to and in furtherance of the Defeased Bonds Indenture and for the benefit of the Authority and the holders from time to time of the Defeased Bonds and it shall not be repealed, revoked, altered, amended or supplemented without the written consent of all such holders and the written consent of the Escrow Agent and the Authority; provided, however, that the Authority and the Escrow Agent may, without the consent of, or notice to, such holders enter into such amendments or supplements as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure an ambiguity or formal defect or omission in this Agreement;
- (b) to grant to, or confer upon, the Escrow Agent for the benefit of the holders of the Defeased Bonds, any additional rights, remedies, powers or agency that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and
- (c) to transfer to the Escrow Agent and make subject to this Agreement additional funds, securities or properties.

The Escrow Agent and Defeased Bonds Trustee shall be entitled to conclusively rely upon an unqualified opinion of nationally recognized bond counsel with respect to compliance with this Section, including the extent, if any, to which any change, modification or addition affects the rights of the holders of the Defeased Bonds, or that any instrument executed hereunder complies with the conditions and provisions of this Section.

**SECTION 10.** In consideration of the services rendered by the Escrow Agent under this Agreement, the Authority agrees to and shall pay to the Escrow Agent its fees, plus expenses, including all reasonable expenses, charges, counsel fees and other disbursements incurred by it or by its attorneys, agents and employees in and about the performance of their powers and duties hereunder, and the Escrow Agent shall have no lien whatsoever upon any of the moneys or Escrow Securities in the Escrow Fund for the payment of such proper fees and expenses.

**SECTION 11.** The Escrow Agent at the time acting hereunder may at any time resign and be discharged from the trusts hereby created by giving not less than 60 days' written notice to the Authority and the Defeased Bonds Trustee, specifying the date when such resignation will take effect in the same manner as a notice is to be mailed pursuant to Section 7 hereof, but no such resignation shall take effect unless a successor Escrow Agent shall have been appointed by the holders of the Defeased Bonds or by the Authority as hereinafter provided and such successor Escrow Agent shall have accepted such appointment, in which event such resignation shall take effect immediately upon the appointment and acceptance of a successor Escrow Agent.

The Escrow Agent may be removed at any time by an instrument or concurrent instruments in writing, delivered to the Escrow Agent and to the Authority and the Defeased Bonds Trustee and signed by the holders of a majority in principal amount of the Defeased Bonds.

In the event the Escrow Agent hereunder shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in the case the Escrow Agent shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor Escrow Agent may be appointed by the holders of a majority in principal amount of the Defeased Bonds, by an instrument or concurrent instruments in writing, signed by such holders, or by their attorneys-in-fact, duly authorized in writing; provided, nevertheless, that in any such event, the Authority shall appoint a temporary Escrow Agent to fill such vacancy until a successor Escrow Agent shall be appointed by the holders of a majority in principal amount of the Defeased Bonds, and any such temporary Escrow Agent so appointed by the Authority shall immediately and without further act be superseded by the Escrow Agent so appointed by such holders.

In the event that no appointment of a successor Escrow Agent or a temporary successor Escrow Agent shall have been made by such holders or the Authority pursuant to the foregoing provisions of this Section within 60 days after written notice of the removal or resignation of the Escrow Agent has been given to the Authority, the holder of any of the Defeased Bonds or any retiring Escrow Agent may apply to any court of competent jurisdiction for the appointment of a successor Escrow Agent, and such court may thereupon, after such notice, if any, as it shall deem proper, appoint a successor Escrow Agent.

No successor Escrow Agent shall be appointed unless such successor Escrow Agent shall be a corporation or institution with trust powers organized under the financial institution laws of the United States or any state, and shall have at the time of appointment capital and surplus of not less than \$50,000,000. For purpose of this Section 11, a corporation or institution with trust powers organized under the financial institution laws of the United States of America or any

state shall be deemed to have combined capital and surplus of at least \$50,000,000 if it has a combined capital surplus of at least \$20,000,000 and is a wholly-owned subsidiary of a corporation having a combined capital and surplus of at least \$50,000,000.

Every successor Escrow Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and to the Authority, an instrument in writing accepting such appointment hereunder and thereupon such successor Escrow Agent without any further act, deed or conveyance, shall become fully vested with all the rights, immunities, powers, trust, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of such successor Escrow Agent or the Authority execute and deliver an instrument transferring to such successor Escrow Agent all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Escrow Agent shall deliver all moneys and Escrow Securities held by it to its successor. Should any transfer, assignment or instrument in writing from the Authority be required by any successor Escrow Agent for more fully and certainly vesting in such successor Escrow Agent the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Escrow Agent, any such transfer, assignment and instrument in writing shall, on request, be executed, acknowledged and delivered by the Authority.

Any corporation or association into which the Escrow Agent, or any successor to it in the trusts created by this Agreement, may be merged or converted or with which it or any successor to it may be consolidated, or any corporation resulting from any merger, conversion, consolidation or reorganization to which the Escrow Agent or any successor to it shall be a party or any successor to a substantial portion of the Escrow Agent's corporate trust business, shall, if it meets the qualifications set forth in the fifth paragraph of this Section, be the successor Escrow Agent under this Agreement without the execution or filing of any paper or any other act on the part of any of the parties hereto, anything herein to the contrary notwithstanding. The liability of the Escrow Agent to make payments required in the Agreement shall be limited to the moneys and Escrow Securities in the Escrow Fund.

**SECTION 12.** The Escrow Agent shall have no power or duty to invest any funds held under this Agreement except as provided in Sections 4 and 5 hereof. The Escrow Agent shall have no power or duty to transfer or otherwise dispose of the moneys or Escrow Securities held hereunder except as provided in this Agreement.

**SECTION 13.** To the extent permitted by law, the Authority hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and keep harmless the Escrow Agent and its successors, assigns, agents, employees and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, the Escrow Agent at any time (whether or not also indemnified against the same by the Authority or any other person under any other agreement or instrument, but without double indemnity) in any way relating to or arising out of the execution, delivery and performance of this Agreement, the establishment hereunder of the Escrow Fund, the acceptance of the funds and securities deposited therein, the purchase of any securities to be purchased pursuant thereto, the retention of such securities or the proceeds thereof and any

payment, transfer or other application of moneys or securities by the Escrow Agent in accordance with the provisions of this Agreement. The Authority shall not be required to indemnify the Escrow Agent against the Escrow Agent's own negligence or willful misconduct or the negligence or willful misconduct of the Escrow Agent's successors, assigns, agents and employees or the material breach by the Escrow Agent of the terms of this Agreement. In no event shall the Authority or the Escrow Agent be liable to any person by reason of the transactions contemplated hereby other than to each other as set forth in this Section. The indemnities contained in this Section shall survive the termination of this Agreement and the resignation or removal of the Escrow Agent. The Authority shall pay the Escrow Agent full compensation for its duties under this Agreement, including out-of-pocket costs such as publication costs, prepayment expenses, legal fees and other costs and expenses relating hereto and, in addition, all fees, costs and expenses relating to the purchase of any Escrow Securities after the date hereof. Under no circumstances shall amounts deposited in or credited to the Escrow Fund be deemed to be available for said purposes.

**SECTION 14.** The recitals of fact contained in the "Whereas" clauses herein shall be taken as the statements of the Authority, and the Escrow Agent assumes no responsibility for the correctness thereof. The Escrow Agent makes no representation as to the sufficiency of the moneys and the Escrow Securities to accomplish the redemption of the Defeased Bonds pursuant to the Defeased Bonds Indenture or to the validity of this Agreement as to the Authority and, except as otherwise provided herein, the Escrow Agent shall incur no liability in respect thereof. The Escrow Agent shall not be liable in connection with the performance of its duties under this Agreement except for its own negligence or willful misconduct or the negligence or willful misconduct of the Escrow Agent's successors, assigns, agents and employees, and the duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement. The Escrow Agent may consult with counsel, who may or may not be counsel to the Authority, and in reliance upon the written opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this Agreement, such matter (except the matters set forth herein as specifically requiring a certificate of a nationally recognized firm of independent certified public accountants or an opinion of nationally recognized bond counsel) may be deemed to be conclusively established by a written certification of the Authority. Whenever the Escrow Agent shall deem it necessary or desirable that a matter specifically requiring a certificate of a nationally recognized firm of independent certified public accountants or an opinion of nationally recognized bond counsel be proved or established prior to taking, suffering, or omitting any such action, such matter may be established only by such a certificate or such an opinion. The Escrow Agent shall incur no liability for losses arising from any investment made pursuant to this Agreement.

No provision of this Agreement shall require the Escrow Agent to expend or risk its own funds or otherwise incur any financial liability in the performance or exercise of any of its duties hereunder, or in the exercise of its rights or powers.

**SECTION 15.** This Agreement shall terminate upon payment of all Defeased Bonds on the Redemption Date. Upon such termination, all moneys and Escrow Securities remaining in

the Escrow Fund after payment of all fees and expenses of the Escrow Agent shall be released to the Authority.

**SECTION 16.** This Agreement is made in the State of California under the Constitution and laws of the State of California and is to so be construed.

**SECTION 17.** If any one or more of the covenants or agreements provided in this Agreement on the part of the Authority or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

All the covenants, promises and agreements in this Agreement contained by or on behalf of the Authority or by or on behalf of the Escrow Agent shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

**SECTION 18.** This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be executed by their duly authorized officers as of the date first-above written.

COACHELLA WATER AUTHORITY

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

U.S. BANK NATIONAL ASSOCIATION,  
as Escrow Agent and as Defeased Bonds Trustee

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

**EXHIBIT A**  
**ESCROW REQUIREMENTS**

**EXHIBIT B**  
**SCHEDULE OF ESCROW SECURITIES**

## Exhibit C

### Notice of Optional Redemption

#### COACHELLA WATER AUTHORITY WATER REVENUE REFUNDING BONDS, 2012 SERIES

| <u>Maturity<br/>(August 1)</u> | <u>Principal<br/>Amount</u> | <u>Redemption<br/>Price</u> | <u>CUSIP</u> |
|--------------------------------|-----------------------------|-----------------------------|--------------|
| 2023                           | 510,000                     | 100                         | 18979PBD4    |
| 2024                           | 530,000                     | 100                         | 18979PBE2    |
| 2027                           | 1,690,000                   | 100                         | 18979PBF9    |
| 2032                           | 3,350,000                   | 100                         | 18979PBG7    |

NOTICE IS HEREBY GIVEN to the owners of the above-captioned bonds (the “**Bonds**”) of the Coachella Water Authority (the “**Authority**”) in accordance with that certain Indenture of Trust, dated as of December 1, 2012 (the “**Indenture**”), by and between the Authority and U.S. Bank National Association, as successor to Union Bank, N.A., as trustee (the “**Trustee**”), pursuant to which such Bonds were issued, that all of the Bonds have been called for redemption on August 1, 2022 (the “**Redemption Date**”), pursuant to the provisions of the governing documents of the Bonds.

On said Redemption Date there will become due and payable the Redemption Price of the Bonds, in the specified portion of the principal amount above, together with interest accrued thereon to the Redemption Date, and that from and after such Redemption Date interest thereon shall cease to accrue. Payment of the Redemption Price on the Bonds called for redemption will be paid only upon presentation and surrender thereof in the following manner:

Owners of the Bonds should surrender said Bonds on the redemption date at the following address:

By Mail, Hand or Overnight:

**U.S. Bank  
Global Corporate Trust Services  
111 Fillmore Avenue E  
St. Paul, MN 55107**

**IMPORTANT NOTICE.** Federal law requires the Trustee to withhold taxes at the applicable rate from the payment if an IRS Form W-9 or applicable IRS Form W-8 is not provided. Please visit [www.irs.gov](http://www.irs.gov) for additional information on the tax forms and instructions.

Neither the Authority nor the Trustee shall be held responsible for the selection or use of the CUSIP number, nor is any representation made as to its corrections indicated in this Notice of Redemption. It is included solely for convenience of the owners of the Bonds.

DATED: \_\_\_\_\_, 2022

**U.S. BANK NATIONAL ASSOCIATION, as Trustee**

## Exhibit D

### NOTICE OF DEFEASANCE

#### COACHELLA WATER AUTHORITY WATER REVENUE REFUNDING BONDS, 2012 SERIES

| <b><u>Maturity</u></b><br><b><u>(August 1)</u></b> | <b><u>Principal</u></b><br><b><u>Amount</u></b> | <b><u>CUSIP</u></b> |
|--|---|---------------------|
| 2022   | 490,000   | 18979PBC6           |
| 2023   | 510,000   | 18979PBD4           |
| 2024   | 530,000   | 18979PBE2           |
| 2027   | 1,690,000                                       | 18979PBF9           |
| 2032   | 3,350,000                                       | 18979PBG7           |

Notice is hereby given to the owners of the above-captioned and listed bonds (collectively, the “Defeased Bonds”) that:

(i) There has been deposited in an Escrow Fund with U.S. Bank National Association, as Escrow Bank, certain monies and investment securities as permitted by that Indenture of Trust, dated as of December 1, 2012 (the “Indenture”) by and between U.S. Bank National Association, as successor to Union Bank, N.A., as trustee (the “Trustee”) and the Coachella Water Authority (the “Authority”), pursuant to which the Defeased Bonds were issued, for the purpose of defeasing the Defeased Bonds. The investment securities will mature at the proper times and in the proper amounts to produce funds which, along with the moneys deposited with the Escrow Bank, will be sufficient (a) to pay the principal of and interest on the Defeased Bonds through and including August 1, 2022, and (b) to redeem the Defeased Bonds on August 1, 2022 at redemption price equal to 100% of the principal amount thereof (collectively, the “Payment Price”).

(ii) The Trustee has been irrevocably instructed by the Authority to mail a notice of redemption with respect to the Defeased Bonds in accordance with the Indenture and to redeem the Defeased Bonds on August 1, 2022.

(iii) The Defeased Bonds are deemed to be paid in accordance with the Indenture and all liability of the Authority under the Indenture has ceased and been discharged except for the obligation of the Trustee to pay the owners of the Defeased Bonds the Payment Price when due from amounts on deposit in the Escrow Fund in accordance with the Indenture.

(iv) The Continuing Disclosure Agreement, dated as of December 1, 2012, relating to the Defeased Bonds has been terminated.

Dated this \_\_\_\_\_, 2022

U.S. BANK NATIONAL ASSOCIATION, as  
Trustee

\$[\_\_\_\_\_]  
**COACHELLA WATER AUTHORITY**  
**WATER REVENUE REFUNDING BONDS**  
**2022A SERIES**

**PURCHASE CONTRACT**

[\_\_\_\_\_] , 2022

Coachella Water Authority  
 1515 Sixth Street  
 Coachella, California 92236

Ladies and Gentlemen:

Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) hereby offers to enter into this Purchase Contract with you, the Coachella Water Authority (the “Authority”), for the purchase by the Underwriter and the delivery by you of the Bonds specified below. The Bonds are being issued by the Authority to (a) refund all of the Authority’s \$5,000,000 Water Revenue Bonds (USDA) Series 2008, (b) finance certain improvements to the water system of the City of Coachella (such system is designated, the “Enterprise”), and (c) pay the costs of issuance of the Bonds, including the premium for a municipal bond insurance policy. This offer is made subject to acceptance by you prior to 11:59 p.m., Los Angeles time, on the date hereof. Upon such acceptance, this Purchase Contract shall be in full force and effect in accordance with its terms and shall be binding upon you and the Underwriter.

**1. Purchase and Sale.** Upon the terms and conditions and upon the basis of the representations, warranties and agreements hereinafter set forth, the Underwriter agrees to purchase from the Authority, and the Authority agrees to sell to the Underwriter, all (but not less than all) of the \$[\_\_\_\_\_] aggregate principal amount of the Authority’s Water Revenue Refunding Bonds, 2022A Series (the “Bonds”), at the purchase price of \$[\_\_\_\_\_] (being the principal amount of the Bonds, less an Underwriter’s discount in the amount of \$[\_\_\_\_\_] , and [plus/less] [net] original issue [premium/discount] of \$[\_\_\_\_\_] ).

The Bonds will have the maturities and bear interest at the rates set forth on Exhibit A hereto. The Bonds will be subject to redemption as set forth in the Official Statement herein described. The Bonds will be dated as described in the Official Statement. The Bonds will be issued in book entry form only.

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under an insurance policy (the “Insurance Policy”) to be issued concurrently with the delivery of the Bonds by [INSURER] (the “Insurer”).

The Authority acknowledges and agrees that: (i) the purchase and sale of the Bonds pursuant to this Purchase Contract is an arm’s-length commercial transaction between the Authority and the Underwriter in which the Underwriter is acting solely as principal and not as agent of the Authority and the Underwriter is not acting as a municipal advisor (within the meaning of Section 15B of The

Securities Exchange Act of 1934, as amended), financial advisor or fiduciary to the Authority; (ii) the Underwriter has not assumed any advisory or fiduciary responsibility to the Authority with respect to the transaction contemplated by this Purchase Contract and the discussions, undertakings or procedures leading thereto (irrespective of whether the Underwriter, or any affiliate of the Underwriter has provided other services or is currently providing other services to the Authority on other matters); (iii) the only obligations the Underwriter has to the Authority with respect to the transaction contemplated by this Purchase Contract are expressly set forth in this Purchase Contract; (iv) the Underwriter has financial and other interests that differ from those of the Authority; and (v) the Authority has consulted its own financial and/or municipal legal, accounting, tax and other advisors, as applicable, to the extent the Authority has deemed appropriate. The Authority acknowledges that it has previously provided the Underwriter with an acknowledgement of receipt of the required Underwriter disclosure under Rule G-17 of the Municipal Securities Rulemaking Board (the “MSRB”).

**2. Authorizing Instruments and Law.** The Bonds shall be issued pursuant to the provisions of a resolution (the “Resolution”) adopted by the Authority on [\_\_\_\_], 2021 authorizing the issuance of the Bonds. The Bonds are issued pursuant to an Indenture of Trust, dated as of January 1, 2022 (the “Indenture”), between the Authority and Wilmington Trust, National Association (the “Trustee”), and shall be as described in the Indenture.

The Bonds are limited obligations of the Authority payable primarily from and secured by certain Net Revenues pledged under the Indenture.

**3. Offering the Bonds.** The Underwriter agrees to offer all the Bonds to the public initially at the prices (or yields) set forth on the inside cover pages of the Official Statement of the Authority pertaining to the Bonds, dated [\_\_\_\_], 2022 (the Official Statement, together with all appendices thereto, and with such changes therein and supplements thereto as are consented to in writing by the Underwriter, are herein called the “Official Statement”). Subsequent to the initial public offering of the Bonds, the Underwriter reserves the right to change the public offering prices (or yields) as it deems necessary in connection with the marketing of the Bonds. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices. The Underwriter also reserves the right to: (i) over-allot or effect transactions which stabilize or maintain the market price of the Bonds at levels above those that might otherwise prevail in the open market and (ii) discontinue such stabilizing, if commenced, at any time without prior notice. “Public Offering” shall include an offering to a representative number of institutional investors or registered investment companies, regardless of the number of such investors to which the Bonds are sold.

#### **4. Establishment of Issue Price.**

A. The Underwriter agrees to assist the Authority in establishing the issue price of the Bonds and shall execute and deliver to the Authority at Closing an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Authority and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds.

B. Except as set forth in Exhibit A attached hereto, the Authority will treat the first price at which 10% of each maturity of the Bonds (the “10% test”) is sold to the public as the issue price of that maturity. At or promptly after the execution of this Purchase Contract, the

Underwriter shall report to the Authority the price or prices at which it has sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Underwriter agrees to promptly report to the Authority the prices at which it sells the unsold Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) the Underwriter has sold all Bonds of that maturity or (ii) the 10% test has been satisfied as to the Bonds of that maturity, provided that, the Underwriter's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Authority or Bond Counsel. For purposes of this Section, if Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Bonds.

C. The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Purchase Contract at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Exhibit A attached hereto, except as otherwise set forth therein. Exhibit A also sets forth, as of the date of this Purchase Contract, the maturities, if any, of the Bonds for which the Underwriter represents that (i) the 10% test has been satisfied (assuming orders are confirmed by the close of the business day immediately following the date of this Purchase Contract) and (ii) the 10% test has not been satisfied and for which the Authority and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Authority to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- a. the close of the fifth (5th) business day after the sale date; or
- b. the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the Authority promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

D. The Underwriter confirms that:

(i) any selling group agreement and any third-party distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(i) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be reasonable periodic intervals or otherwise upon request of the Underwriter and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

(B) to promptly notify the Underwriter of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(ii) any selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

E. The Authority acknowledges that, in making the representation set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing the issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing the issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Authority further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing the issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds.

F. The Underwriter acknowledges that sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

a. “public” means any person other than an underwriter or a related party;

b. “underwriter” means (A) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to

participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public);

c. a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

d. “sale date” means the date of execution of this Purchase Contract by all parties.

**5. Delivery of Official Statement on the Date Hereof.** The Authority shall deliver to the Underwriter one copy of the Official Statement manually executed on behalf of the Authority by an authorized representative. The Authority shall also deliver a sufficient number of copies of the Official Statement to enable the Underwriter to distribute a single copy of each Official Statement to any potential customer of the Underwriter requesting an Official Statement during the time period beginning when the Official Statement becomes available and ending on the End Date (defined below). The Authority shall deliver these copies to the Underwriter within seven (7) business days after the execution of this Purchase Contract and in sufficient time to accompany or precede any sales confirmation that requests payment from any customer of the Underwriter. The Underwriter shall inform the Authority in writing of the End Date, and covenants to file the Official Statement with the Municipal Securities Rulemaking Board (the “MSRB”) on a timely basis.

“End Date” as used herein is that date which is the earlier of:

(a) ninety (90) days after the end of the underwriting period, as defined in SEC Rule 15c2-12 adopted by the Securities and Exchange Commission on June 28, 1989 (“Rule 15c2-12”); or

(b) the time when the Official Statement becomes available from the MSRB, but in no event less than twenty-five (25) days after the underwriting period (as defined in Rule 15c2-12) ends.

The Authority has authorized the use of the Official Statement in connection with the public offering of the Bonds. The Authority also has consented to the use by the Underwriter prior to the date hereof of the Preliminary Official Statement dated [\_\_\_\_], 2022 relating to the Bonds in connection with the public offering of the Bonds (which, together with all appendices thereto, is herein called the “Preliminary Official Statement”). Authorized officers of the Authority have certified to the Underwriter that such Preliminary Official Statement was deemed to be final as of its date for purposes of Rule 15c2-12, with the exception of certain final pricing and related information referred to in Rule 15c2-12. The Underwriter has distributed a copy of the Preliminary Official Statement to potential customers on request.

**6. The Closing.** At 8:00 A.M., California time, on [\_\_\_\_], 2022, or at such other time or on such earlier or later business day as shall have been mutually agreed upon by the Authority and the Underwriter, the Authority will deliver (i) the Bonds in book entry form through the facilities of The Depository Trust Company (“DTC”), and (ii) the closing documents hereinafter mentioned at the offices of Nixon Peabody LLP, Los Angeles, California (“Bond Counsel”), or another place to be mutually agreed upon by the Authority and the Underwriter. The Underwriter will accept such delivery from the Authority. The Underwriter will pay the purchase price of the Bonds as set forth in Section 1 hereof by wire transfer of immediately available funds. This payment and delivery, together with the delivery of the aforementioned documents, is herein called the “Closing.”

**7. Authority Representations, Warranties and Covenants.** The Authority represents, warrants and covenants to the Underwriter that:

(a) The Authority is a joint exercise of powers agency, duly organized and validly existing pursuant to the Constitution and laws of the State of California (the “State”), and has all necessary power and authority to enter into and perform its duties under the Indenture, the Continuing Disclosure Certificate, dated the Closing Date (the “Continuing Disclosure Certificate”), of the Authority and this Purchase Contract (collectively, the “Authority Documents”).

(b) The Bonds, when issued in accordance with the Indenture, will be legally valid and binding special obligations of the Authority, entitled to the benefits of the Indenture and enforceable in accordance with their terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors’ rights generally.

(c) To the best knowledge of the Authority, neither the execution and delivery of the Authority Documents, or the approval and execution of the Official Statement or this Purchase Contract, and compliance with the provisions on the Authority’s part contained therein, nor the consummation of any other of the transactions herein and therein contemplated, nor the fulfillment of the terms hereof and thereof, materially conflicts with or constitutes a material breach of or default under nor materially contravenes any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or is otherwise subject, nor does any such execution, delivery, adoption or compliance result in a security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the Authority under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the Authority Documents.

(d) The Authority Documents have been duly authorized, executed and delivered by the Authority, and, assuming due authorization, execution and delivery by the other parties thereto, as applicable, constitute legal, valid and binding agreements of the Authority enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance or other laws affecting the enforcement of creditors’ rights generally and by the application of equitable principles if sought and by the limitations on legal remedies imposed on actions against cities and agencies in the State of California.

(e) Except as may be required under blue sky or other securities laws of any state, there is no consent, approval, authorization or other order of, or filing with, or certification by, any regulatory agency having jurisdiction over the Authority required for the consummation by the Authority of the transactions contemplated by the Official Statement and this Purchase Contract.

(f) To the best of the knowledge of the Authority, there is, and on the Closing there will be, no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending or threatened against the Authority to restrain or enjoin the issuance or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity of the Authority Documents or the authority of the Authority to approve this Purchase Contract, or enter into the Authority Documents or contesting the powers of the Authority to enter into or perform its obligations under any of the foregoing or in any way contesting the powers of the Authority in connection with any action contemplated by this Purchase Contract or to restrain or enjoin the execution of, or, except as described in the Preliminary Official Statement and the Official Statement, the issuance or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, nor is there any basis for any such action, suit, proceeding or investigation.

(g) The Preliminary Official Statement provided to the Underwriter has been deemed final by the Authority, as required by Rule 15c2-12. As of the date thereof and at all times subsequent thereto up to and including the End Date, the information relating to the Authority, the Bonds, the Enterprise and the Authority Documents contained in the Official Statement was and will be materially complete for its intended purposes. The information relating to the Authority, the Bonds, the Enterprise and the Authority Documents contained in the Official Statement (excluding any information with respect to DTC, the book-entry only system, the Trustee, the Insurance Policy or the Insurer (as defined in the Official Statement and discussed below)) is true and correct in all material respects and such information does not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect.

(h) The Authority agrees to cooperate with the Underwriter in endeavoring to qualify the Bonds for offering and sale under the securities or blue sky laws of such jurisdictions of the United States as the Underwriter may request; provided, however, that the Authority will not be required to execute a special or general consent to service of process in any jurisdiction in which it is not now so subject.

(i) By official action of the Authority prior to or concurrently with the execution hereof, the Authority has duly approved the distribution of the Official Statement, and has duly authorized and approved the execution and delivery of, and the performance by the Authority of the obligations on its part contained in the Authority Documents and the consummation by it of all other transactions contemplated by the Official Statement and this Purchase Contract.

(j) To the best knowledge of the Authority, it is not in breach of or default under any material applicable law or administrative regulation of the State of California or the United States or any material applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or is otherwise subject and in connection with which the Authority is obligated to make payments from its own funds, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or

both, would constitute a default or an event of default under any such instrument the consequence of which could be to materially and adversely affect the performance of the Authority under the Authority Documents.

(k) If between the date of this Purchase Contract and the End Date an event occurs, of which the Authority has knowledge, which might or would cause the information relating to the Authority, the Enterprise or the Authority's functions, duties and responsibilities contained in the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was presented, not misleading in any material respect, the Authority will notify the Underwriter, and if, in the opinion of the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Authority will cooperate with the Underwriter in the preparation of an amendment or supplement to the Official Statement in a form and in a manner approved by the Underwriter, provided all expenses thereby incurred will be paid for by the Authority.

(l) If the information relating to the Enterprise, the Authority, its functions, duties and responsibilities contained in the Official Statement is amended or supplemented pursuant to the immediately preceding subparagraph, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subparagraph) at all times subsequent thereto up to and including the date of the Closing, the portions of the Official Statement so supplemented or amended (including any financial and statistical data contained therein) will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was presented, not misleading in any material respect.

(m) The Authority covenants that it will comply with all tax covenants relating to it in the Authority Documents, the Tax Certificate of the Authority and this Purchase Contract.

(n) Substantially all the proceeds from the sale of the Bonds (after deducting the expenses of issuance and sale of the Bonds paid for from such proceeds) will be used to finance and/or refinance certain improvements to the Enterprise, and the Authority will not take or omit to take any action which action or omission will in any way cause the proceeds from the sale of the Bonds to be applied in a manner contrary to that provided in the Indenture.

(o) The Authority will deliver all opinions, certificates, letters and other instruments and documents reasonably required by the Underwriter and this Purchase Contract.

(p) Any certificate of the Authority delivered to the Underwriter shall be deemed a representation and warranty by the Authority to the Underwriter as to the statements made therein.

(q) As of the time of acceptance hereof and as of the Closing, the Authority does not, and will not have outstanding, any indebtedness which is secured by a lien on Revenues except as disclosed in the Official Statement.

(r) Between the date of this Purchase Contract and the date of Closing, the Authority will not, without the prior written consent of the Underwriter, and except as disclosed in

the Official Statement, offer or issue any certificates, notes or other obligations for borrowed money, or incur any material liabilities, direct or contingent, secured by a lien on Net Revenues.

(s) All authorizations, approvals, licenses, permits, consents and orders of or filings with any governmental authority, legislative body, board, agency or commission having jurisdiction in the matters which are required for the due authorization of, which would constitute a condition precedent to or the absence of which would adversely affect the due performance by the Authority of its obligations in connection with, the Authority Documents have been duly obtained or made, except as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds.

(t) The Authority has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the Authority is a bond issuer whose arbitrage certifications may not be relied upon.

(u) The written information supplied by the Authority to the Underwriter with respect to the financial information relating to the Enterprise is true, correct and complete in all material respects for the purposes for which it was supplied.

(v) Except as otherwise described in the Preliminary Official Statement and Official Statement, the Authority has not failed in any material respect to comply with any undertaking of the Authority under Rule 15c2-12 in the previous five years.

**8. Representations and Agreements of the Underwriter.** The Underwriter represents to and agrees with the Authority that, as of the date hereof and as of the date of the Closing:

(a) The Underwriter is duly authorized to execute and deliver this Purchase Contract and to take any action under this Purchase Contract required to be taken by it.

(b) The Underwriter is in compliance with MSRB Rule G-37 with respect to the Authority and is not prohibited thereby from acting as underwriter with respect to securities of the Authority.

(c) The Underwriter has, and has had, no financial advisory relationship with the Authority with respect to the Bonds, and no investment firm controlling, controlled by or under common control with the Underwriter has or has had any such financial advisory relationship, within the meaning of California Government Code Section 53590, or otherwise.

(d) The Underwriter has not paid or agreed to pay, nor will it pay or agree to pay, any entity, company, firm or person, other than a bona fide officer, agent or employee working for the Underwriter, any compensation, fee, gift or other consideration contingent upon or resulting from the award of or entering into this Purchase Contract.

**9. Closing Conditions.** The Underwriter has entered into this Purchase Contract in reliance upon the representations, warranties and covenants herein and the performance by the Authority of its respective obligations hereunder, both as of the date hereof and as of the date of the Closing. The Underwriter's obligations hereunder are and shall be subject to the following additional conditions:

(a) Bring-Down Representation. The representations, warranties and covenants of the Authority contained herein shall be true and correct at the date hereof and at the time of the Closing, as if made on the date of the Closing.

(b) Executed Agreements and Performance Thereunder. At the time of the Closing:

(i) the Authority Documents shall be in full force and effect, and shall not have been amended, modified or supplemented except with the written consent of the Underwriter;

(ii) there shall be in full force and effect the Resolution as, in the opinion of Bond Counsel, shall be necessary in connection with the transactions on the part of the Authority contemplated by the Official Statement and the Authority Documents;

(iii) the Authority shall perform or have performed its obligations required as specified in the Authority Documents to be performed at or prior to Closing; and

(iv) the Official Statement shall not have been supplemented or amended, except pursuant to Paragraph 7(k) or as otherwise may have been agreed to in writing by the Underwriter.

(c) No Default. At the time of the Closing, no default shall have occurred or be existing under the Authority Documents and the Authority shall not be in default in the payment of principal or interest on any of its bonded indebtedness which default shall adversely impact the ability of the Authority to make payments on the Bonds.

(d) Termination Events. The Underwriter shall have the right to terminate this Purchase Contract, without liability therefor, by written notification to the Authority if at any time at or prior to the Closing:

(i) Any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Preliminary Official Statement or the Official Statement, or results in the Preliminary Official Statement or the Official Statement containing any untrue statement of a material fact or omitting to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; or

(ii) Legislation shall be enacted by or introduced in the Congress of the United States or recommended to the Congress for passage by the President of the United States, or the Treasury Department of the United States or the Internal Revenue Service or favorably reported for passage to either House of the Congress by any committee of such House to which such legislation has been referred for consideration, a decision by a court of the United States or of the State or the United States Tax Court shall be rendered, or an order, ruling, regulation (final, temporary or proposed), press release, statement or other form of notice by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental

agency shall be made or proposed, the effect of any or all of which would be to alter, directly or indirectly, federal income taxation upon interest received on obligations of the general character of the Bonds, or the interest on the Bonds as described in the Official Statement, or other action or events shall have transpired which may have the purpose or effect, directly or indirectly, of changing the federal income tax consequences of any of the transactions contemplated herein; or

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

(iv) A general suspension of trading in securities on the New York Stock Exchange or any other national securities exchange, the establishment of minimum or maximum prices on any such national securities exchange, the establishment of material restrictions (not in force as of the date hereof) upon trading securities generally by any governmental authority or any national securities exchange, or any material increase of restrictions now in force (including, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter); or

(v) The declaration of a general banking moratorium by federal, New York or State authorities or a material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred; or

(vi) Establishment of any new restrictions in securities materially affecting the free market for securities of the same nature as the Bonds (including the imposition of any limitations on interest rates) or the charge to the net capital requirements of the Underwriter established by the New York Stock Exchange, the Securities and Exchange Commission, any other Federal or state agency or the Congress of the United States, or by Executive Order; or

(vii) The occurrence of an adverse event in the affairs of the Authority which, in the reasonable judgement of the Underwriter, materially impairs the investment quality of the Bonds; or

(viii) Any amendment to the federal or California Constitution or action by any federal or California court, legislative body, regulatory body or

other authority materially adversely affecting the tax status of the Authority, its property, income or securities (or interest thereon), or the ability of the Authority to issue the Bonds and pledge the Net Revenues as contemplated by the Indenture and the Official Statement; or

(ix) There shall have occurred (1) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or (2) any other calamity or crisis in the financial markets of the United States or elsewhere or the escalation of such calamity or crisis; or

(x) There shall have occurred since the date of this Purchase Contract any materially adverse change in the affairs or financial position, results of operations or condition, financial or otherwise, of the Authority, other than changes in the ordinary course of business or activity or in the normal operation of the Authority, except as described in the Official Statement; or

(xi) Any proceeding shall have been commenced or be threatened in writing by the SEC against the Authority or the suspension by the SEC of trading in the outstanding securities of the Authority; or

(xii) Any rating of the Insurer shall have been downgraded, suspended or withdrawn or placed on negative outlook or negative watch by a national rating service, which, in the Underwriter's reasonable opinion, materially adversely affects the marketability or market price of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds;

(xiii) An event described in Section 7(k) hereof shall have occurred which, in the reasonable professional judgment of the Underwriter, requires the preparation and publication of a supplement or amendment to the Official Statement;

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

(xv) The purchase of and payment for the Bonds by the Underwriter, or the resale of the Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission; or

(xvi) Any rating of the Bonds or other obligations of the Authority by a national rating agency shall have been withdrawn or downgraded or placed on negative outlook or negative watch.

(e) Closing Documents. At or prior to the Closing, the Underwriter shall receive with respect to the Bonds (unless the context otherwise indicates) the following documents:

(1) Bond Opinion. The approving opinion of Bond Counsel dated the date of the Closing and substantially in the form included as APPENDIX D to the Official Statement, together with a letter from such counsel, dated the date of the Closing and addressed to the Authority, the Underwriter and the Trustee to the effect that the foregoing opinion may be relied upon by the Underwriter to the same extent as if such opinion was addressed to them.

(2) Supplemental Opinion. A supplemental opinion or opinions of Bond Counsel addressed to the Underwriter, in substantially the form and to the following effect:

(a) The statements and information contained in the Official Statement on the cover page relating to tax exemption, the description of the Bonds, and security for the Bonds, and under the captions “INTRODUCTION – General,” “- The Bonds,” and “- Security for the Bonds,” “THE BONDS” (except for the information under the caption “Book-Entry Only System”), “SECURITY FOR THE BONDS” and “TAX MATTERS,” and in APPENDICES A and D, are true and accurate in all material respects; and

(b) The Bonds are exempt from registration under Section 3(a)(2) of the Securities Act of 1933, as amended and the Indenture is exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended;

(c) The Purchase Contract has been duly authorized, executed and delivered by the Authority, and, assuming due authorization, execution and delivery by the other parties thereto, constitutes legal, valid and binding agreement of the Authority enforceable against the Authority in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors’ rights generally and equitable remedies if equitable remedies are sought, and except no opinion need be expressed as to the enforceability of the indemnification, waiver, choice of law or contributions provisions contained therein.

(3) Authority Counsel Opinion. An opinion of the Authority’s General Counsel, dated as of the Closing and addressed to the Authority, the Trustee and the Underwriter, in form and substance acceptable to Bond Counsel and counsel for the Underwriter, to the following effect:

(i) the Authority is a joint exercise of powers agency, duly organized and validly existing under the Constitution and the laws of the State of California;

(ii) the preparation and distribution of the Preliminary Official Statement, the Official Statement and this Purchase Contract have been duly approved by the Authority;

(iii) the resolution of the Authority approving and authorizing the execution and delivery of the Official Statement, this Purchase Contract and the

Authority Documents has been duly adopted at a meeting of the governing body of the Authority which was called and held pursuant to law, and with all public notice required by law and at which a quorum was present and acting throughout;

(iv) there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or, to the best knowledge of such counsel, threatened against or affecting the Authority, which would adversely impact the Authority's ability to complete the transactions described in and contemplated by the Official Statement, to restrain or enjoin the payments under, or in any way contesting or affecting the validity of the Authority Documents, or the transactions described and defined in the Official Statement wherein an unfavorable decision, ruling or finding would adversely affect the validity and enforceability of the Authority Documents;

(v) the execution and delivery of the Authority Documents and the approval of the Official Statement, and compliance with the provisions thereof and hereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the Authority a breach of or default under any agreement or other instrument to which the Authority is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the Authority is subject;

(vi) the Authority Documents have been duly authorized, executed and delivered by the Authority, and, assuming due authorization, execution and delivery by the other parties thereto, as applicable, constitute legal, valid and binding agreements of the Authority enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles if sought and by the limitations on legal remedies imposed on actions against public agencies in the State of California;

(vii) no authorization, approval, consent, or other order of the State of California or any other governmental authority or agency within the State of California is required for the valid authorization, execution and delivery of the Authority Documents and the approval of the Official Statement; and

(viii) without having undertaken any independent inquiry, nothing has come to their attention which would lead them to believe that the information contained in the Official Statement in the Sections "INTRODUCTION – The City, the Authority and the Water Enterprise," "THE WATER ENTERPRISE" and "NO LITIGATION" contains an untrue statement or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(4) Trustee Counsel Opinion. The opinion of counsel to the Trustee, dated the date of the Closing, addressed to the Authority and the Underwriter, in form and substance acceptable to Bond Counsel and counsel for the Underwriter.

(5) Negative Assurance Letter of Disclosure Counsel. A letter from Nixon Peabody LLP, disclosure counsel to the Authority (“Disclosure Counsel”), dated the Closing Date, addressed to the Underwriter and the Authority, to the effect that, based upon its participation in the preparation of the Official Statement as counsel to the Authority and without having undertaken to determine independently the fairness, accuracy, or completeness of the statements contained in the Official Statement, such counsel has no reason to believe that the Preliminary Official Statement (except for the completion of pricing information and any other matters or terms of the Bonds relating thereto) as of its date or as of the date of this Purchase Contract or the Official Statement as of its date or as of the date of the Closing (excluding therefrom (i) the expressions of opinion, the assumptions, the projections, estimates and forecasts, the charts, the financial statements or other financial, numerical, economic, demographic or statistical data, or assessed valuations contained in the Official Statement; (ii) any CUSIP numbers or information relating thereto; (iii) any information with respect to The Depository Trust Company and its book-entry system; (iv) any information contained in the appendices to the Official Statement; (v) any information incorporated by reference into the Official Statement; (vi) any information with respect to the underwriters or underwriting matters with respect to the Bonds, including but not limited to information under the caption CONCLUDING INFORMATION—Underwriting”; (vii) information under the captions “NO LITIGATION”; (ix) any information with respect to the ratings on the Bonds and the rating agencies referenced therein, including but not limited to information under the caption “CONCLUDING INFORMATION—Ratings”; and (x) any information with respect to the Insurance Policy or the Insurer, including but not limited to information under the captions, “BOND INSURANCE” contained any untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(6) Authority Certificate. A certificate, dated the date of the Closing, signed by a duly authorized official of the Authority satisfactory in form and substance to the Underwriter, (a) confirming as of such date the representations and warranties of the Authority contained in this Purchase Contract; (b) certifying that the Authority has complied with all agreements, covenants and conditions to be complied with by the Authority at or prior to the Closing under the Authority Documents; (c) certifying that to the best of such official’s knowledge, no event affecting the Authority has occurred since the date of the Official Statement which either makes untrue or incorrect in any material respect as of the Closing the statements or information contained in the Official Statement or is not reflected in the Official Statement but should be reflected therein in order to make the statements and information therein not misleading in any material respect; and (d) certifying that the Authority has authorized and consented to the inclusion in the Official Statement of the City of Coachella’s financial report and accountant’s opinion for the year ended June 30, 2020, and no further consent of any party is required for such inclusion.

(7) Trustee’s Certificate. A Certificate of the Trustee, dated the date of Closing, addressed to the Authority and the Underwriter, in form and substance acceptable to counsel for the Underwriter to the following effect:

(i) The Trustee is duly organized and existing as a national banking association in good standing under the laws of the United States, having the full power and authority to accept and perform its duties under the Indenture;

(ii) Subject to the provisions of the Indenture, the Trustee will apply the proceeds from the Bonds to the purposes specified in the Indenture; and

(iii) The Trustee has duly authorized and executed the Indenture and authenticated the Bonds.

(8) Official Statement. The Official Statement and each supplement or amendment, if any, thereto, executed on behalf of the Authority by a duly authorized officer of the Authority.

(9) Authority Documents. An original executed copy of each of the Authority Documents.

(10) Authority Resolution. A certified copy of the Resolution.

(11) IRS Form 8038-G. Evidence that the federal tax information form 8038-G has been prepared for filing.

(12) Nonarbitrage Certificate. A tax and nonarbitrage certificate in form satisfactory to Bond Counsel.

(13) Ratings. Evidence that the Bonds have been rated as set forth in the Official Statement and that such ratings continue in effect as of the Closing.

(14) Insurance Policy. The Insurance Policy issued by the Insurer; an opinion of counsel to the Insurer, dated the date of Closing, addressed to the Authority, the Trustee and the Underwriter, regarding the Insurer's valid existence, power and authority, the Insurer's due authorization and issuance of the Insurance Policy and the enforceability of the Insurance Policy against the Insurer; and a certificate of the Insurer or an opinion of counsel to the Bond Insurer, dated the date of Closing, regarding the accuracy of the information in the Official Statement describing the Insurer and the Insurance Policy.

(15) CDIAC Statement. A copy of the Notice of Sale required to be delivered to the California Debt and Investment Advisory Commission pursuant to Section 53583 of the Government Code and Section 8855(g) of the Government Code.

(16) Underwriter's Counsel Opinion. An opinion, dated the date of the Closing and addressed to the Underwriter, of Kutak Rock LLP, counsel to the Underwriter, in such form as may be acceptable to the Underwriter.

(17) Additional Documents. Such additional certificates, instruments and other documents as the Underwriter may reasonably deem necessary.

If the Authority shall be unable to satisfy the conditions contained in this Purchase Contract, or if the obligations of the Underwriter shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract may be terminated by the Underwriter, and neither the Underwriter nor the Authority shall be under any further obligation hereunder.

**9. Expenses.** The Underwriter shall be under no obligation to pay, and the Authority shall pay or cause to be paid, the expenses incident to the performance of the obligations of the Authority hereunder including but not limited to:

(a) the costs of the preparation and printing, or other reproduction (for distribution on or prior to the date hereof) of the Authority Documents and the cost of preparing, printing, issuing and delivering the Bonds;

(b) the fees and disbursements of any counsel, financial advisors, accountants or other experts or consultants retained by the Authority;

(c) the fees and disbursements of Bond Counsel and Disclosure Counsel;

(d) the cost of preparation and printing the Preliminary Official Statement and any supplements and amendments thereto and the cost of preparation and printing of the Official Statement, including a reasonable number of copies thereof for distribution by the Underwriter;

(e) charges of rating agencies for the rating of the Bonds; and

(f) the expenses incurred by the Underwriter in connection with the public offering and distribution of the Bonds.

The Underwriter shall pay: (i) the cost of preparation and printing of any “blue sky” filings; (ii) all “blue sky” filing fees in connection with the public offering of the Bonds; (iii) fees, if any, payable to the California Debt and Investment Advisory Commission, the MSRB, the fees associated with obtaining CUSIP numbers for the Bonds, and fees of the Public Securities Association and the California Public Securities Association in connection with the execution and delivery of the Bonds; (iv) the fees, expenses and disbursements of Underwriter’s Counsel; and (v) all other expenses incurred by them in connection with the public offering of the Bonds not outlined in (a) through (f) above, including any advertising expenses incurred by the Underwriter in connection with the public offering and distribution of the Bonds. Any meals in connection with or adjacent to meetings, rating agency presentations, pricing activities or other transaction-related activities shall be considered an expense of the transaction and included in the expense component of the Underwriter’s discount. Some or all of the expenses to be paid by the Underwriter may be included as part of the expense component of the underwriting discount or commission or may be reimbursed to the Underwriter as out-of-pocket expenses.

**10. Notice.** Any notice or other communication to be given to the Underwriter may be given by delivering the same to Stifel, Nicolaus & Company, Incorporated, One Montgomery Street, 35<sup>th</sup> Floor, San Francisco, California 94104, Attention: Public Finance. Any notice or other communication to be given to the Authority pursuant to this Purchase Contract may be given by delivering the same in writing to such entity, at the address set forth on the first page hereof.

**11. Entire Agreement.** This Purchase Contract, when accepted by the Authority, shall constitute the entire agreement between the Authority and the Underwriter and is made solely for the benefit of the Authority and the Underwriter (including the successors or assigns of any Underwriter). No other person shall acquire or have any right hereunder by virtue hereof, except as provided herein. All the Authority’s representations, warranties and agreements in this Purchase Contract shall remain operative and in full force and effect, regardless of any investigation made by

or on behalf of the Underwriter, until the earlier of (a) delivery of and payment for the Bonds hereunder, and (b) any termination of this Purchase Contract.

**12. Counterparts.** This Purchase Contract may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

**13. Severability.** In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof.

**14. State of California Law Governs.** The validity, interpretation and performance of the Authority Documents shall be governed by the laws of the State.

**15. No Assignment.** The rights and obligations created by this Purchase Contract shall not be subject to assignment by the Underwriter or the Authority without the prior written consent of the other parties hereto.

**16. Definitions.** Terms not otherwise defined herein shall have the same meaning as used in the Indenture.

**STIFEL, NICOLAUS & COMPANY,  
INCORPORATED**

By: \_\_\_\_\_  
Managing Director

The foregoing is hereby agreed to and accepted as of the  
date first above written:

**COACHELLA WATER AUTHORITY**

By: \_\_\_\_\_  
Authorized Representative

Time of Execution: \_\_\_\_\_ p.m. California time

**[EXECUTION PAGE OF PURCHASE CONTRACT]**

**EXHIBIT A**

**COACHELLA WATER AUTHORITY**  
**WATER REVENUE REFUNDING BONDS**  
**2022A SERIES**

| <u>Maturity<br/>(August 1)</u> | <u>Principal<br/>Amount</u> | <u>Interest<br/>Rate</u> | <u>Yield</u> | <u>Price</u> | <u>10% Test<br/>Satisfied*</u> | <u>10% Test<br/>Not<br/>Satisfied</u> | <u>Subject to<br/>Hold-The-<br/>Offering-<br/>Price Rule<br/>(marked if<br/>used)</u> |
|--------------------------------|-----------------------------|--------------------------|--------------|--------------|--------------------------------|---------------------------------------|---|
|--------------------------------|-----------------------------|--------------------------|--------------|--------------|--------------------------------|---------------------------------------|---|

<sup>(T)</sup> Term Bond.

<sup>(C)</sup> Priced to optional call at par on August 1, 20[\_\_\_].

\* At the time of execution of this Purchase Contract and assuming orders are confirmed by the close of the business day immediately following the date of this Purchase Contract.

## EXHIBIT B

### FORM OF ISSUE PRICE CERTIFICATE

\$[\_\_\_\_\_]

### COACHELLA WATER AUTHORITY WATER REVENUE REFUNDING BONDS 2022A SERIES

The undersigned, on behalf of Stifel, Nicolaus & Company, Incorporated (the “**Underwriter**”), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned bonds (the “**Bonds**”).

#### 1. *Sale of the Bonds.*

(a) The Underwriter offered each Maturity of the Bonds to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Bond Purchase Contract, dated [\_\_\_\_\_], 2022, between the Issuer and the Underwriter, the Underwriter agreed in writing that, (i) for each Maturity of the Bonds, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Bonds at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

2. **Insurance Policy.** The fees paid for the Insurance Policy represent a reasonable, arm’s length charge for the assumption of credit risk involved in this transaction. The present value of the fees paid for the Insurance Policy is less than the present value of interest reasonably expected to be saved with respect to the Bonds as a result of the Insurance Policy. The discount rate used for computing such present value is the yield of the Bonds (determined with regard to the Insurance Policy fees).

#### 4. *Defined Terms.*

(a) **Holding Period** means, for each Maturity of the Bonds, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which Hilltop has sold at least 10% of such Maturity of the Bonds to the Public at prices that are no higher than the Initial Offering Price for such Maturity.

(b) **Insurance Policy** means the policy of municipal bond insurance purchased by the Coachella Water Authority from [INSURER]

(c) *Issuer* means the Coachella Water Authority.

(d) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(e) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(f) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is [\_\_\_\_\_].

(g) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

[Remainder of Page Left Intentionally Blank]

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Underwriter's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Nixon Peabody LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

**STIFEL, NICOLAUS & COMPANY,  
INCORPORATED**

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

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

Dated: [\_\_\_\_\_]

**SCHEDULE A**

**SALE PRICES**

[BOND PRICING TO BE ATTACHED]

**SCHEDULE B**  
**PRICING WIRE OR EQUIVALENT COMMUNICATION**

*(Attached)*

\$[\_\_\_\_\_]  
**COACHELLA WATER AUTHORITY**  
**WATER REVENUE REFUNDING BONDS**  
**2022B SERIES**

**FORWARD DELIVERY PURCHASE CONTRACT**

[\_\_\_\_\_] , 2022

Coachella Water Authority  
 1515 Sixth Street  
 Coachella, California 92236

Ladies and Gentlemen:

Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) hereby offers to enter into this Forward Delivery Purchase Contract with you, the Coachella Water Authority (the “Authority”), for the purchase by the Underwriter and the delivery by you of the Bonds specified below. The Bonds are being issued by the Authority to (a) refund all of the Authority’s Water Revenue Refunding Bonds, 2012 Series (the “Refunded Bonds”) and (b) pay the costs of issuance of the Bonds, including the premium for a municipal bond insurance policy. This offer is made subject to acceptance by you prior to 11:59 p.m., Los Angeles time, on the date hereof. Upon such acceptance, this Purchase Contract shall be in full force and effect in accordance with its terms and shall be binding upon you and the Underwriter.

**1. Purchase and Sale.** Upon the terms and conditions and upon the basis of the representations, warranties and agreements hereinafter set forth, the Underwriter agrees to purchase from the Authority, and the Authority agrees to sell to the Underwriter, all (but not less than all) of the \$[\_\_\_\_\_] aggregate principal amount of the Authority’s Water Revenue Refunding Bonds, 2022B Series (the “Bonds”), at the purchase price of \$[\_\_\_\_\_] (being the principal amount of the Bonds, less an Underwriter’s discount in the amount of \$[\_\_\_\_\_] , and [plus/less] [net] original issue [premium/discount] of \$[\_\_\_\_\_]).

The Bonds will have the maturities and bear interest at the rates set forth on Exhibit A hereto. The Bonds will be subject to redemption as set forth in the Official Statement herein described. The Bonds will be dated as described in the Official Statement. The Bonds will be issued in book entry form only.

The Refunded Bonds will be defeased and refunded in accordance with an Escrow Agreement, dated as of May 1, 2022 (the “Escrow Agreement”), by and between the Authority and U.S. Bank National Association, as escrow agent (the “Escrow Agent”).

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under an insurance policy (the “Insurance Policy”) to be issued concurrently with the delivery of the Bonds by [INSURER] (the “Insurer”).

The Authority acknowledges and agrees that: (i) the purchase and sale of the Bonds pursuant to this Purchase Contract is an arm's-length commercial transaction between the Authority and the Underwriter in which the Underwriter is acting solely as principal and not as agent of the Authority and the Underwriter is not acting as a municipal advisor (within the meaning of Section 15B of The Securities Exchange Act of 1934, as amended), financial advisor or fiduciary to the Authority; (ii) the Underwriter has not assumed any advisory or fiduciary responsibility to the Authority with respect to the transaction contemplated by this Purchase Contract and the discussions, undertakings or procedures leading thereto (irrespective of whether the Underwriter, or any affiliate of the Underwriter has provided other services or is currently providing other services to the Authority on other matters); (iii) the only obligations the Underwriter has to the Authority with respect to the transaction contemplated by this Purchase Contract are expressly set forth in this Purchase Contract; (iv) the Underwriter has financial and other interests that differ from those of the Authority; and (v) the Authority has consulted its own financial and/or municipal legal, accounting, tax and other advisors, as applicable, to the extent the Authority has deemed appropriate. The Authority acknowledges that it has previously provided the Underwriter with an acknowledgement of receipt of the required Underwriter disclosure under Rule G-17 of the Municipal Securities Rulemaking Board (the "MSRB").

**2. Authorizing Instruments and Law.** The Bonds shall be issued pursuant to the provisions of a resolution (the "Resolution") adopted by the Authority on [\_\_\_\_], 2021 authorizing the issuance of the Bonds. The Bonds are issued pursuant to an Indenture of Trust, dated as of May 1, 2022 (the "Indenture"), between the Authority and Wilmington Trust, National Association (the "Trustee"), and shall be as described in the Indenture.

The Bonds are limited obligations of the Authority payable primarily from and secured by certain Net Revenues pledged under the Indenture.

**3. Offering the Bonds.** The Underwriter agrees to offer all the Bonds to the public initially at the prices (or yields) set forth on the inside cover pages of the Official Statement of the Authority pertaining to the Bonds, dated [\_\_\_\_], 2022 (the Official Statement, together with all appendices thereto, and with such changes therein and supplements thereto as are consented to in writing by the Underwriter, are herein called the "Official Statement"). Subsequent to the initial public offering of the Bonds, the Underwriter reserves the right to change the public offering prices (or yields) as it deems necessary in connection with the marketing of the Bonds. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices. The Underwriter also reserves the right to: (i) over-allot or effect transactions which stabilize or maintain the market price of the Bonds at levels above those that might otherwise prevail in the open market and (ii) discontinue such stabilizing, if commenced, at any time without prior notice. "Public Offering" shall include an offering to a representative number of institutional investors or registered investment companies, regardless of the number of such investors to which the Bonds are sold.

#### **4. Establishment of Issue Price**

A. The Underwriter agrees to assist the Authority in establishing the issue price of the Bonds and shall execute and deliver to the Authority at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Authority and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds.

B. Except as set forth in Exhibit A attached hereto, the Authority will treat the first price at which 10% of each maturity of the Bonds (the “10% test”) is sold to the public as the issue price of that maturity. At or promptly after the execution of this Purchase Contract, the Underwriter shall report to the Authority the price or prices at which it has sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Underwriter agrees to promptly report to the Authority the prices at which it sells the unsold Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) the Underwriter has sold all Bonds of that maturity or (ii) the 10% test has been satisfied as to the Bonds of that maturity, provided that, the Underwriter’s reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Authority or Bond Counsel. For purposes of this Section, if Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Bonds.

C. The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Purchase Contract at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in Exhibit A attached hereto, except as otherwise set forth therein. Exhibit A also sets forth, as of the date of this Purchase Contract, the maturities, if any, of the Bonds for which the Underwriter represents that (i) the 10% test has been satisfied (assuming orders are confirmed by the close of the business day immediately following the date of this Purchase Contract) and (ii) the 10% test has not been satisfied and for which the Authority and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Authority to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- a. the close of the fifth (5th) business day after the sale date; or
- b. the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the Authority promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

D. The Underwriter confirms that:

(i) any selling group agreement and any third-party distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(i) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be reasonable periodic intervals or otherwise upon request of the Underwriter and (ii) to

comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

(B) to promptly notify the Underwriter of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(ii) any selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

E. The Authority acknowledges that, in making the representation set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing the issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing the issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Authority further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing the issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds.

F. The Underwriter acknowledges that sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

a. “public” means any person other than an underwriter or a related party;

b. “underwriter” means (A) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public);

c. a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

d. “sale date” means the date of execution of this Purchase Contract by all parties.

**5. Delivery of Official Statement on the Date Hereof.** The Authority shall deliver to the Underwriter one copy of the Official Statement manually executed on behalf of the Authority by an authorized representative. The Authority shall also deliver a sufficient number of copies of the Official Statement to enable the Underwriter to distribute a single copy of each Official Statement to any potential customer of the Underwriter requesting an Official Statement during the time period beginning when the Official Statement becomes available and ending on the End Date (defined below). The Authority shall deliver these copies to the Underwriter within seven (7) business days after the execution of this Purchase Contract and in sufficient time to accompany or precede any sales confirmation that requests payment from any customer of the Underwriter. The Underwriter shall inform the Authority in writing of the End Date, and covenants to file the Official Statement with the Municipal Securities Rulemaking Board (the “MSRB”) on a timely basis.

“End Date” as used herein is that date which is the earlier of:

(a) ninety (90) days after the end of the underwriting period, as defined in SEC Rule 15c2-12 adopted by the Securities and Exchange Commission on June 28, 1989 (“Rule 15c2-12”); or

(b) the time when the Official Statement becomes available from the MSRB, but in no event less than twenty-five (25) days after the underwriting period (as defined in Rule 15c2-12) ends.

The Authority has authorized the use of the Official Statement in connection with the public offering of the Bonds. The Authority also has consented to the use by the Underwriter prior to the date hereof of the Preliminary Official Statement dated [\_\_\_\_], 2022 relating to the Bonds in connection with the public offering of the Bonds (which, together with all appendices thereto, is herein called the “Preliminary Official Statement”). Authorized officers of the Authority have certified to the Underwriter that such Preliminary Official Statement was deemed to be final as of its

date for purposes of Rule 15c2-12, with the exception of certain final pricing and related information referred to in Rule 15c2-12. The Underwriter has distributed a copy of the Preliminary Official Statement to potential customers on request.

At the request of the Underwriter, the Authority shall prepare one updated Official Statement between the date of Closing (as hereinafter defined) and Settlement (as hereinafter defined), which shall be dated a date not later than one week prior to Settlement relating to the Bonds (the “Updated Official Statement”), which, as of such date, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The Updated Official Statement may consist either of the Final Official Statement and a supplement thereto or a separate document substantially in the form of the Final Official Statement updated to its date of delivery. If an Updated Official Statement is prepared, the Authority shall furnish to the Underwriter, not less than five days prior to Settlement or on such earlier requested date of the Updated Official Statement, copies of the Updated Official Statement in sufficient quantity as requested by the Underwriter to comply with SEC Rule 15c2-12(b)(4) and the rules of the MSRB. The Underwriter agrees to promptly file any Updated Official Statement with a nationally recognized municipal securities information repository. As used herein, the term “Official Statement” shall mean (i) at any point in time during the period from the date of the Final Official Statement to but not including the date of delivery of any Updated Official Statement to the Underwriter pursuant to this paragraph, the Final Official Statement, and (ii) from and after the date of such delivery of any Updated Official Statement, the Updated Official Statement. References herein as of a specific date to the Official Statement shall mean the Official Statement applicable on such date in accordance with the preceding sentence.

**6. The Closing.** At 8:30 a.m. California time on \_\_\_\_\_, 2021, or such other time as shall be agreed upon by the Underwriter and the Authority (the “Closing Date”), the Authority will deliver or cause to be delivered to the Underwriter at the offices of Nixon Peabody LLP, bond counsel to the Authority (“Bond Counsel”) in Los Angeles, California (or such other location as may be designated by the Underwriter and approved by the Authority) the closing documents hereinafter mentioned and (such delivery being herein referred to as “Closing”).

Assuming the Closing is completed in accordance with the provisions of this Purchase Contract, then, subject to the provisions of this Purchase Contract, the Underwriter shall be obligated to purchase the Bonds and pay the purchase price therefor (and the Authority shall be obligated to issue and deliver such Bonds) at 8:30 a.m., California time, on [\_\_\_\_], 2022, or at such later date as may be mutually agreed upon by the Authority and the Underwriter (the “Settlement Date”). In connection with the payment for and delivery of the Bonds (the “Settlement”), the Authority will deliver or cause to be delivered to the Underwriter the Bonds in registered form, duly executed, together with the other documents required by Section 10 below, and subject to the terms and conditions of this Purchase Contract, the Underwriter will accept delivery of the Bonds through the facilities of The Depository Trust Company (“DTC”) or such other place as shall have been mutually agreed upon by the Underwriter and the Authority and pay the purchase price of the Bonds as set forth in Section 1. Delivery of the documents provided for herein to be made at Settlement shall be made at the office of Bond Counsel, or such other place as shall have been mutually agreed upon by the Underwriter and the Authority.

**7. Authority Representations, Warranties and Covenants.** The Authority represents, warrants and covenants to the Underwriter that:

(a) The Authority is a joint exercise of powers agency, duly organized and validly existing pursuant to the Constitution and laws of the State of California (the “State”), and has all necessary power and authority to enter into and perform its duties under the Indenture, the Continuing Disclosure Certificate, dated the Closing Date (the “Continuing Disclosure Certificate”) of the Authority, the Escrow Agreement and this Purchase Contract (collectively, the “Authority Documents”).

(b) The Bonds, when issued in accordance with the Indenture, will be legally valid and binding special obligations of the Authority, entitled to the benefits of the Indenture and enforceable in accordance with their terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors’ rights generally.

(c) To the best knowledge of the Authority, neither the execution and delivery of the Authority Documents, or the approval and execution of the Official Statement or this Purchase Contract, and compliance with the provisions on the Authority’s part contained therein, nor the consummation of any other of the transactions herein and therein contemplated, nor the fulfillment of the terms hereof and thereof, materially conflicts with or constitutes a material breach of or default under nor materially contravenes any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or is otherwise subject, nor does any such execution, delivery, adoption or compliance result in a security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the Authority under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the Authority Documents.

(d) The Authority Documents have been duly authorized, executed and delivered by the Authority, and, assuming due authorization, execution and delivery by the other parties thereto, as applicable, constitute legal, valid and binding agreements of the Authority enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance or other laws affecting the enforcement of creditors’ rights generally and by the application of equitable principles if sought and by the limitations on legal remedies imposed on actions against cities and agencies in the State of California.

(e) Except as may be required under blue sky or other securities laws of any state, there is no consent, approval, authorization or other order of, or filing with, or certification by, any regulatory agency having jurisdiction over the Authority required for the consummation by the Authority of the transactions contemplated by the Official Statement and this Purchase Contract.

(f) To the best of the knowledge of the Authority, there is, and on the Closing there will be, no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending or threatened against the Authority to restrain or enjoin the issuance or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity of the Authority Documents or the authority of the Authority to approve this Purchase

Contract, or enter into the Authority Documents or contesting the powers of the Authority to enter into or perform its obligations under any of the foregoing or in any way contesting the powers of the Authority in connection with any action contemplated by this Purchase Contract or to restrain or enjoin the execution of, or, except as described in the Preliminary Official Statement and the Official Statement, the issuance or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, nor is there any basis for any such action, suit, proceeding or investigation.

(g) The Preliminary Official Statement provided to the Underwriter has been deemed final by the Authority, as required by Rule 15c2-12. As of the date thereof and at all times subsequent thereto up to and including the End Date, the information relating to the Authority, the Bonds, the Enterprise and the Authority Documents contained in the Official Statement was and will be materially complete for its intended purposes. The information relating to the Authority, the Bonds, the water system of the City of Coachella (such system is designated, the "Enterprise") and the Authority Documents contained in the Official Statement (excluding any information with respect to DTC, the book-entry only system, the Trustee, the Insurance Policy or the Insurer (as defined in the Official Statement and discussed below)) is true and correct in all material respects and such information does not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect.

(h) The Authority agrees to cooperate with the Underwriter in endeavoring to qualify the Bonds for offering and sale under the securities or blue sky laws of such jurisdictions of the United States as the Underwriter may request; provided, however, that the Authority will not be required to execute a special or general consent to service of process in any jurisdiction in which it is not now so subject.

(i) By official action of the Authority prior to or concurrently with the execution hereof, the Authority has duly approved the distribution of the Official Statement, and has duly authorized and approved the execution and delivery of, and the performance by the Authority of the obligations on its part contained in the Authority Documents and the consummation by it of all other transactions contemplated by the Official Statement and this Purchase Contract.

(j) To the best knowledge of the Authority, it is not in breach of or default under any material applicable law or administrative regulation of the State of California or the United States or any material applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or is otherwise subject and in connection with which the Authority is obligated to make payments from its own funds, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument the consequence of which could be to materially and adversely affect the performance of the Authority under the Authority Documents.

(k) If between the date of this Purchase Contract and the End Date and the Settlement an event occurs, of which the Authority has knowledge, which might or would cause the information relating to the Authority, the Enterprise or the Authority's functions, duties and responsibilities contained in the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was

presented, not misleading in any material respect, the Authority will notify the Underwriter, and if, in the opinion of the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Authority will cooperate with the Underwriter in the preparation of an amendment or supplement to the Official Statement in a form and in a manner approved by the Underwriter, provided all expenses thereby incurred will be paid for by the Authority.

(l) If the information relating to the Enterprise, the Authority, its functions, duties and responsibilities contained in the Official Statement is amended or supplemented pursuant to the immediately preceding subparagraph, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subparagraph) at all times subsequent thereto up to and including the date of the Closing and the Settlement, the portions of the Official Statement so supplemented or amended (including any financial and statistical data contained therein) will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was presented, not misleading in any material respect.

(m) The Authority covenants that it will comply with all tax covenants relating to it in the Authority Documents, the Tax Certificate of the Authority and this Purchase Contract.

(n) Substantially all the proceeds from the sale of the Bonds (after deducting the expenses of issuance and sale of the Bonds paid for from such proceeds) will be used to finance and/or refinance certain improvements to the Enterprise, and the Authority will not take or omit to take any action which action or omission will in any way cause the proceeds from the sale of the Bonds to be applied in a manner contrary to that provided in the Indenture.

(o) The Authority will deliver all opinions, certificates, letters and other instruments and documents reasonably required by the Underwriter and this Purchase Contract.

(p) Any certificate of the Authority delivered to the Underwriter shall be deemed a representation and warranty by the Authority to the Underwriter as to the statements made therein.

(q) As of the time of acceptance hereof and as of the Closing and the Settlement, the Authority does not, and will not have outstanding, any indebtedness which is secured by a lien on Net Revenues except as disclosed in the Official Statement.

(r) Between the date of this Purchase Contract and the date of Closing and the Settlement, the Authority will not, without the prior written consent of the Underwriter, and except as disclosed in the Official Statement, offer or issue any certificates, notes or other obligations for borrowed money, or incur any material liabilities, direct or contingent, secured by a lien on Net Revenues.

(s) All authorizations, approvals, licenses, permits, consents and orders of or filings with any governmental authority, legislative body, board, agency or commission having jurisdiction in the matters which are required for the due authorization of, which would constitute a condition precedent to or the absence of which would adversely affect the due performance by the Authority of its obligations in connection with, the Authority Documents have been duly obtained or

made, except as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds.

(t) The Authority has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the Authority is a bond issuer whose arbitrage certifications may not be relied upon.

(u) The written information supplied by the Authority to the Underwriter with respect to the financial information relating to the Enterprise is true, correct and complete in all material respects for the purposes for which it was supplied.

(v) Except as otherwise described in the Preliminary Official Statement and Official Statement, the Authority has not failed in any material respect to comply with any undertaking of the Authority under Rule 15c2-12 in the previous five years.

**8. Representations and Agreements of the Underwriter.** The Underwriter represents to and agrees with the Authority that, as of the date hereof and as of the date of the Closing:

(a) The Underwriter is duly authorized to execute and deliver this Purchase Contract and to take any action under this Purchase Contract required to be taken by it.

(b) The Underwriter is in compliance with MSRB Rule G-37 with respect to the Authority and is not prohibited thereby from acting as underwriter with respect to securities of the Authority.

(c) The Underwriter has, and has had, no financial advisory relationship with the Authority with respect to the Bonds, and no investment firm controlling, controlled by or under common control with the Underwriter has or has had any such financial advisory relationship, within the meaning of California Government Code Section 53590, or otherwise.

(d) The Underwriter has not paid or agreed to pay, nor will it pay or agree to pay, any entity, company, firm or person, other than a bona fide officer, agent or employee working for the Underwriter, any compensation, fee, gift or other consideration contingent upon or resulting from the award of or entering into this Purchase Contract.

**9. Closing Conditions.** The Underwriter has entered into this Purchase Contract in reliance upon the representations, warranties and covenants herein and the performance by the Authority of its respective obligations hereunder, both as of the date hereof and as of the date of the Closing. The Underwriter's obligations hereunder are and shall be subject to the following additional conditions:

(a) Bring-Down Representation. The representations, warranties and covenants of the Authority contained herein shall be true and correct at the date hereof and at the time of the Closing, as if made on the date of the Closing.

(b) Executed Agreements and Performance Thereunder. At the time of the Closing:

(i) the Authority Documents shall be in full force and effect, and shall not have been amended, modified or supplemented except with the written consent of the Underwriter;

(ii) there shall be in full force and effect the Resolution as, in the opinion of Bond Counsel, shall be necessary in connection with the transactions on the part of the Authority contemplated by the Official Statement and the Authority Documents;

(iii) the Authority shall perform or have performed its obligations required as specified in the Authority Documents to be performed at or prior to Closing; and

(iv) the Official Statement shall not have been supplemented or amended, except pursuant to Paragraph 7(k), or as otherwise may have been agreed to in writing by the Underwriter.

(c) No Default. At the time of the Closing, no default shall have occurred or be existing under the Authority Documents and the Authority shall not be in default in the payment of principal or interest on any of its bonded indebtedness which default shall adversely impact the ability of the Authority to make payments on the Bonds.

(d) Termination Events. The Underwriter shall have the right to terminate this Purchase Contract, without liability therefor, by written notification to the Authority if at any time at or prior to the Closing:

(i) Any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Preliminary Official Statement or the Official Statement, or results in the Preliminary Official Statement or the Official Statement containing any untrue statement of a material fact or omitting to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; or

(ii) Legislation shall be enacted by or introduced in the Congress of the United States or recommended to the Congress for passage by the President of the United States, or the Treasury Department of the United States or the Internal Revenue Service or favorably reported for passage to either House of the Congress by any committee of such House to which such legislation has been referred for consideration, a decision by a court of the United States or of the State or the United States Tax Court shall be rendered, or an order, ruling, regulation (final, temporary or proposed), press release, statement or other form of notice by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be made or proposed, the effect of any or all of which would be to alter, directly or indirectly, federal income taxation upon interest received

on obligations of the general character of the Bonds, or the interest on the Bonds as described in the Official Statement, or other action or events shall have transpired which may have the purpose or effect, directly or indirectly, of changing the federal income tax consequences of any of the transactions contemplated herein; or

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

(iv) A general suspension of trading in securities on the New York Stock Exchange or any other national securities exchange, the establishment of minimum or maximum prices on any such national securities exchange, the establishment of material restrictions (not in force as of the date hereof) upon trading securities generally by any governmental authority or any national securities exchange, or any material increase of restrictions now in force (including, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter); or

(v) The declaration of a general banking moratorium by federal, New York or State authorities, or the general suspension of trading by the New York Stock Exchange, any national securities exchange, or any governmental authority securities exchange or a material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred; or

(vi) Establishment of any new restrictions in securities materially affecting the free market for securities of the same nature as the Bonds (including the imposition of any limitations on interest rates) or the charge to the net capital requirements of the Underwriter established by the New York Stock Exchange, the Securities and Exchange Commission, any other Federal or state agency or the Congress of the United States, or by Executive Order; or

(vii) The occurrence of an adverse event in the affairs of the Authority which, in the reasonable judgement of the Underwriter, materially impairs the investment quality of the Bonds; or

(viii) Any amendment to the federal or California Constitution or action by any federal or California court, legislative body, regulatory body or other authority materially adversely affecting the tax status of the Authority, its property, income or securities (or interest thereon), or the ability of the Authority to issue the Bonds and pledge the Net Revenues as contemplated by the Indenture and the Official Statement; or

(ix) There shall have occurred (1) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or (2) any other calamity or crisis in the financial markets of the United States or elsewhere or the escalation of such calamity or crisis; or

(x) There shall have occurred since the date of this Purchase Contract any materially adverse change in the affairs or financial position, results of operations or condition, financial or otherwise, of the Authority, other than changes in the ordinary course of business or activity or in the normal operation of the Authority, except as described in the Official Statement; or

(xi) Any proceeding shall have been commenced or be threatened in writing by the SEC against the Authority or the suspension by the SEC of trading in the outstanding securities of the Authority; or

(xii) Any rating of the Insurer shall have been downgraded, suspended or withdrawn or placed on negative outlook or negative watch by a national rating service, which, in the Underwriter's reasonable opinion, materially adversely affects the marketability or market price of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds;

(xiii) An event described in Section 7(k) hereof shall have occurred which, in the reasonable professional judgment of the Underwriter, requires the preparation and publication of a supplement or amendment to the Official Statement;

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

(xv) The purchase of and payment for the Bonds by the Underwriter, or the resale of the Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission; or

(xvi) Any rating of the Bonds or other obligations of the Authority by a national rating agency shall have been withdrawn or downgraded or placed on negative outlook or negative watch.

(e) Closing Documents. At or prior to the Closing, the Underwriter shall receive with respect to the Bonds (unless the context otherwise indicates) the following documents:

(1) Bond Opinion. A letter of Bond Counsel dated the date of Closing and addressed to the Authority to the effect that assuming satisfaction by the Authority and the Underwriter of their respective obligations to be satisfied under this Purchase Contract and the issuance of the Bonds, and no change in any applicable law, regulations or rulings, or in interpretations thereof, or in any other facts or circumstances (tax or otherwise) which, in the view of Bond Counsel, affect or are material to the opinion of Bond Counsel (including, without limitation, the existence of any litigation), Bond Counsel will be able to issue its approving opinion on the Settlement Date and substantially in the form included as APPENDIX D to the Official Statement, together with a letter from such counsel, dated the date of the Closing and addressed to the Authority, the Underwriter and the Trustee to the effect that the foregoing opinion may be relied upon by the Underwriter to the same extent as if such opinion was addressed to them.

(2) Supplemental Opinion. A supplemental opinion or opinions of Bond Counsel addressed to the Underwriter, in substantially the form and to the following effect:

(a) The statements and information contained in the Official Statement on the cover page relating to tax exemption, the description of the Bonds, and security for the Bonds, and under the captions “INTRODUCTION – General,” “- The Bonds,” and “- Security for the Bonds,” “THE BONDS” (except for the information under the caption “Book-Entry Only System”), “SECURITY FOR THE BONDS” and “TAX MATTERS,” and in APPENDICES A and D, are true and accurate in all material respects; and

(b) The Bonds are exempt from registration under Section 3(a)(2) of the Securities Act of 1933, as amended and the Indenture is exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended;

(c) The Purchase Contract has been duly authorized, executed and delivered by the Authority, and, assuming due authorization, execution and delivery by the other parties thereto, constitutes legal, valid and binding agreement of the Authority enforceable against the Authority in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors’ rights generally and equitable remedies if equitable remedies are sought, and except no opinion need be expressed as to the enforceability of the indemnification, waiver, choice of law or contributions provisions contained therein.

(3) Authority Counsel Opinion. An opinion of the Authority’s General Counsel, dated as of the Closing and addressed to the Authority, the Trustee and the Underwriter, in form and substance acceptable to Bond Counsel and counsel for the Underwriter to the effect that it is not currently aware of any reason that will prevent such counsel from delivering an opinion substantially as described in Section 10(f).

(4) Trustee Counsel Opinion. A letter of counsel to the Trustee, dated the date of the Closing, addressed to the Authority and the Underwriter, to the effect that it is not currently aware of any reason that will prevent such counsel from delivering its opinion substantially

described in Section 10(l) in form and substance acceptable to Bond Counsel and counsel for the Underwriter.

(5) Escrow Agent Counsel Opinion. A letter of counsel to the Escrow Agent dated the date of the Closing, addressed to the Authority and the Underwriter, to the effect that it is not currently aware of any reason that will prevent such counsel from delivering its opinion substantially described in Section 10(m) in form and substance acceptable to Bond Counsel and counsel for the Underwriter.

(6) Negative Assurance Letter of Disclosure Counsel. A letter from Nixon Peabody LLP, disclosure counsel to the Authority (“Disclosure Counsel”), dated the Closing Date, addressed to the Underwriter and the Authority, to the effect that, based upon its participation in the preparation of the Official Statement as counsel to the Authority and without having undertaken to determine independently the fairness, accuracy, or completeness of the statements contained in the Official Statement, such counsel has no reason to believe that the Preliminary Official Statement (except for the completion of pricing information and any other matters or terms of the Bonds relating thereto) as of its date or as of this Purchase Contract or the Official Statement as of its date or as of the date of the Closing (excluding therefrom (i) the expressions of opinion, the assumptions, the projections, estimates and forecasts, the charts, the financial statements or other financial, numerical, economic, demographic or statistical data, or assessed valuations contained in the Official Statement; (ii) any CUSIP numbers or information relating thereto; (iii) any information with respect to The Depository Trust Company and its book-entry system; (iv) any information contained in the appendices to the Official Statement; (v) any information incorporated by reference into the Official Statement; (vi) any information with respect to the underwriters or underwriting matters with respect to the Bonds, including but not limited to information under the caption CONCLUDING INFORMATION—Underwriting”; (vii) information under the captions “NO LITIGATION”; (ix) any information with respect to the ratings on the Bonds and the rating agencies referenced therein, including but not limited to information under the caption “CONCLUDING INFORMATION—Ratings”; and (x) any information with respect to the Insurance Policy or the Insurer, including but not limited to information under the captions, “BOND INSURANCE” contained any untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(7) Defeasance Opinion. A letter of Bond Counsel, dated the Closing Date and addressed to the Trustee and the Underwriter to the effect that, assuming satisfaction by the Authority and the Underwriter of their respective obligations to be satisfied under this Purchase Contract and the execution and delivery of the Indenture and the Bonds, and no change in any applicable law, regulations or rulings, or in interpretations thereof, or in any other facts or circumstances (tax or otherwise) which, in the view of Bond Counsel, affect or are material to the opinion of Bond Counsel (including, without limitation, the existence of any litigation), Bond Counsel will be able to issue a defeasance opinion or opinions with respect to the Refunded Bonds, dated the Settlement Date and addressed to the Trustee and the Underwriter, in form and substance satisfactory to the Underwriter.

(8) Authority Certificate. A certificate, dated the date of the Closing, signed by a duly authorized official of the Authority satisfactory in form and substance to the Underwriter, (a) confirming as of such date the representations and warranties of the Authority contained in this Purchase Contract; (b) certifying that the Authority has complied with all agreements, covenants and conditions to be complied with by the Authority at or prior to the Closing under the Authority

Documents; (c) certifying that to the best of such official's knowledge, no event affecting the Authority has occurred since the date of the Official Statement which either makes untrue or incorrect in any material respect as of the Closing the statements or information contained in the Official Statement or is not reflected in the Official Statement but should be reflected therein in order to make the statements and information therein not misleading in any material respect; and (d) certifying that the Authority has authorized and consented to the inclusion in the Official Statement of the Authority's financial report and accountant's opinion for the year ended June 30, 2020, and no further consent of any party is required for such inclusion.

(9) Official Statement. The Official Statement and each supplement or amendment, if any, thereto, executed on behalf of the Authority by a duly authorized officer of the Authority.

(10) Authority Resolution. A certified copy of the Resolution.

(11) IRS Form 8038-G. Evidence that the federal tax information form 8038-G has been prepared for filing.

(12) Nonarbitrage Certificate. A tax and nonarbitrage certificate in form satisfactory to Bond Counsel.

(13) Ratings. Evidence that the Bonds have been rated as set forth in the Official Statement and that such ratings continue in effect as of the Closing.

(14) Underwriter's Counsel Opinion. An opinion, dated the date of the Closing and addressed to the Underwriter, of Kutak Rock LLP, counsel to the Underwriter ("**Underwriter's Counsel**"), in such form as may be acceptable to the Underwriter.

(15) Additional Documents. Such additional certificates, instruments and other documents as the Underwriter may reasonably deem necessary.

If the Authority shall be unable to satisfy the conditions contained in this Purchase Contract, or if the obligations of the Underwriter shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract may be terminated by the Underwriter, and neither the Underwriter nor the Authority shall be under any further obligation hereunder.

**10. Settlement Conditions** The Underwriter's obligations under this Purchase Contract to purchase, to accept delivery of and pay for the Bonds at the Settlement shall be conditioned upon the representations, warranties and covenants of the Authority contained herein as of the Settlement Date as if made on such date, the performance of the Authority of its respective obligations under this Purchase Contract, including, without limitation, the Closing having been completed, and the Authority having tendered performance of their respective obligations under Section 6 with respect to the Settlement, which Settlement shall not be completed unless the Underwriter shall receive at the time of Settlement the following:

(a) At the time of Settlement, the Authority Documents, all as described in the Official Statement, shall be in full force and effect as valid and binding agreements between or among the various parties thereto, and the Authority Documents and the Official Statement shall not have been amended, modified or supplemented except as may have been agreed to in writing

by the Underwriter, and there shall be in full force and effect such resolutions as, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby.

(b) Any Updated Official Statement and each supplement or amendment thereto and such number of conformed copies as the Underwriter shall reasonably require;

(c) The approving opinion, dated the date hereof and addressed to the Authority of Bond Counsel in substantially the form of Appendix D to the Official Statement;

(d) A supplemental opinion of Bond Counsel addressed to the Underwriter in form and substance acceptable to the Underwriter, and dated the Settlement Date in the form and substance acceptable to the Underwriter;

(e) A defeasance opinion of Bond Counsel, dated the Settlement Date, and addressed to the Authority and U.S. Bank National Association, as trustee for the Refunded Bonds, and the Underwriter in the form and substance acceptable to the Underwriter;

(f) An opinion of the Authority's General Counsel, dated as of the Closing and addressed to the Authority, the Trustee and the Underwriter, in form and substance acceptable to Bond Counsel and counsel for the Underwriter to the effect to the following effect:

(i) the Authority is a joint exercise of powers agency, duly organized and validly existing under the Constitution and the laws of the State of California;

(ii) the preparation and distribution of the Preliminary Official Statement, the Official Statement and this Purchase Contract have been duly approved by the Authority;

(iii) the resolution of the Authority approving and authorizing the execution and delivery of the Official Statement, this Purchase Contract and the Authority Documents has been duly adopted at a meeting of the governing body of the Authority which was called and held pursuant to law, and with all public notice required by law and at which a quorum was present and acting throughout;

(iv) there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or, to the best knowledge of such counsel, threatened against or affecting the Authority, which would adversely impact the Authority's ability to complete the transactions described in and contemplated by the Official Statement, to restrain or enjoin the payments under, or in any way contesting or affecting the validity of the Authority Documents, or the transactions described and defined in the Official Statement wherein an unfavorable decision, ruling or finding would adversely affect the validity and enforceability of the Authority Documents;

(v) the execution and delivery of the Authority Documents and the approval of the Official Statement, and compliance with the provisions thereof and hereof, under the circumstances contemplated thereby, do not and will not in any

material respect conflict with or constitute on the part of the Authority a breach of or default under any agreement or other instrument to which the Authority is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the Authority is subject;

(vi) the Authority Documents have been duly authorized, executed and delivered by the Authority, and, assuming due authorization, execution and delivery by the other parties thereto, as applicable, constitute legal, valid and binding agreements of the Authority enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles if sought and by the limitations on legal remedies imposed on actions against public agencies in the State of California;

(vii) no authorization, approval, consent, or other order of the State of California or any other governmental authority or agency within the State of California is required for the valid authorization, execution and delivery of the Authority Documents and the approval of the Official Statement; and

(viii) without having undertaken any independent inquiry, nothing has come to their attention which would lead them to believe that the information contained in the Official Statement in the Sections "INTRODUCTION – The City, the Authority and the Water Enterprise," "THE WATER ENTERPRISE" and "NO LITIGATION" contains an untrue statement or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(g) A letter of Nixon Peabody LLP, as Disclosure Counsel, dated the Settlement Date, and addressed to the Underwriter and the Authority substantially in the form and substance acceptable to the Underwriter (which may include any deletions or corrections to the applicable references to sections in the Updated Official Statement);

(h) The opinion of Underwriter's Counsel, dated the Settlement Date and addressed to the Underwriter in form and substance acceptable to the Underwriter;

(i) A certificate of a duly authorized representative of the Authority, dated the Settlement Date, in form and substance similar to that contained in the certificate required under Section 9(e)(8) hereof;

(j) A certificate of a duly authorized official of the Trustee, dated the Settlement Date, to the effect that: (A) the Trustee is a national banking association organized and existing under and by virtue of the laws of the United States, having the full power and being qualified to enter into and perform its duties under the Indenture and to authenticate and deliver the Bonds to the Underwriter; (B) the Trustee is duly authorized to enter into the Indenture and to authenticate and deliver the Bonds to the Underwriter pursuant to the Indenture; (C) when delivered to and paid for by the Underwriter at the Closing, the Bonds will have been duly authenticated and delivered by the Trustee; (D) the execution and delivery of the Indenture and compliance with the provisions on the Trustee's part contained therein, will not conflict with or constitute a breach of or default under any law,

administrative regulation, judgment, decree, loan agreement, indenture, note, resolution, agreement or other instrument to which the Trustee is a party or is otherwise subject (except that no representation, warranty or agreement is made with respect to any federal or state securities or blue sky laws or regulations), which conflict, breach or default would materially impair the ability of the Trustee to perform its obligations under the Indenture, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets held by the Trustee pursuant to the lien created by the Indenture under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the Indenture; and (E) to the best of the knowledge of the Trustee, it has not been served with any action, suit, proceeding, inquiry or investigation in law or in equity, before or by any court, governmental agency, public board or body, nor is any such action or other proceeding threatened against the Trustee, affecting the existence of the Trustee, or the titles of its officers to their respective offices or seeking to prohibit, restrain, or enjoining the execution and delivery of the Bonds or the collection of revenues to be applied to pay the principal, premium, if any, and interest with respect to the Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Indenture, or contesting the powers of the Trustee or its authority to enter into, adopt or perform its obligations under any of the foregoing to which it is a party, wherein an unfavorable decision, ruling or funding would materially adversely affect the validity or enforceability of the Indenture or the power and authority of the Trustee to enter into and perform its duties under the Indenture and to authenticate and deliver the Bonds to or upon the order of the Underwriter;

(k) A certified copy of the general resolution of the Trustee authorizing the execution and delivery of the Indenture;

(l) The opinion, dated the Settlement Date and addressed to the Underwriter of Counsel to the Trustee, to the effect that: (A) the Trustee has been duly organized as a national banking association under the laws of the United States with trust powers, having full power and authority to enter into and to perform its duties as Trustee under the Indenture; (B) the Trustee has duly authorized, executed and delivered the Indenture, and by all proper corporate action has authorized the acceptance of the trusts of the Indenture; (C) the Indenture constitutes the legally valid and binding agreement of the Trustee, enforceable against the Trustee in accordance with its terms, and (D) the Bonds have been validly authenticated and delivered by the Trustee to the Underwriter;

(m) A certificate and general resolution of the Escrow Agent and opinion of Counsel to the Escrow Agent in the form substantially similar to those required above for the Trustee;

(n) A Tax Certificate of the Authority in form and substance acceptable to Bond Counsel;

(o) A Certificate of the Authority with respect to the Water System evidencing that the insurance required by the Indenture has been procured and is in full force and effect;

(p) The Insurance Policy issued by the Insurer; an opinion of counsel to the Insurer, dated the date of Settlement, addressed to the Authority, the Trustee and the Underwriter, regarding the Insurer's valid existence, power and authority, the Insurer's due authorization

and issuance of the Insurance Policy and the enforceability of the Insurance Policy against the Insurer; and a certificate of the Insurer or an opinion of counsel to the Bond Insurer, dated the date of Settlement, regarding the accuracy of the information in the Official Statement describing the Insurer and the Insurance Policy.

- (q) Evidence that the federal tax information form 8038-G has been prepared for filing;
- (r) A copy of the Notice of Proposed Sale and Report of Final Sale required to be delivered to the California Debt and Investment Advisory Commission pursuant to Section 8855(g) of the California Government Code;
- (s) A copy of the Authority's executed Blanket Letter of Representation to The Depository Trust Company;
- (t) A verification report or reports of Causey Demgen & Moore P.C., as verification agent (the "**Verification Agent**") verifying the arithmetical accuracy of certain computations relating to the computation of forecasted receipts of principal of and interest on the securities and cash deposits in the escrow account to pay the principal of and interest on and redemption price of the Refunded Bonds.
- (u) Evidence stating the current rating on the Bonds from S&P Global Ratings as of the Settlement Date; and
- (v) Such additional legal opinions, certificates, instruments or evidences thereof and other documents as the Counsel to the Underwriter or Bond Counsel may request to evidence the due authorization, execution and delivery of the Bonds and the conformity of the Bonds, the Authority Legal Documents with the terms of the Bonds and the descriptions thereof in the Official Statement.

**11. Settlement Termination.** The Underwriter shall have the right to terminate this Purchase Contract, without liability therefor, by written notification to the Authority if at any time on or after Closing and on or prior to Settlement:

- (a) There shall have been a Change in Law. A "Change in Law" means (i) any change in or addition to applicable federal or state law, whether statutory or as interpreted by the courts or by federal or state agencies, including any changes in or new rules, regulations or other pronouncements or interpretations by federal or state agencies; (ii) any legislation enacted by the Congress of the United States (if such enacted legislation has an effective date which is on or before the Settlement Date), (iii) any law, rule or regulation enacted by any governmental body, department or agency (if such enacted law, rule or regulation has an effective date which is on or before the Settlement Date) or (iv) any judgment, ruling or order issued by any court or administrative body, which in any such case would, (A) as to the Underwriter prohibit the Underwriter from completing the underwriting of the Bonds or selling the Bonds or beneficial ownership interests therein to the public, or (B) as to the Authority, would make the completion of the issuance, sale or delivery of the Bonds illegal.

- (b) Legislation shall be enacted, or a decision by a court of the United States shall be rendered, or any action shall be taken by, or on behalf of, the Securities and Exchange Commission which has the effect of requiring the Bonds, and any and all underlying obligations, to be registered under, or the sale thereof to be in violation of, the Securities Act of 1933, as amended or has the effect of requiring the Indenture to be qualified under the Trust Indenture Act of 1939, as amended, or, in each case, any law analogous thereto relating to governmental bodies;
- (c) As a result of any legislation, regulation, ruling, order, release, court decision or judgment or action by the U.S. Department of the Treasury, the Internal Revenue Service, or any agency of the State either enacted, issued, effective, adopted or proposed (but only with respect to any such proposed legislation, regulation, ruling, order, release, court decision or judgment or action that continues to be proposed as of the Settlement Date), or for any other reason, Bond Counsel cannot issue an opinion substantially in the form of Appendix C to the Official Statement as to the tax-exempt status of the Bonds.
- (d) There shall have occurred (A) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or (B) any other calamity or crisis in the financial markets of the United States or elsewhere.
- (e) The Preliminary Official Statement, as of its date, contained any untrue statement or misstatement of material fact or omitted to state a material fact necessary in order to make the statements and information contained therein not misleading in any material respect; the Official Statement (as amended, if applicable) as of its date or as of the Closing Date contained any untrue statement or misstatement of material fact or omitted to state a material fact necessary in order to make the statements and information contained therein not misleading in any material respect; or the Updated Official Statement (as amended, if applicable) as of its date or as of the Settlement Date, contained or contains any untrue statement or misstatement of material fact or omitted or omits to state a material fact necessary in order to make the statements and information contained therein not misleading in any material respect;
- (f) The declaration of a general banking moratorium by federal, New York or California authorities, or the general suspension of trading on any national securities exchange;
- (g) A general suspension of trading on the New York Stock Exchange or other major exchange shall be in force, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the U.S. Securities and Exchange Commission ("SEC") or any other governmental authority having jurisdiction.
- (h) A general banking moratorium has been declared by federal, New York or State authorities and shall remain in effect.
- (i) Legislation shall have been enacted by the Congress of the United States or shall have been favorably reported out of committee or be pending in committee, or shall have been recommended to the Congress for passage by the President of the United States,

or a decision by a court of the United States shall be rendered, or a ruling, regulation, proposed regulation or statement by or on behalf of the SEC or other governmental agency having jurisdiction of the subject matter shall be made, to the effect that any obligations of the general character of the Bonds, or any comparable securities of the Authority, are not exempt from the registration, qualification or other requirements of the Securities Act of 1933, the Securities Exchange Act of 1934 or the Trust Indenture Act of 1939 or otherwise, or would be in violation of any provision of the federal securities laws.

- (j) Any event or circumstance exists that either makes untrue or incorrect, in a material respect, any statement or information contained in the Official Statement, or is not reflected in the Official Statement but should be reflected in the Official Statement in order to make the statements and information contained in the Official Statement not misleading in any material respect and, in either such event, the Authority refuses to permit the Official Statement to be supplemented to supply such statement or information, or the effect of the Official Statement as so supplemented is to materially adversely affect the market price or marketability of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds.
- (k) Additional material restrictions not in force as of the date of the Purchase Contract shall have been imposed upon trading in securities generally by any federal, State or New York governmental authority or by any United States national securities exchange.
- (l) The New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose as to the Bonds or securities of the general character of the Bonds any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by or the charge to the net capital requirements of the Underwriter.
- (m) The Authority does not deliver a certification as of the Settlement Date to the effect that (A) the evidence of the ratings on the Bonds delivered at and as of the initial closing date remains accurate or (B) the ratings on the Bonds at and as of the Settlement Date are as stated in such certification.

If the Authority shall be unable to satisfy the conditions contained in this Purchase Contract, or if the obligations of the Underwriter shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and neither the Underwriter nor the Authority shall be under further obligation hereunder, except as further set forth in Section 9 and Section 10.

**12. Expenses.** The Underwriter shall be under no obligation to pay, and the Authority shall pay or cause to be paid, the expenses incident to the performance of the obligations of the Authority hereunder including but not limited to:

(a) the costs of the preparation and printing, or other reproduction (for distribution on or prior to the date hereof) of the Authority Documents and the cost of preparing, printing, issuing and delivering the Bonds;

(b) the fees and disbursements of any counsel, financial advisors, accountants or other experts or consultants retained by the Authority;

(c) the fees and disbursements of Bond Counsel and Disclosure Counsel;

(d) the cost of preparation and printing the Preliminary Official Statement and any supplements and amendments thereto and the cost of preparation and printing of the Official Statement, including a reasonable number of copies thereof for distribution by the Underwriter;

(e) charges of rating agencies for the rating of the Bonds; and

(f) the expenses incurred by the Underwriter in connection with the public offering and distribution of the Bonds.

The Underwriter shall pay: (i) the cost of preparation and printing of any “blue sky” filings; (ii) all “blue sky” filing fees in connection with the public offering of the Bonds; (iii) fees, if any, payable to the California Debt and Investment Advisory Commission, the MSRB, the fees associated with obtaining CUSIP numbers for the Bonds, and fees of the Public Securities Association and the California Public Securities Association in connection with the execution and delivery of the Bonds; (iv) the fees, expenses and disbursements of Underwriter’s Counsel; and (v) all other expenses incurred by them in connection with the public offering of the Bonds not outlined in (a) through (f) above, including any advertising expenses incurred by the Underwriter in connection with the public offering and distribution of the Bonds. Any meals in connection with or adjacent to meetings, rating agency presentations, pricing activities or other transaction-related activities shall be considered an expense of the transaction and included in the expense component of the Underwriter’s discount. Some or all of the expenses to be paid by the Underwriter may be included as part of the expense component of the underwriting discount or commission or may be reimbursed to the Underwriter as out-of-pocket expenses.

**13. Notice.** Any notice or other communication to be given to the Underwriter may be given by delivering the same to Stifel, Nicolaus & Company, Incorporated, One Montgomery Street, 35<sup>th</sup> Floor, San Francisco, California 94104, Attention: Public Finance. Any notice or other communication to be given to the Authority pursuant to this Purchase Contract may be given by delivering the same in writing to such entity, at the address set forth on the first page hereof.

**14. Entire Agreement.** This Purchase Contract, when accepted by the Authority, shall constitute the entire agreement between the Authority and the Underwriter and is made solely for the benefit of the Authority and the Underwriter (including the successors or assigns of any Underwriter). No other person shall acquire or have any right hereunder by virtue hereof, except as provided herein. All the Authority’s representations, warranties and agreements in this Purchase Contract shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Underwriter, until the earlier of (a) delivery of and payment for the Bonds hereunder, and (b) any termination of this Purchase Contract.

**15. Counterparts.** This Purchase Contract may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

**16. Severability.** In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof.

**17. State of California Law Governs.** The validity, interpretation and performance of the Authority Documents shall be governed by the laws of the State.

**18. No Assignment.** The rights and obligations created by this Purchase Contract shall not be subject to assignment by the Underwriter or the Authority without the prior written consent of the other parties hereto.

**19. Definitions.** Terms not otherwise defined herein shall have the same meaning as used in the Indenture.

**STIFEL, NICOLAUS & COMPANY,  
INCORPORATED**

By: \_\_\_\_\_  
Managing Director

The foregoing is hereby agreed to and accepted as of the  
date first above written:

**COACHELLA WATER AUTHORITY**

By: \_\_\_\_\_  
Authorized Representative

Time of Execution: \_\_\_\_\_ p.m. California time

**[EXECUTION PAGE OF PURCHASE CONTRACT]**

**EXHIBIT A**

**COACHELLA WATER AUTHORITY**  
**WATER REVENUE REFUNDING BONDS**  
**2022B SERIES**

| <u>Maturity<br/>(August 1)</u> | <u>Principal<br/>Amount</u> | <u>Interest<br/>Rate</u> | <u>Yield</u> | <u>Price</u> | <u>10% Test<br/>Satisfied*</u> | <u>10% Test<br/>Not<br/>Satisfied</u> | <u>Subject to<br/>Hold-The-<br/>Offering-<br/>Price Rule</u> |
|--------------------------------|-----------------------------|--------------------------|--------------|--------------|--------------------------------|---------------------------------------|--|
|--------------------------------|-----------------------------|--------------------------|--------------|--------------|--------------------------------|---------------------------------------|--|

<sup>(D)</sup> Term Bond.

<sup>(C)</sup> Priced to optional call at par on August 1, 20[\_\_\_].

\* At the time of execution of this Purchase Contract and assuming orders are confirmed by the close of the business day immediately following the date of this Purchase Contract.

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**EXHIBIT B**

**FORM OF ISSUE PRICE CERTIFICATE**

\$[\_\_\_\_\_]

**COACHELLA WATER AUTHORITY**  
**WATER REVENUE REFUNDING BONDS**  
**2022B SERIES**

The undersigned, on behalf of Stifel, Nicolaus & Company, Incorporated (the “**Underwriter**”), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned bonds (the “**Bonds**”).

**1. Sale of the Bonds.**

(a) The Underwriter offered each Maturity of the Bonds to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Bond Purchase Contract, dated [\_\_\_\_\_], 2022, between the Issuer and the Underwriter, the Underwriter agreed in writing that, (i) for each Maturity of the Bonds, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Bonds at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

**2. Insurance Policy.** The fees paid for the Insurance Policy represent a reasonable, arm’s length charge for the assumption of credit risk involved in this transaction. The present value of the fees paid for the Insurance Policy is less than the present value of interest reasonably expected to be saved with respect to the Bonds as a result of the Insurance Policy. The discount rate used for computing such present value is the yield of the Bonds (determined with regard to the Insurance Policy fees).

**4. Defined Terms.**

(a) *Holding Period* means, for each Maturity of the Bonds, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which Hilltop has sold at least 10% of such Maturity of the Bonds to the Public at prices that are no higher than the Initial Offering Price for such Maturity.

(b) *Insurance Policy* means the policy of municipal bond insurance purchased by the Coachella Water Authority from [INSURER]

(c) *Issuer* means the Coachella Water Authority.

(d) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(e) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(f) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is [\_\_\_\_\_].

(g) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

[Remainder of Page Left Intentionally Blank]

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Underwriter's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Nixon Peabody LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

**STIFEL, NICOLAUS & COMPANY,  
INCORPORATED**

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

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

Dated: [\_\_\_\_\_]

**SCHEDULE A**

**SALE PRICES**

[BOND PRICING TO BE ATTACHED]

**SCHEDULE B**  
**PRICING WIRE OR EQUIVALENT COMMUNICATION**

*(Attached)*

NP DRAFT 12/13/21

PRELIMINARY OFFICIAL STATEMENT DATED \_\_\_\_\_, 2022

NEW ISSUE - FULL BOOK ENTRY ONLY

RATINGS: Insured: S&P: “ ”

Underlying: S&P: “ ”

(See “CONCLUDING INFORMATION — Ratings” herein)

*In the opinion of Nixon Peabody LLP, Bond Counsel, under existing law and assuming compliance with the tax covenants, including with respect to the 2022B Bonds, the satisfaction of certain terms and conditions provided in the 2022B Bond Purchase Agreement as described under the heading “FORWARD DELIVERY OF THE 2022B BONDS” described herein, and the accuracy of certain representations and certifications made by the Authority and the City described herein, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”). Bond Counsel, is also of the opinion that interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax imposed under the Code. Bond Counsel is further of the opinion that interest on the Bonds is exempt from personal income taxes of the State of California (“State”) under present law. See “TAX MATTERS” herein regarding certain other tax consequences.*

\$ \_\_\_\_\_  
COACHELLA WATER AUTHORITY  
WATER REVENUE REFUNDING BONDS,  
2022A SERIES

\$ \_\_\_\_\_\*  
COACHELLA WATER AUTHORITY  
WATER REVENUE REFUNDING BONDS,  
2022B SERIES (FORWARD DELIVERY)

Dated: Date of Delivery

Due: August 1, as shown herein

The above-captioned Water Revenue Refunding Bonds, 2022A Series (the “2022A Bonds”) and the Water Revenue Refunding Bonds, 2022B (the “2022B Bonds”) and together with the 2022A Bonds, the “Bonds”) are being issued by the Coachella Water Authority (the “Authority”) pursuant to separate Indentures of Trust, dated as of [February] 1, 2022 and [May] 1, 2022, respectively (each, an “Indenture” and together the “Indentures”) both by and between the Authority and Wilmington Trust, National Association, Costa Mesa, California (the “Trustee”), and will be secured as described herein. The 2022A Bonds are being issued to (a) refund certain prior obligations of the Authority, (b) finance certain improvements to the Water Enterprise, and (c) pay the costs of issuance of the 2022A Bonds. The 2022B Bonds are being issued to (a) refund certain prior obligations of the Authority, and (b) pay the costs of issuance of the 2022B Bonds. See “THE FINANCING PLAN,” “THE WATER ENTERPRISE” and “ESTIMATED SOURCES AND USES OF FUNDS” herein. Definitions of certain capitalized terms herein are contained in APPENDIX A hereto, and are incorporated herein by reference.

The Bonds will be executed and delivered as fully registered certificates in book-entry form only, initially registered in the name of Cede & Co., New York, New York, as nominee of The Depository Trust Company (“DTC”), New York, New York. Purchasers will not receive certificates representing their interest in the Bonds. Individual purchases of the Bonds will be in principal amounts of \$5,000 or in any integral multiples of \$5,000. Interest payable with respect to the Bonds will be payable on February 1 and August 1 in each year, beginning August 1, 2022 (the “Interest Payment Dates”), and principal payable with respect to the Bonds will be paid on the dates set forth in the Maturity Schedule on the inside cover. Payments of principal of and interest on the Bonds will be paid by the Trustee, to DTC for subsequent disbursement to DTC Participants who will remit such payments to the beneficial Owners of the Bonds.

Payment of principal of and interest on the Bonds (the “Debt Service Payments”) are a special limited obligation of the Authority, payable from and secured by a pledge of and first lien on all Net Revenues (defined herein) of the Water Enterprise. Subject to certain conditions set forth in the Indenture, the Authority may at any time incur revenue bonds, notes or other evidences of indebtedness of the Authority payable from Net Revenues on parity with or subordinate to the Bonds and Parity Obligations.

The 2022A Bonds are subject to redemption as described herein\*. See “THE BONDS — Redemption of the 2022A Bonds” herein. The 2022B Bonds are not subject to redemption prior to maturity. See “THE BONDS — No Redemption of the 2022B Bonds” herein.

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Bonds by [\_\_\_\_\_]. See “BOND INSURANCE” herein.

[INSERT INSURER LOGO]

THE OBLIGATION OF THE AUTHORITY TO MAKE PAYMENTS OF PRINCIPAL OF AND INTEREST ON THE BONDS IS A SPECIAL OBLIGATION OF THE AUTHORITY, PAYABLE SOLELY FROM AND SECURED BY NET REVENUES AND OTHER FUNDS PROVIDED FOR IN THE RESPECTIVE INDENTURE. NONE OF THE AUTHORITY, THE CITY OF COACHELLA (THE “CITY”), THE STATE OF CALIFORNIA, NOR ANY OF THEIR POLITICAL SUBDIVISIONS SHALL BE DIRECTLY, INDIRECTLY, OR CONTINGENTLY OBLIGATED TO USE ANY OTHER MONIES OR ASSETS TO PAY ALL OR ANY PORTION OF THE DEBT SERVICE DUE ON THE BONDS, TO LEVY OR TO PLEDGE ANY FORM OF TAXATION WHATSOEVER THEREFOR OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT. THE BONDS ARE NOT SECURED BY A LIEN ON THE PHYSICAL ASSETS OF THE AUTHORITY OR OF THE CITY. THE BONDS ARE NOT A PLEDGE OF THE FAITH AND CREDIT OF THE AUTHORITY, THE CITY, THE STATE OR ANY OF ITS POLITICAL SUBDIVISIONS NOR DO THEY CONSTITUTE INDEBTEDNESS IN CONTRAVENTION OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION. NO PERSON EXECUTING THE BONDS IS SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THEIR ISSUANCE.

**This cover page contains information for general reference only. It is not a summary of the security or terms of this issue. Investors are advised to read the entire Official Statement, including the section entitled “RISK FACTORS,” for a discussion of special factors which should be considered, in addition to the other matters set forth herein, in considering the investment quality of the Bonds. Capitalized terms used but not defined on the front cover of this Official Statement shall have the meanings set forth herein.**

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**MATURITY SCHEDULE**  
**(See Inside Front Cover)**

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The Bonds are offered when, as and if sold and issued, subject to the approval as to their legality by Nixon Peabody LLP, Los Angeles, California, Bond Counsel. Certain legal matters will be passed upon by the City Attorney of the City of Coachella, California as counsel for the Authority, and by Nixon Peabody LLP, Los Angeles, California, Disclosure Counsel. The Underwriter is being represented by its counsel, Kutak Rock LLP, Irvine, California. It is anticipated that the 2022A Bonds and the 2022B Bonds in book-entry form, will be available for delivery through the facilities of DTC, on or about \_\_\_\_\_, 2022 and \_\_\_\_\_, 2022, respectively. Potential investors should carefully review the information under the caption “FORWARD DELIVERY OF THE 2022B Bonds – Certain Considerations Regarding Forward Delivery of the 2022B Bonds” herein.

[STIFEL]

Date: \_\_\_\_\_, 2022

## MATURITY SCHEDULE

\$ \_\_\_\_\_  
**COACHELLA WATER AUTHORITY**  
**WATER REVENUE REFUNDING BONDS,**  
**2022A SERIES**

Base CUSIP®: \_\_\_\_\_

\$ \_\_\_\_\_ Serial Bonds

| <b><u>Maturity Date</u></b><br><b><u>(August 1)</u></b> | <b><u>Principal</u></b><br><b><u>Amount</u></b> | <b><u>Interest</u></b><br><b><u>Rate</u></b> | <b><u>Yield</u></b> | <b><u>Price</u></b> | <b><u>CUSIP®</u></b> |
|---|---|--|---------------------|---------------------|----------------------|
|---|---|--|---------------------|---------------------|----------------------|

\$ \_\_\_\_\_ % Term Bonds Due August 1, \_\_\_\_; Yield - \_\_\_\_%; Price - \_\_\_\_%; CUSIP® - \_\_\_\_

\$ \_\_\_\_\_ % Term Bonds Due August 1, \_\_\_\_; Yield - \_\_\_\_%; Price - \_\_\_\_%; CUSIP® - \_\_\_\_

\$ \_\_\_\_\_<sup>\*</sup>  
**COACHELLA WATER AUTHORITY**  
**WATER REVENUE REFUNDING BONDS,**  
**2022B SERIES**

Base CUSIP®: \_\_\_\_\_

\$ \_\_\_\_\_ Serial Bonds

| <b><u>Maturity Date</u></b><br><b><u>(August 1)</u></b> | <b><u>Principal</u></b><br><b><u>Amount</u></b> | <b><u>Interest</u></b><br><b><u>Rate</u></b> | <b><u>Yield</u></b> | <b><u>Price</u></b> | <b><u>CUSIP®</u></b> |
|---|---|--|---------------------|---------------------|----------------------|
|---|---|--|---------------------|---------------------|----------------------|

**CITY OF COACHELLA  
COACHELLA WATER AUTHORITY**

**CITY COUNCIL/AUTHORITY BOARD MEMBERS/ELECTED OFFICIALS**

Steven Hernandez, *Mayor/President*  
Josie Gonzalez, *Mayor Pro Tem/Vice President*  
Neftali Galarza, *Council Member/Board Member*  
Megan Beaman Jacinto, *Council Member/Board Member*  
Denise Delgado, *Council Member/Board Member*  
Arturo Aviles, *City Treasurer*  
Angela M. Zepeda, *City Clerk and Authority Secretary*

**CITY/AUTHORITY STAFF**

Dr. Gabriel Martin, *City Manager/Executive Director*  
Nathan Statham, *Finance Director/Treasurer*  
Cástulo R. Estrada, *Utilities Manager*  
Carlos Campos, *City Attorney and Authority Counsel*

**SPECIAL SERVICES**

**BOND AND DISCLOSURE COUNSEL**

Nixon Peabody LLP  
Los Angeles, California

**MUNICIPAL ADVISOR**

Urban Futures, Inc.  
Tustin, California

**TRUSTEE**

Wilmington Trust, National Association  
Costa Mesa, California

**VERIFICATION AGENT**

Causey Demgen & Moore P.C.  
Denver, Colorado

[MAP]

No dealer, broker, salesperson or other person has been authorized by the Authority or the Underwriter to give any information or to make any representations other than those contained herein and, if given or made, such other information or representations must not be relied upon as having been authorized by the Authority or the Underwriter. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

The issuance and sale of the Bonds have not been registered under the Securities Act of 1933 or the Securities Exchange Act of 1934, both as amended, in reliance upon exemptions provided thereunder by Sections 3(a)2 and 3(a)12, respectively, for the issuance and sale of such municipal securities. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

The information set forth herein includes information obtained from sources which are believed to be reliable. The information and expressions of opinion contained herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority since the date hereof. See “INTRODUCTION—Forward-Looking Statements” herein. This Official Statement is submitted with respect to the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose, unless authorized in writing by the Authority. All summaries of the Indentures and other documents are made subject to the provisions of such documents, respectively, and do not purport to be complete statements of any or all of such provisions.

The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, their respective responsibilities to investors and under federal securities laws, as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

This Official Statement, including any supplement or amendment hereto, is intended to be deposited with the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access (EMMA) web site. The City also maintains a web site which may describe the Authority. However, the information presented therein is not part of this Official Statement and must not be relied upon in making an investment decision with respect to the Bonds.

References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader’s convenience. Unless specified otherwise, such web sites and the information or links contained therein are **not** incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, SEC Rule 15c2-12.

[ ] (“ ”) makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, [ ] has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding the Insurer supplied by the Insurer and presented under the heading “BOND INSURANCE” herein and “APPENDIX H — SPECIMEN MUNICIPAL BOND INSURANCE POLICY” hereto.

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## OFFICIAL STATEMENT

\$ \_\_\_\_\_  
**COACHELLA WATER AUTHORITY**  
**WATER REVENUE REFUNDING BONDS,**  
**2022A SERIES**

\$ \_\_\_\_\_<sup>\*</sup>  
**COACHELLA WATER AUTHORITY**  
**WATER REVENUE REFUNDING BONDS,**  
**2022B SERIES**

## INTRODUCTION

### General

The purpose of this Official Statement (which includes the cover page and the Appendices attached hereto) is to provide information concerning the issuance of the above-captioned Water Revenue Refunding Bonds, 2022A Series (the “2022A Bonds”) and the Water Revenue Refunding Bonds, 2022B Series (the “2022B Bonds,” and together with the 2022A Bonds, the “Bonds”). The 2022A Bonds and 2022B Bonds are being issued by the Coachella Water Authority (the “Authority”) pursuant to the provisions of separate Indentures of Trust, dated as of [February] 1, 2022 and [May] 1, 2022, respectively (each an “Indenture” and together, the “Indentures”), each by and between the Authority and Wilmington Trust, National Association, as trustee (the “Trustee”). The Bonds will be issued pursuant to the provisions of Article 4 (commencing with section 6584) of Chapter 5 of Division 7 of Title 1 of the California Government Code, as amended (the “Bond Law”), and a resolution of the Authority adopted on \_\_\_\_\_, 2021 (the “Resolution”).

### The City, the Authority and the Water Enterprise

The City is located in Riverside County, in the center of the Coachella Valley, approximately 134 miles east of Los Angeles, 553 miles south of San Francisco and 22 miles southeast of Palm Springs. Coachella covers an area in excess of 19 square miles at an average elevation of 67 feet below sea level.

Incorporated in 1946, the City operates as a general law city. It has a council-manager form of government, with four City Council members and the Mayor elected at large for staggered four-year terms.

The Authority is a joint powers agency organized and existing under and by virtue of Articles 1 through 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the California Government Code, as amended. The City and the Successor Agency to the Coachella Redevelopment Agency (the “Agency”) entered into a Joint Exercise of Powers Agreement dated as of July 1, 2003 to establish the Authority. The Authority is governed by a Board of Directors (the “Authority Board”) of five Members comprised of the same individuals who comprise the City Council of the City. The Authority was created for the purpose, among other things, of providing financing relating to any utility system or service through the lease, acquisition or construction by the Authority of such public capital improvements. Under the Bond Law, the Authority has the power to issue bonds to pay the costs of public capital improvements.

The Authority has leased from the City of Coachella (the “City”) the water system (the “Water Enterprise”) of the City pursuant to a Lease Agreement, dated as of July 1, 2003 (the “Lease Agreement”). The Water Enterprise is comprised of three reservoirs, three wells, two booster pump stations and a water distribution system with approximately 634,000 linear feet of distribution pipelines. See “THE WATER ENTERPRISE” herein. Pursuant to the Water Enterprise Management Agreement, dated as of July 1, 2003 (the “Management Agreement”), the City operates and maintains the Water Enterprise on behalf of the Authority.

For other information concerning the City, the Authority and the Water Enterprise, see “THE WATER ENTERPRISE” and “ENTERPRISE FINANCIAL INFORMATION” herein. For other selected demographic and economic information, see “APPENDIX B—GENERAL INFORMATION REGARDING THE CITY OF COACHELLA” hereto. A copy of the audited financial statements of the City for the year ended June 30, 2020 is attached hereto as APPENDIX C.

## **The Bonds**

The Bonds will be executed and delivered as fully registered certificates in book-entry form only, initially registered in the name of Cede & Co., New York, New York, as nominee of The Depository Trust Company (“DTC”), New York, New York. Purchasers will not receive certificates representing their interest in the Bonds. Individual purchases of the Bonds will be in principal amounts of \$5,000 or in any integral multiples of \$5,000. Interest payable with respect to the Bonds will be payable on February 1 and August 1 in each year, beginning August 1, 2022 (the “Interest Payment Dates”), and principal payable with respect to the Bonds will be paid on the dates set forth in the Maturity Schedules on the inside cover. Payments of principal of and interest on the Bonds will be paid by the Trustee, to DTC for subsequent disbursement to DTC Participants who will remit such payments to the beneficial Owners of the Bonds.

The 2022A Bonds are subject to optional and mandatory sinking fund redemption prior to their scheduled payment dates as described herein. See “THE BONDS—Redemption of the 2022A Bonds” herein. The 2022B Bonds are not subject to redemption prior to their scheduled payment dates. See “THE BONDS—No Redemption of the 2022B Bonds” herein.

## **Purpose**

The 2022A Bonds are being issued by the Authority to (a) refund certain prior obligations of the Authority, (b) finance certain improvements to the Water Enterprise, and (c) pay the costs of issuance of the 2022A Bonds. The 2022B Bonds are being issued by the Authority to (a) refund certain prior obligation of the Authority, and (b) pay the costs of issuance of the 2022B Bonds. See “THE FINANCING PLAN,” “THE WATER ENTERPRISE,” “ESTIMATED SOURCES AND USES OF FUNDS” and “FORWARD DELIVERY OF THE 2022B BONDS” herein.

## **Security for the Bonds**

The Bonds, when issued, will be special, limited obligations of the Authority, secured by a first pledge, charge and lien upon Net Revenues (defined herein) of the Water Enterprise. Net Revenues are held in the Bond Fund of the Authority under each Indenture. See “SECURITY FOR THE BONDS” herein.

Subject to certain conditions set forth in each Indenture, the Authority may at any time incur revenue bonds, notes or other evidences of indebtedness of the Authority payable from Net Revenues on parity with or subordinate to the Bonds and Parity Obligations. See “SECURITY FOR THE BONDS—Issuance of Parity Obligations” herein.

Pursuant to each Indenture, the Authority has covenanted to fix, prescribe and collect certain rates and charges for service provided by the Water Enterprise. See “SECURITY FOR THE BONDS—Rate Covenant” herein.

The Authority is not funding a debt service reserve fund for the Bonds.

## **Bond Insurance**

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under a municipal bond insurance policy (the “Insurance Policy”) to be issued concurrently with the delivery of the Bonds by [ ] (the “Insurer” or “[ ]”). See “BOND INSURANCE” herein and “APPENDIX H—SPECIMEN MUNICIPAL BOND INSURANCE POLICY” hereto.

## **Risk Factors**

Payment of debt service on the Bonds depends primarily upon the generation and collection of Net Revenues. There can be no assurance that the demand for the services provided by the Water Enterprise will be maintained at levels described in this Official Statement, or that the expenses for operating and maintaining the Water Enterprise will be consistent with the levels described in this Official Statement. Changes in technology, decreased demand, new regulatory requirements, increases in the cost of energy or other expenses would reduce Net Revenues, and could require the City to implement substantial increases in Enterprise rates or charges in order to comply with the rate covenant. Such rate increases could increase the likelihood of nonpayment by Enterprise customers, and could also cause further decreases in customer demand.

See “RISK FACTORS” herein for a discussion of special factors which should be considered, in addition to the other matters set forth herein, in considering the investment quality of the Bonds, including a discussion of the impact of Proposition 218, Constitutional limits on fees and charges, seismic considerations, limitation on remedies and changes in law.

## **Limited Obligations**

THE OBLIGATION OF THE AUTHORITY TO MAKE PAYMENTS OF PRINCIPAL OF AND INTEREST ON THE BONDS IS A SPECIAL OBLIGATION OF THE AUTHORITY, PAYABLE SOLELY FROM AND SECURED BY NET REVENUES AND OTHER FUNDS PROVIDED FOR IN THE INDENTURE. NONE OF THE AUTHORITY, THE CITY, THE STATE OF CALIFORNIA (THE “STATE”), NOR ANY OF ITS POLITICAL SUBDIVISIONS SHALL BE DIRECTLY, INDIRECTLY, OR CONTINGENTLY OBLIGATED TO USE ANY OTHER MONEYS OR ASSETS TO PAY ALL OR ANY PORTION OF THE DEBT SERVICE DUE ON THE BONDS, TO LEVY OR TO PLEDGE ANY FORM OF TAXATION WHATSOEVER THEREFOR OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT. THE BONDS ARE NOT SECURED BY A LIEN ON THE PHYSICAL ASSETS OF THE AUTHORITY OR THE CITY. THE BONDS ARE NOT A PLEDGE OF THE FAITH AND CREDIT OF THE AUTHORITY, THE CITY, THE STATE OR ANY OF ITS POLITICAL SUBDIVISIONS NOR DO THEY CONSTITUTE INDEBTEDNESS IN CONTRAVENTION OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION. NO PERSON EXECUTING THE BONDS IS SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THEIR ISSUANCE.

## **Tax Matters**

In the opinion of Nixon Peabody LLP, Bond Counsel (“Bond Counsel”), under existing law and assuming compliance with the tax covenants described herein, and the accuracy of certain representations and certifications made by the Authority and the City described herein, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”). Bond Counsel is also of the opinion that interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax imposed under the Code. Bond Counsel is further of the opinion that interest on the Bonds is exempt from personal income taxes of the State of California (“State”) under present law. See “TAX MATTERS” herein regarding certain other tax consequences. See “FORWARD DELIVERY OF THE 2022B BONDS – Certain Considerations Regarding Forward Delivery of the 2022B Bonds” below.

## **Offering and Delivery of the Bonds**

The Bonds are offered when, as and if issued, subject to approval as to their legality by Bond Counsel. It is anticipated that the 2022A Bonds and the 2022B Bonds, in book-entry form, will be available for delivery through the facilities of DTC on or about [\_\_\_\_], 2022 (the “Closing Date”) and [\_\_\_\_], 2022 (the “Settlement Date”), respectively. The 2022B Bonds will be issued pursuant to a forward delivery arrangement. See “FORWARD DELIVERY OF THE 2022B BONDS – Certain Considerations Regarding Forward Delivery of the 2022B Bonds” below.

## **Continuing Disclosure**

The Authority will covenant for the benefit of the Owners and Beneficial Owners of the Bonds to make available certain financial information and operating data relating to the Water Enterprise and to provide notices of the occurrence of certain enumerated events, in order to assist the Underwriter in complying with S.E.C. Rule 15c2-12(b)(5) (the “Rule”). See “CONTINUING DISCLOSURE” herein for additional information regarding the Authority’s continuing disclosure obligations and prior compliance therewith. The specific nature of the information to be made available and the notices of listed events required to be provided are described in “APPENDIX E—FORM OF CONTINUING DISCLOSURE AGREEMENTS” herein.

## **Forward-Looking Statements**

Certain statements included or incorporated by reference in this Official Statement (including the appendices hereto), including, but not limited to (i) statements containing projections of Net Revenues and other financial items, (ii) statements of future economic performance of the Water Enterprise, and (iii) statements of the assumptions underlying or relating to statements described in (i) and (ii) above, constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “project,” “budget,” “intend,” or other similar words. Such forward-looking statements include, but are not limited to, certain statements contained in the information regarding the Water Enterprise herein.

ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM

ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. NEITHER THE AUTHORITY NOR THE CITY PLANS TO ISSUE ANY UPDATES OR REVISIONS TO THE FORWARD-LOOKING STATEMENTS SET FORTH IN THIS OFFICIAL STATEMENT.

### **Professionals Involved in the Offering**

Nixon Peabody LLP, Los Angeles, California, is acting as Bond Counsel with respect to the Bonds. Certain legal matters will be passed upon by the City Attorney for the City of Coachella, as counsel to the Authority, and by Nixon Peabody LLP, Los Angeles, California, Disclosure Counsel. The Underwriter is being represented by its counsel, Kutak Rock LLP, Irvine, California. Fees payable to Bond Counsel, Disclosure Counsel and Underwriter's Counsel are contingent upon the execution and delivery of the Bonds.

### **Other Information**

This Official Statement is not to be construed as a contract or agreement between the Authority, the City, and/or the purchasers or Owners of any of the Bonds. Any statements made in this Official Statement involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Quotations from and summaries and explanations of the California Government Code, other applicable legislation, the Indentures, the Water Enterprise, proceedings of the Authority and the City with respect to the operations thereof and with respect to the Bonds, agreements and other documents referenced herein, do not purport to be complete, and reference is made to said documents, constitutional provisions and statutes for full and complete statements of their provisions. Prospective purchasers of the Bonds are advised to refer to such documents, provisions, and reports for full and complete statements of their contents. References herein to each series of Bonds are qualified in their entirety by reference to the form thereof included in the applicable Indenture. Copies of the proceedings of the Authority referred to above, each Indenture and other documents described in this Official Statement are available for inspection at the offices of the Authority at: [53990 Enterprise Way, Coachella, California 92236, Attention: Finance Director]. The Authority may impose a charge for copying, mailing and handling.

Certain of the information set forth herein, other than that provided by the Authority, has been obtained from official sources which are believed to be reliable but it is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the Authority. The information and expressions of opinions herein are subject to change without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority or the City since the date hereof.

## **THE FINANCING PLAN**

### **The Refunding Plan**

A portion of the net proceeds of the 2022A Bonds will be used to redeem on the delivery date of the 2022A Bonds all of the Authority's \$5,000,000 Water Revenue Bonds (USDA) Series 2008 (the "Series 2008 Bonds"), of which \$4,182,110 is currently outstanding.

Upon the forward delivery of the 2022B Bonds on or about [May] 1, 2022, a portion of the proceeds from the sale of the 2022B Bonds, together with certain other available funds, will be used to

refund all of the Authority's \$10,435,000 Water Revenue Refunding Bonds, 2012 Series (the "2012 Bonds"), of which \$6,570,000 is currently outstanding.

In order to effectuate the refunding of the 2012 Bonds, a portion of the proceeds from the sale of the 2022B Bonds will be deposited into an escrow fund (the "Escrow Fund") and used to defease the 2012 Bonds in accordance with the terms of the Escrow Agreement, dated as of May 1, 2022 (the "Escrow Agreement"), by and between the Authority and U.S. Bank National Association, as defeased bonds trustee and escrow agent (the "Escrow Agent"). Pursuant to the Escrow Agreement, moneys on deposit in the Escrow Fund will be held as cash or invested solely in permitted Escrow Securities, as such term is defined in the Escrow Agreement. The cash and Escrow Securities, together with the interest accrued with respect thereto, will be held by the Escrow Agent and applied in accordance with the terms of the Escrow Agreement (i) to pay in a timely manner the principal of and interest on the 2012 Bonds on August 1, 2022, and (ii) to pay the redemption price of the outstanding 2012 Bonds, maturing on and after August 1, 2023, on August 1, 2022, which is the first optional redemption date therefor.

Upon delivery of the 2022B Bonds, Causey Demgen & Moore P.C. will deliver a report verifying the mathematical accuracy of certain computations concerning (i) the adequacy of the maturing principal amounts of and interest on the Escrow Securities to, together with the cash on deposit in the Escrow Fund, defease the outstanding 2012 Bonds in full on the date of delivery of the 2022B Bonds, as described herein, and (ii) the yield on the 2022B Bonds and on such Escrow Securities considered by Bond Counsel in their determination that the interest on the 2022B Bonds is excluded from gross income for federal income tax purposes. Upon the establishment and funding of the Escrow Fund as described above, the lien of the Indenture of Trust pursuant to which the 2012 Bonds were issued will cease, terminate, and become void with respect to the 2012 Bonds, except for the rights of the owners of the 2012 Bonds to payments from the Escrow Fund.

The refunding of the 2012 Bonds is conditioned upon the receipt of proceeds of the 2022B Bonds, which is subject to the conditions of the Forward Delivery 2022B Bond Purchase Agreement. See "FORWARD DELIVERY OF THE 2022B BONDS— Certain Considerations Regarding Forward Delivery of the 2022B Bonds"

## **Capital Projects**

Certain proceeds of the 2022A Bonds will be used to finance certain improvements to the Water Enterprise. Such potential improvement projects include the construction of a new well, Well No. 20, which will provide the needed additional firm capacity and fire flow in the 150 zone while meeting increasing demand and replacing Well No. 11. Four potential sites for construction of Well No. 20 have been identified, however final site selection is contingent on ongoing site analysis. Well design and construction costs are estimated to be \$3,000,000. One-half of the Well No. 20 costs are considered to be capacity expansion and will be funded with development impact fee funds (connection charges). Proceeds not used in the construction of Well No. 20 may be used to complete interior relining of a 3.6 million gallon ("MG") reservoir and/or fund the City's scheduled transition from 3G automated meter reading meters to 4G advanced metering infrastructure meters. All three projects are included in the City's Fiscal Year 2021-22 capital improvement projects budget.

## ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of funds are as follows:

| <b>Sources of Funds:</b>            | <b><u>2022A Bonds</u></b> | <b><u>2022B Bonds</u></b> |
|-------------------------------------|---------------------------|---------------------------|
| Principal Amount of Bonds           |                           |                           |
| Net Original Issue Premium/Discount |                           |                           |
| <b>TOTAL SOURCES</b>                |                           |                           |
| <br><b>Uses of Funds:</b>           |                           |                           |
| Refunding of the Series 2008 Bonds  |                           |                           |
| Deposit to Escrow Fund              |                           |                           |
| Deposit to Project Fund             |                           |                           |
| Costs of Issuance <sup>(1)</sup>    |                           |                           |
| <b>TOTAL USES</b>                   |                           |                           |

(1) Reflects all costs of issuance, including the Underwriter's discount and the printing costs, fees of Bond Counsel, Disclosure Counsel, the Authority's Counsel, the costs and fees of the Municipal Advisor, Verification Agent, Trustee, premiums for the Insurance Policy, and other costs of issuing the Bonds.

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## SCHEDULE OF DEBT SERVICE PAYMENTS

The following table sets forth the payment of principal and interest on the Bonds for each twelve-month period ending on August 1 (assuming no early redemptions):

[illegible]

## THE BONDS

### Description of the Bonds

The Bonds are authorized pursuant to the Bond Law, the Indentures and the Resolution.

The Bonds shall be delivered in the form of fully registered Bonds, without coupons, in denominations of \$5,000 or any integral multiple thereof, and shall be dated the date of delivery to the initial purchaser thereof. The Bonds, when executed and delivered, will be registered in the name of Cede & Co., as registered owner and nominee of DTC. So long as DTC, or Cede & Co. as its nominee, is the registered owner of all Bonds, all payments with respect to the Bonds will be made directly to DTC, and disbursement of such payments to the DTC Participants (defined below) will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners (defined below) will be the responsibility of the DTC Participants, as more fully described hereinafter. See “—Book-Entry System” below.

Interest on the Bonds shall be payable on February 1 and August 1 in each year, beginning August 1, 2022 (each, an “Interest Payment Date”), and continuing to and including the date of maturity or prior redemption, whichever is earlier. Principal of the Bonds shall be payable on August 1 in each of the years and in the amounts set forth on the inside cover page of this Official Statement. Principal and premium, if any, of the Bonds shall be payable to the Owner upon presentation and surrender of such Bond at the corporate trust office of the Trustee in Costa Mesa, California. Interest on the Bonds shall be calculated on the basis of a 360-day year consisting of twelve 30-day months and shall be payable by check mailed by first class mail on each Interest Payment Date to the Owners as of the close of business on the 15th day of the month (whether or not such day is a Business Day) preceding an Interest Payment Date (the “Record Date”) at their addresses shown on the registration books maintained by the Trustee; provided however, that upon the written request from any Owner of any Bond in a denomination of, or Bonds aggregating, at least \$1,000,000 in principal amount, received on or prior to the 15th day of the month preceding an applicable Interest Payment Date, payment may be made by wire transfer on the Interest Payment Date with regard to which such payment is made.

The Bonds may be transferred or exchanged at the principal office of the Trustee, to the extent and upon the conditions set forth in each Indenture. The Trustee may require the payment of a reasonable service charge by the owner of any Bond requesting exchange, and the Trustee will require payment of a sum sufficient to cover any tax or other governmental charge required to be paid with respect thereto. The Trustee may refuse to transfer or exchange any 2022A Bonds during the period established for the selection of 2022A Bonds for redemption or the portion of any 2022A Bond selected for redemption.

If a Bond is mutilated, lost, stolen or destroyed, the Trustee, at the expense of the owner of such Bond, will authenticate, subject to the provisions of each Indenture, a new Bond of like tenor and amount. In the case of a lost, stolen or destroyed Bond, the Trustee may require that an indemnity be furnished and payment of an appropriate fee for each new Bond delivered in replacement of such Bond and may require payment of the expenses of the Authority and the Trustee incurred in connection therewith.

### Redemption of the 2022A Bonds

***Optional Redemption of the 2022A Bonds.*** The 2022A Bonds maturing on or before August 1, \_\_\_\_, shall not be subject to optional redemption prior to their respective stated maturities. The 2022A Bonds maturing on or after August 1, \_\_\_\_, are subject to redemption prior to their respective stated maturities, at the option of the Authority, from any source of available funds, as a whole or in part (by such maturities as may be specified by the Authority and by lot within a maturity, or, if the Authority fails

to designate such maturities, then in inverse order of maturity) on any date on or after August 1, \_\_\_\_, at a redemption price equal to the principal amount of 2022A Bonds called for redemption, without premium, together with accrued interest to the date fixed for redemption.

***Mandatory Sinking Fund Redemption of the 2022A Bonds.*** The 2022A Bonds maturing August 1, \_\_\_\_ shall be subject to mandatory sinking fund redemption in part, by lot, commencing on August 1, \_\_\_\_, from mandatory sinking fund payments set aside in the Sinking Fund Account, a subaccount of the Bond Fund, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date fixed for redemption, without premium, in the aggregate respective principal amounts and on the dates set forth below:

**2022A Bonds maturing August 1, \_\_\_\_\_**

| Redemption Date<br>(August 1) | Redemption<br>Amount |
|-------------------------------|----------------------|
|                               | \$                   |
| †                             |                      |
| † Maturity                    |                      |

The 2022A Bonds maturing August 1, \_\_\_\_ shall be subject to mandatory sinking fund redemption in part, by lot, commencing on August 1, \_\_\_\_, from mandatory sinking fund payments set aside in the Sinking Fund Account, a subaccount of the Bond Fund, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date fixed for redemption, without premium, in the aggregate respective principal amounts and on the dates set forth below:

**2022A Bonds maturing August 1, \_\_\_\_\_**

| Redemption Date<br>(August 1) | Redemption<br>Amount |
|-------------------------------|----------------------|
|                               | \$                   |
| †                             |                      |
| † Final Maturity              |                      |

***Special Mandatory Redemption.*** The 2022A Bonds are subject to redemption as a whole or in part, on any date, from and to the extent insurance proceeds received with respect to the Water Enterprise are not used to repair, rebuild or replace the Water Enterprise, or from and to the extent of eminent domain proceeds received with respect to the Water Enterprise are elected for such use by the Authority, at a redemption price equal to the principal amount thereof plus accrued interest thereon to the date fixed for redemption, without premium.

***Selection of 2022A Bonds for Redemption.*** Whenever provision is made for the redemption of less than all of the 2022A Bonds, the Trustee shall select the 2022A Bonds for redemption among maturities, in inverse order of maturity or at the direction of the Authority, on a pro rata basis and by lot within a maturity in any manner which the Trustee in its sole discretion shall deem appropriate and fair. For purposes of such selection, the Trustee shall treat each 2022A Bond as consisting of separate \$5,000 portions and each such portion shall be subject to redemption as if such portion were a separate 2022A Bond

***Notice of Redemption.*** The Trustee will (i) mail a notice of redemption to the respective Owners of all 2022A Bonds selected for redemption in whole or in part, and (ii) remit a notice of redemption to DTC and the Municipal Securities Rulemaking Board's (the "MSRB") Electronic Municipal Market Access system ("EMMA"), or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other services providing information with respect to called bonds as the Authority may specify. Such notice will state the date of such notice, the 2022A Bonds to be redeemed, the date of issue of such 2022A Bonds, the redemption date, the redemption price, the place of redemption (including the name and appropriate address of the Trustee), the CUSIP number of the maturity or maturities and, if less than all of the 2022A Bonds of any such maturity are to be redeemed, the numbers of the 2022A Bonds of such maturity to be redeemed and, in the case of 2022A Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed, and will give notice that further interest on such 2022A Bonds or the portions thereof to be redeemed will not accrue from and after the redemption date, and will require that such 2022A Bonds be then surrendered for redemption at the address of the Trustee so designated; provided, that neither the Authority nor the Trustee will have any responsibility for any defect in the CUSIP number that appears on any 2022A Bond or in any redemption notice with respect thereto, and any such redemption notice may contain a statement to the effect that CUSIP numbers have been assigned by an independent service for convenience of reference and that neither the Authority nor the Trustee will be liable for any inaccuracy in such numbers. If any 2022A Bond chosen for redemption will not be redeemable in whole, such notice will also state that such 2022A Bond is to be redeemed in part only and that upon presentation of such 2022A Bond for redemption there will be issued in lieu of the unredeemed portion of principal thereof a new 2022A Bond or 2022A Bonds of the same maturity date of authorized denominations equal in aggregate principal amount to such unredeemed portion. In the event of an optional redemption of 2022A Bonds, the Trustee will mail a notice of redemption only after receipt of a Written Request of the Authority; provided, that if the Authority will not have deposited or otherwise made available to the Trustee the money required for the payment of the redemption price of the 2022A Bonds to be redeemed at the time of such mailing, such notice of redemption will state that the redemption is expressly conditioned upon the timely deposit of sufficient funds for such purpose with the Trustee.

Subject to the provisions stated above, the Trustee shall take the following actions with respect to such Redemption Notice: (a) At least twenty (20) but not more than sixty (60) days prior to the redemption date the Trustee shall cause Redemption Notices to be given to the respective Owners of 2022A Bonds designated for redemption by first class mail, postage prepaid, at their addresses appearing on the Bond Register maintained by the Trustee and (b) at least twenty (20) but not more than sixty (60) days prior to the redemption date, such Redemption Notice shall be given to each of DTC and EMMA or, in accordance with then current guidelines of the Securities and Exchange Commission, such other services providing information with respect to called bonds as the Authority may specify. Neither failure to receive any Redemption Notice nor any defect in such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of such 2022A Bonds.

***Effect of Notice of Redemption.*** Notice of redemption having been duly given and moneys for payment of the redemption price of, together with interest accrued to the redemption date on, the 2022A Bonds (or portions thereof) so to be redeemed being held by the Trustee, on the redemption date

designated in such notice (i) the 2022A Bonds (or portions thereof) so to be redeemed shall become due and payable at the Redemption Price specified in such notice, plus interest accrued thereon to the redemption date, (ii) interest on such 2022A Bonds (or portions thereof) shall cease to accrue, (iii) such 2022A Bonds shall cease to be entitled to any benefit or security under the Indenture, and (iv) the Owners of such 2022A Bonds shall have no rights in respect thereof except to receive payment of said Redemption Price and accrued interest.

### **No Redemption of the 2022B Bonds**

The 2022B Bonds are not subject to redemption prior to maturity.

### **Book-Entry Only System**

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered certificates registered in the name of Cede & Co., (DTC's partnership nominee). One fully-registered Bond will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. See "APPENDIX F—THE BOOK-ENTRY SYSTEM" herein.

The Authority and the Trustee cannot and do not give any assurances that DTC, DTC Participants or others will distribute payments of principal, interest or premium, if any, with respect to the Bonds paid to DTC or its nominee as the registered owner, or will distribute any redemption notices or other notices, to the Beneficial Owners, or that they will do so on a timely basis or will serve and act in the manner described in this Official Statement. The Authority and the Trustee are not responsible or liable for the failure of DTC or any DTC Participant to make any payment or give any notice to a Beneficial Owner with respect to the Bonds or an error or delay relating thereto.

### **Acceleration**

If an Event of Default (as such is defined in the Indenture) shall occur, the Trustee or the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding may, upon the satisfaction of certain conditions set forth in the Indenture, declare the principal of all of the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately. Any suit requesting such accelerated payment of debt service and/or money damages would be subject to limitations on legal remedies against municipalities in California, including a limitation on enforcement of judgments against funds needed to serve the public welfare and interest. See "APPENDIX A—SUMMARY OF THE INDENTURE" hereto under the caption "Events of Default and Remedies of Bondowners; Acceleration of Maturities" for further information with respect to the acceleration of the Bonds and other remedies.

## **SECURITY FOR THE BONDS**

### **General**

THE OBLIGATION OF THE AUTHORITY TO MAKE PAYMENTS OF PRINCIPAL OF AND INTEREST ON THE BONDS IS A SPECIAL OBLIGATION OF THE AUTHORITY, PAYABLE SOLELY FROM AND SECURED BY NET REVENUES AND OTHER FUNDS PROVIDED FOR IN THE INDENTURE. NONE OF THE AUTHORITY, THE CITY, THE STATE OF CALIFORNIA, NOR ANY OF ITS POLITICAL SUBDIVISIONS SHALL BE DIRECTLY, INDIRECTLY, OR CONTINGENTLY OBLIGATED TO USE ANY OTHER MONEYS OR ASSETS TO PAY ALL OR ANY PORTION OF THE DEBT SERVICE DUE ON THE BONDS, TO LEVY OR TO PLEDGE ANY

FORM OF TAXATION WHATSOEVER THEREFOR OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT. THE BONDS ARE NOT SECURED BY A LIEN ON THE PHYSICAL ASSETS OF THE AUTHORITY OR THE CITY. THE BONDS ARE NOT A PLEDGE OF THE FAITH AND CREDIT OF THE AUTHORITY OR THE CITY, THE STATE OR ANY OF ITS POLITICAL SUBDIVISIONS NOR DO THEY CONSTITUTE INDEBTEDNESS IN CONTRAVENTION OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION. NO PERSON EXECUTING THE BONDS IS SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THEIR ISSUANCE.

### **Pledge of Net Revenues**

The Bonds are secured by a first pledge of the Net Revenues received by the Authority as a result of the operation of the Water Enterprise, as those terms are defined below and upon all money and securities on deposit in certain accounts under the Indenture. The obligation of the Authority to make debt service payments on the Bonds from Net Revenues is absolute and unconditional, and until such time as all debt service payments on the Bonds shall have been fully paid and the Bonds are no longer Outstanding (or provision for the payment thereof shall have been made), the Authority will not, under any circumstances, discontinue, abate or suspend any payment due under each Indenture when due, whether or not the Water Enterprise is operating or operable or has been completed, or whether or not the Water Enterprise is condemned, damaged, destroyed or seized or its use is suspended, interfered with, reduced or curtailed or terminated in whole or in part, and such payments shall not be subject to reduction whether by offset, counterclaim, defense, recoupment, abatement, suspension, deferment or otherwise and shall not be conditional upon the performance or nonperformance by any party of any agreement or covenant contained in the Indenture for any cause whatsoever.

All Net Revenues are pledged by the Authority to the payment of debt service on the Bonds and debt service on Parity Obligations as provided in each Indenture, and the Net Revenues shall not be used for any other purpose while any of the Bonds remain Outstanding; provided, however, that out of the Net Revenues, there may be apportioned such sums for such purposes as are expressly permitted by the Indenture, including payment of debt service on any Parity Obligations. This pledge shall constitute a first lien on the Net Revenues for the payment of the debt service on the Bonds and debt service on any Parity Obligations in accordance with each Indenture. **The Bonds are not secured by a direct lien on the Water Enterprise or any other property of the Authority or the City.**

In each Indenture, the Authority covenants that, so long as any Bonds are Outstanding, the Authority will not issue or incur any obligations payable from Revenues or Net Revenues superior to the payment of debt service on the Bonds or Parity Obligations. The Authority is authorized to issue additional Parity Obligations secured by Net Revenues with a lien on a parity basis with the lien of the Bonds, provided it complies with certain provisions in each Indenture. See “—Issuance of Parity Obligations” below. The Authority is also authorized to issue subordinate debt secured by Net Revenues.

“Net Revenues” are, for any Fiscal Year, an amount equal to all of the Revenues received with respect to such Fiscal Year, minus the amount required to pay all Operation and Maintenance Costs becoming payable with respect to such Fiscal Year.

“Revenues” means all revenues, income, rents, fees, charges, rates and other moneys and receipts derived or to be derived by the Authority from or attributable to the lease and operation of the Water Enterprise including, without limiting the generality of the foregoing, (i) all revenues attributable to the Water Enterprise or to the payment of the costs thereof received or to be received by the Authority under any contract for service from the Water Enterprise or any part thereof or any contractual arrangement, with respect to the use of the Water Enterprise or any portion thereof or the services or capacity thereof,

(ii) the proceeds of any standby water availability charges collected by the Authority or the City to the extent such proceeds are available to pay debt service on the Bonds, (iii) the proceeds of any insurance covering business interruption loss relating to the Water Enterprise, and (iv) realized investment income earned on any moneys or securities deposited in any accounts to secure or provide for the payment of debt service on obligations issued or incurred by the Authority and secured by Net Revenues, and realized investment earnings received on any invested moneys of the Water Enterprise, but excluding any proceeds of taxes restricted by law to be used by the Authority to pay bonds hereafter issued and any state and federal grants received by the Authority. Revenues shall also be increased by the amounts, if any, transferred during such Fiscal Year or other period from the Rate Stabilization Account to the Revenue Fund and shall be decreased by the amounts, if any, transferred during such Fiscal Year or other period from the Revenue Fund to the Rate Stabilization Account, pursuant to the Indenture. Revenues shall not include unrealized investment earnings or losses as a result of mark to market calculations.

“Operation and Maintenance Costs” means costs spent or incurred for maintenance and operation of the Water Enterprise calculated in accordance with generally accepted accounting principles, including (among other things) the cost of purchasing water, the reasonable expenses of management and repair and other expenses necessary to maintain and preserve the Water Enterprise in good repair and working order, and including administrative costs of the City that are charged directly or apportioned to the Water Enterprise, including but not limited to salaries and wages of employees, payments to any pension system, overhead, insurance, taxes (if any), fees of auditors, accountants, attorneys or engineers and insurance premiums, and including all other reasonable and necessary costs of the City and the Authority or charges (other than debt service payments) required to be paid by it to comply with the terms of the Bonds or of any resolution or indenture authorizing the issuance of Parity Obligations, or of such Parity Obligations, but excluding, in all cases, depreciation, replacement and obsolescence charges or reserves therefore and amortization of intangibles or other bookkeeping entries of a similar nature and all capital charges.

“Revenue Fund” means the Revenue Fund held by the Authority into which all Revenues, as received, are deposited.

### **Application of Revenues**

***Payments from Revenue Fund.*** The Authority has covenanted that all of the Revenues shall be deposited by the City, on behalf of the Authority, immediately upon receipt in the Revenue Fund, for the benefit of Bondholders and the holders of Parity Obligations, and shall be disbursed, allocated and applied solely to the uses and purposes set forth in the Indenture.

Revenues in the Revenue Fund shall be set aside and applied in the following order of priority. Additionally, amounts may, from time to time as the Authority deems necessary or appropriate, be transferred from the Rate Stabilization Account and deposited in the Revenue Fund, as provided in each Indenture.

(1) Operation and Maintenance Costs. The Authority shall first pay from the moneys in the Revenue Fund the budgeted Operation and Maintenance Costs as such Operation and Maintenance Costs become due and payable.

(2) Debt Service Payments. On or before the 15th day of each January and July, the City, on behalf of the Authority, shall withdraw from the Revenue Fund and (A) transfer to the Trustee, for deposit in a special fund designated as the “Bond Fund” that is established pursuant to the Indenture and that shall be held in trust, an amount which, together with the balance then on deposit in the Bond Fund, the Interest Account and the Principal Account (other than amounts required for payment of

principal of or interest on any Bonds which have matured or been called for redemption but which have not been presented for payment), that is equal to the aggregate amount of principal of and interest coming due and payable on the Bonds on the next succeeding Interest Payment Date and (B) transfer to the Trustee an amount equal to the aggregate amount of principal of and interest coming due and payable on any Parity Obligations on the next succeeding Interest Payment Date.

(3) Surplus/Rate Stabilization Account. As long as all of the foregoing payments, allocations and transfers are made at the times and in the manner set forth above in subsection (2), inclusive, and the payment of any amounts owed to the insurer, if any, shall have been paid, any moneys remaining in the Revenue Fund may at any time be treated as surplus and applied for any lawful purpose. The Authority may maintain and hold a separate account to be known as the Rate Stabilization Account. From time to time the Authority may deposit in the Rate Stabilization Account, from remaining Net Revenues described in this subsection (3) or other available funds of the Authority, such amounts as the Authority shall determine. Transfers to the Rate Stabilization Account count against Net Revenues for that Fiscal Year. The Authority may withdraw amounts from the Rate Stabilization Account (i) for transfer to the Revenue Fund for inclusion in Revenues for any Fiscal Year, or (ii) for any other lawful use of the Authority. All interest or other earnings upon deposits in the Rate Stabilization Account shall be accounted for as Revenues.

***Payment of Debt Service Payments.*** On or before the Business Day preceding each Interest Payment Date, the Trustee shall transfer from the Bond Fund and deposit into the following respective accounts (each of which the Trustee shall establish and maintain within the Bond Fund), the following amounts, in the following order of priority, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of Net Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

*First:* to the Interest Account, the aggregate amount of interest becoming due and payable on the next succeeding Interest Payment Date on all Bonds then Outstanding; and

*Second:* to the Principal Account, the aggregate amount of principal becoming due and payable on the Outstanding Bonds on the next succeeding Interest Payment Date, if any.

## **Rate Covenant**

***General.*** The Authority has covenanted in the Indenture that it shall fix, prescribe, revise and collect rates, fees and charges for the Water Enterprise as a whole for the services and improvements furnished by the Water Enterprise during each Fiscal Year which are at least sufficient, after making allowances for contingencies and error in the estimates, to yield Revenues that are sufficient to pay the following amounts in the following order of priority:

(i) all anticipated Operation and Maintenance Costs of the Water Enterprise for such Fiscal Year;

(ii) debt service payments on the Bonds and on any Parity Obligations as they become due and payable during such Fiscal Year, without preference or priority, except to the extent such debt service payments are payable from the proceeds of the Bonds or Parity Obligations or from any other source of legally available funds of the Authority that have been deposited with the Trustee for purposes prior to the commencement of such Fiscal Year; and

(iii) all other payments required to meet any other obligations of the Authority which are charges, liens, encumbrances upon the Revenues or Net Revenues during such Fiscal Year.

To the fullest extent permitted by law, the Authority will fix, prescribe, revise and collect, or cause to be fixed, prescribed, revised and collected, rates, fees and charges for the services and improvements furnished by the Water Enterprise which are reasonably expected to be at least sufficient to yield during each Fiscal Year Net Revenues equal to 120% of Debt Service payments on the Bonds and Parity Obligations for such Fiscal Year. The Authority may make adjustments from time to time in such rates and charges and may make such classifications thereof as it deems necessary, but shall not reduce the rates and charges then in effect unless the Net Revenues from such reduced rates and charges are reasonably expected to be sufficient to meet the requirements described here. For purposes of this calculation, Net Revenues shall be calculated without regard to allocation of the City's administrative overhead costs to the Water Enterprise.

So long as the Authority has complied with its obligations described above, the failure of Net Revenues to meet the 120% of Debt Service threshold at the end of a Fiscal Year shall not constitute a default or an Event of Default so long as the Authority did meet the 120% of Debt Service threshold at the commencement of the succeeding Fiscal Year.

### **Rate Stabilization Account**

The Authority has established a Rate Stabilization Account. From time to time the Authority may deposit in the Rate Stabilization Account, from remaining Net Revenues or other available funds of the Authority, such amounts as the Authority shall determine. The Authority may withdraw amounts from the Rate Stabilization Account (i) for transfer to the Revenue Fund for inclusion in Revenues for any Fiscal Year, or (ii) for any other lawful use of the Authority. All interest or other earnings upon deposits in the Rate Stabilization Account shall be accounted for as Revenues.

### **Issuance of Parity Obligations**

Except for bonds issued to fully or partially refund the Bonds or Parity Obligations, the Authority will not issue or incur any Parity Obligations unless:

(i) No Event of Default shall have occurred and be continuing under the Indenture unless such default shall be cured simultaneously with the issuance of such Parity Obligations;

(ii) The Authority obtains or provides a certificate prepared by an Independent Accountant or Independent Financial Consultant showing that the Net Revenues as shown by the books of the Authority or City for any 12 consecutive calendar months during the 18 calendar month period ending prior to the incurring of such Parity Obligations, or the most recent audited financial statement available, shall have amounted to at least 120% of the Maximum Aggregate Annual Debt Service for all Bonds and Parity Obligations to be outstanding immediately after incurring such additional Parity Obligations. For purposes of this calculation, Net Revenues shall be calculated without regard to allocation of the City's administrative overhead costs to the Water Enterprise.

For purposes of preparing the certificate described in subsection (ii) of this section, the Independent Accountant or Independent Financial Consultant may rely upon financial statements prepared by the Authority or City, which have not been subject to audit by an independent certified public accountant if audited financial statements for the Fiscal Year or period are not available. For purposes of

demonstrating compliance with the foregoing, Net Revenues may be adjusted (at the option of the Authority) to include the Additional Revenues.

“Additional Revenues” shall mean an allowance for Net Revenues (i) arising from any increase in the charges made for service from the Water Enterprise adopted prior to the incurring of such Bonds or Parity Obligations and effective within eighteen (18) months following the date of incurring such Bonds or Parity Obligations, in an amount equal to the total amount by which the Net Revenues would have been increased if such increase in charges had been in effect during the whole of the most recent completed Fiscal Year or during any more recent twelve (12) month period selected by the Authority, and (ii) arising from any increase in service connections to the Water Enterprise prior to the incurring of such Bonds or Parity Obligations, in an amount equal to the total amount by which the Net Revenues would have been increased if such connections had been in existence during the whole of the most recent completed Fiscal Year or during any more recent twelve (12) month period selected by the Authority, all as shown by the certificate or opinion of an Independent Financial Consultant.

## **BOND INSURANCE**

### **Bond Insurance Policy**

[To come.]

## **THE WATER ENTERPRISE**

### **Water Supply**

The City is located on the banks of what was formerly the Whitewater River but is now part of the All-American Canal system. The City is situated over alluvial fan deposits from the Santa Rosa mountains to the south and is underlain by a vast groundwater basin known as the Whitewater River sub-basin. The Lower Whitewater River sub-basin is naturally replenished through mountain rainfall, and is the source of the City’s water. The City shares this water source with the Coachella Valley Water District, which services an area contiguous to the Water Enterprise service area. The Authority is entitled to draw water from the basin with no restrictions as to quantity pursuant to the Authority’s participation under the replenishment program for the Lower Whitewater River Sub-Basin Area of Benefit. Under the program, the Authority is required to pay to the Coachella Valley Water District, a replenishment assessment charge for each acre-foot of water produced for the Area of Benefit and extracted by the Authority. The groundwater quality is excellent and requires minimal treatment prior to entering the Water Enterprise distribution system. Since 1991, in compliance with federal and state regulations, the Authority has chlorinated its groundwater prior to distribution. The Authority is in compliance with all relevant State and federal regulations, including the Safe Drinking Water Act.

Additional demographic and economic information relating to the City is set forth in “APPENDIX B– GENERAL INFORMATION ABOUT THE CITY OF COACHELLA.”

### **Water Enterprise Management, Operation & Service Area**

The City has provided continuous domestic water service to its residents for 46 years. Prior to that time, the water system was privately owned and operated. The City acquired the Water Enterprise in 1954 and created the Water Department and Enterprise Fund in 1957. The Authority leased the Water Enterprise from the City pursuant to the Lease Agreement and concurrently entered into the Management Agreement with the City to operate the Water Enterprise on behalf of the Authority. The operation of the

Water Enterprise is administered and managed by the Utilities Manager under the direct supervision of the City Manager. The Water Enterprise has twelve employees. The employees of the Water Enterprise are represented by the Laborers' International Union of North America Local No. 1184 and are currently working under a labor agreement that will expire on June 30, 2023. The Water Enterprise's permanent employees are covered by the California Public Employees Retirement System ("PERS") through the City. The Water Enterprise separately reports the PERS contributions attributable to its employees in its annual audited financial statements. The Water Enterprise, through the City, offers post-employment benefits ("OPEB") to eligible employees. As of June 30 2021, an amount of \$1,141,250 of the City's total Net OPEB Obligation was allocated to the employees of the Water Enterprise. Additional information regarding the City's employee retirement plans, annual pension costs, the funding status thereof and significant accounting policies related thereto is set forth in the notes to the City's comprehensive annual financial report, which may be obtained from the City or at [www.coachella.org](http://www.coachella.org). However, the information contained on such website is not incorporated herein by any reference.

Biographical information on the individuals responsible for managing and operating the Water Enterprise is provided in the following paragraphs.

***Gabriel Martin, City Manager.***

Dr. Martin is the City's City Manager and was appointed to that position in June 2021. He administers operations and coordinates the development and implementation of goals, objectives, programs and projects for the City, Water Authority and Sanitary District. Prior to his appointment, he served as the City's Economic Development Director from August 2020 to June 2021 and as its Economic Development Manager from August 2017 to August 2020. Dr. Martin has a Doctorate in Public Administration from the University of La Verne; a Master Degree in Public Administration from the California State University, San Bernardino and a Bachelor Degree in Economics/Business Administration from the University of California, Riverside.

***Nathan Statham, Finance Director.***

Nathan Statham is the City's Finance Director. Mr. Statham was appointed Finance Director in March of 2020 and oversees the City's finance, accounting, accounts payable, billing, payroll processing, budgeting, bond issuance and financial reporting functions. Prior to joining the City, Mr. Statham filled an equivalent roll for the City of La Verne from January 2018 through March 2020. From January 2012 through December 2017 Mr. Statham was a municipal auditor with the audit firm Rogers, Anderson, Malody and Scott, LLP. Mr. Statham has a Bachelor Degree and Master of Business Administration from California State University, San Bernardino and is a licensed Certified Public Accountant in the State of California.

***Cástulo R. Estrada, Utilities Manager.***

Cástulo Estrada is the City's Utilities Manager. Mr. Estrada was appointed Utilities Manager in March of 2018 and oversees the City's water and wastewater operations, develops and administers an annual operating and capital budget for the utilities, insures compliance with all state and federal environmental and regulatory requirements, supervises all utility personnel. Prior to being appointed Utilities Manager, Mr. Estrada filled other roles in for the City in Utilities Engineering starting in 2012. Mr. Estrada currently sits on the board of directors for the Coachella Valley Water District and Salton Sea Authority. Mr. Estrada has a Bachelor Degree in Civil Engineering from California State Polytechnic University, Pomona.

The average daily water demand for the Water Enterprise was approximately [8,107] hundred cubic feet for the 2020 calendar year. The Water Enterprise currently consists of [six] active wells, [two] booster pumping stations, three reservoirs with a total capacity of [10.1] million gallons, a distribution system of approximately 634,000 linear feet of pipeline ranging in sizes from 4 inches to 18 inches and approximately 9,080 water service accounts, 8,402 of which are for residential customers and 678 of which are for commercial and industrial customers.

The service area of the Water Enterprise is coterminous with the City limits, together with the City's sphere of influence. The City encompasses an area of approximately 13,172 acres, with approximately [6,872] acres of undeveloped land, [3,798] acres of agricultural land, and [820] acres of land dedicated to residential uses. As the City becomes more developed, the demand for water services is expected to increase proportionately, thus allowing growth of the Water Enterprise without requiring an increase in the size of the service area.

### **Water Storage & Distribution System**

The Water Enterprise's reservoirs are comprised of three tanks: a 3.6 MG tank located along Mecca Street just south of Avenue 51, a 1.5 MG tank located on Avenue 46 to the east of Coachella and a 5.4 MG tank located at Avenue 48 and Tyler Street. The 3.6 MG tank serves the low-pressure zone, the 1.5 MG tank serves the high pressure zone and the 5.0 MG tank serves both the low and high-pressure zones. The boundary between the two pressure zones coincides with Avenue 48. A booster pump station located at Well No. 12 serves the 3.6 MG tank. Additional booster pumps are located at the 5.0 MG reservoir. These booster pumps are necessary to maintain adequate pressure in the lower and higher pressure zones.

The 3.6 MG reservoir was constructed in 1987, and has a diameter of 154 feet and a height of 26 feet; this reservoir is supplied by Well Nos. 11, 12, 16, 17 and 19. The 1.5 MG Reservoir was constructed in 1971, and is 32 feet high and has a diameter of 90 feet. Water is pumped into this tank from Well No. 18 and the associated booster pump station. The 5.0 MG reservoir was constructed in 2007 and has a diameter of 175 feet and a height of 32 feet. This reservoir is supplied by Well No. 18.

The existing water distribution system is divided into two pressure zones. The high pressure zone is north of Avenue 48, and the low pressure zone lies south of Avenue 48, east of Van Buren, west of the Coachella Storm Drain channel, and north of Avenue 54. The majority of the Water Enterprise pipeline infrastructure is located within the low pressure zone. In 2000, all domestic water service meters were replaced with meters that can be read remotely from the street.

### **Water Wells and Booster Pumps**

There are currently six wells in operation in the Water Enterprise.

Well No. 11 is on Avenue 48 along the railway line. This well was drilled in 1977. It consists of a 150 HP pump that has a pumping rate of 1,139 gpm.

Well No. 12 is located just south of Avenue 51 on Mecca Street within the same enclosure as the 3.6 MG reservoir and booster pump. This well was also drilled in 1988. It consists of a 100 HP pump with a pumping rate of 2,000 gpm.

Well No. 16 is on Avenue 54, east of Tyler Street at the east end of Tyler Lane. This well was drilled in 1991. It consists of a 250 HP pump that has a pumping rate of 1,301 gpm.

Well No. 17 is on Van Buren Street, south of Avenue 48 . This well was drilled in 2005. It consists of a 200 HP pump that has a pumping rate of 2,100 gpm.

Well No. 18 is on Avenue 48 and Tyler Street within the same enclosure as the 5.0 MG reservoir and booster pump. This well was drilled in 2005. It consists of a 100 HP pump that has a pumping rate of 1,400 gpm.

Well No. 19 is on Jackson Street, south of Avenue 48. This well was drilled in 2005. It consists of a 200 HP pump that has a pumping rate of 2,100 gpm.

## **Insurance**

The insurable property and facilities of the Water Enterprise are covered under the City's general insurance policies. The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and emissions; and natural disasters. The City is a member of the Public Entity Risk Management Authority ("PERMA"), a joint powers authority formed under Section 990 of the California Government Code for the purpose of jointly funding programs of insurance coverage for its members. PERMA is currently comprised of thirty participating member agencies.

The City participates in the liability, worker's compensation, employment practices and property insurance programs of PERMA.

The City is self-insured for the first \$125,000, \$250,000 and \$25,000 of each occurrence or accident in the liability, workers' compensation and employment practices programs respectively. For property insurance, the City is self-insured for the first \$10,000 per occurrence and \$100,000 for flood. Excess costs above the self-insured amounts are shared between participating members based on their respective deposit premium contributions and in accordance with PERMA policies.

## **Drought Management**

By June of each year the Authority prepares, and presents to the Authority Board for its approval, a water supply and demand assessment as part of its water shortage contingency plan (the "Water Shortage Contingency Plan"). The Water Shortage Contingency Plan outlines the Authority's water shortage response actions to potential water shortage scenarios. The Water Shortage Contingency Plan describes potential water use restrictions and their enforcement, water use monitoring and reporting, operational changes, and customer communication protocols. The most recent Water Shortage Contingency Plan was adopted by the Authority Board on June 23, 2021. See the caption "RISK FACTORS —Drought" for further discussion on drought risks.

## **Water Users**

The following are the top ten water users and their usage (in hundreds of cubic feet) and total billings for Fiscal Year 2020-21.

**TABLE 1**  
**COACHELLA WATER AUTHORITY**  
**WATER ENTERPRISE**  
**Leading Users of the Water Enterprise**  
**(Fiscal Year 2020-21)**

| <u>Customer</u>                     | <u>Annual<br/>Consumption<br/>(in HCF)</u> | <u>Percent of total<br/>Metered<br/>Consumption</u> | <u>Billings</u>  | <u>Percentage of<br/>Total<br/>Billings<sup>(1)</sup></u> |
|-------------------------------------|--|---|------------------|---|
| Spotlight 29 Casino                 | 57,242                                     | 1.83%   | \$105,931.68     | 1.7%  |
| City of Coachella                   | 49,437                                     | 1.58  | 86,060.73        | 1.40  |
| CVUSD Coachella Valley High         | 31,371                                     | 1.00  | 52,575.03        | 0.80  |
| Ocean Mist Farms                    | 17,052                                     | 0.55  | 31,539.96        | 0.50  |
| Sanitary District City of Coachella | 17,072                                     | 0.55  | 28,575.24        | 0.40  |
| Coachella Youth Sports Association  | 14,786                                     | 0.47  | 26,641.74        | 0.40  |
| Desert Palms Apartments             | 13,487                                     | 0.43  | 24,001.59        | 0.40  |
| Coral Mountain Academy              | 13,659                                     | 0.44  | 22,943.79        | 0.40  |
| Love's Travel Stops                 | 13,352                                     | 0.43  | 22,255.08        | 0.30  |
| Armtec Defense Prod. 1              | <u>11,933</u>                              | <u>0.38</u>   | <u>21,934.29</u> | <u>0.30</u>   |
| Total                               | 239,391                                    | 7.66%   | \$422,459.13     | 6.63%   |

Source: Authority.

<sup>(1)</sup> Rounded percentages.

## Water Rates

Water Rates are set by the City Council and are not subject to review by any state or local government agency. The most recent revision to the City's water rate structure was approved by the City Council on March 24, 2010, with the initial new rates effective with the May 1, 2010 billing cycle. The following summarizes the City's current water rates.

**TABLE 2**  
**COACHELLA WATER AUTHORITY**  
**WATER ENTERPRISE**  
**Current Rates and Charges**

### RATES FOR MONTHLY METER CHARGE (\$/METER SIZE)

| <u>Meter Size</u>    | <u>Service Charge</u> |
|----------------------|-----------------------|
| 5/8 inch or 3/4 inch | \$ 13.80              |
| 1 inch               | 19.32                 |
| 1 1/2 inches         | 24.84                 |
| 2 inches             | 40.02                 |
| 3 inches             | 151.82                |
| 4 inches             | 193.22                |
| 6 inches             | 289.83                |
| 8 inches             | 400.24                |

**RATES FOR CONSUMPTION****Tiers****Commodity Charge**

Block 1 Rates (per hcf) 0 to 41 hcf

\$ 1.50 per hcf

Block 2 Rates (per hcf) over 41 hcf

1.65 per hcf

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Source: Authority.

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**HISTORICAL RATES FOR MONTHLY METER CHARGE (\$/METER SIZE)  
Fiscal Years 2016 through 2020**

| <b><u>Meter Size</u></b> | <b><u>2016</u></b> | <b><u>2017</u></b> | <b><u>2018</u></b> | <b><u>2019</u></b> | <b><u>2020</u></b> |
|--------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| 5/8 inch or 3/4 inch     | \$13.80            | \$13.80            | \$13.80            | \$13.80            | \$13.80            |
| 1 inch                   | 19.32              | 19.32              | 19.32              | 19.32              | 19.32              |
| 1 1/2 inches             | 24.84              | 24.84              | 24.84              | 24.84              | 24.84              |
| 2 inches                 | 40.02              | 40.02              | 40.02              | 40.02              | 40.02              |
| 3 inches                 | 151.82             | 151.82             | 151.82             | 151.82             | 151.82             |
| 4 inches                 | 193.22             | 189.83             | 193.22             | 193.22             | 193.22             |
| 6 inches                 | 289.83             | 289.83             | 289.83             | 189.83             | 289.83             |
| 8 inches                 | 400.24             | 400.24             | 400.24             | 400.24             | 400.24             |

Source: Authority.

**HISTORICAL RATES FOR CONSUMPTION  
Fiscal Years 2016 through 2020**

|                                     | <b><u>Commodity Charge</u></b> |                    |                    |                    |                    |
|-------------------------------------|--------------------------------|--------------------|--------------------|--------------------|--------------------|
| <b><u>Tiers</u></b>                 | <b><u>2016</u></b>             | <b><u>2017</u></b> | <b><u>2018</u></b> | <b><u>2019</u></b> | <b><u>2020</u></b> |
| Block 1 Rates (per hcf) 0 to 41 hcf | \$1.50 per hcf                 | \$1.50 per hcf     | \$1.50 per hcf     | \$1.50 per hcf     | \$1.50 per hcf     |
| Block 2 Rates (per hcf) over 41 hcf | 1.65 per hcf                   | 1.65 per hcf       | 1.65 per hcf       | 1.65 per hcf       | 1.65 per hcf       |

Source: Authority.

**Demand and Sales**

Listed below is the number of water accounts operated by the City and total water production during the past five fiscal years.

**TABLE 3  
COACHELLA WATER AUTHORITY  
WATER ENTERPRISE  
Water Enterprise Production and Number of Accounts  
(Fiscal Years 2017-18 to 2020-21)**

| <b><u>Fiscal Year<br/>Ended June 30</u></b> | <b><u>Number of<br/>Accounts</u></b> | <b><u>Total<br/>Production<br/>(HCF)<sup>(1)</sup></u></b> |
|---|--------------------------------------|--|
| 2016  | 8,773                                | 2,474,082  |
| 2017  | 8,694                                | 2,697,545  |
| 2018  | 8,770                                | 2,910,415  |
| 2019  | 8,741                                | 2,821,867  |
| 2020  | 8,892                                | 2,776,405  |
| 2021  | 9,080                                | 3,127,058  |

Source: Authority.

Increased demand for water services has historically been the result of real estate development within the City, development activity in the surrounding area and, to a minor extent, increased discharges of water by new and existing industrial and commercial businesses in the City. In Fiscal Year 2020-21, the number of accounts increased by 158. This increase is primarily attributable to residential and commercial development during Fiscal Year 2020-21.

As of June 30, 2020, the Water Enterprise had 9,080 active/open water accounts, 8,402 of which represent residential users (individual and multifamily) and 678 of which represent commercial users. Revenues from residential users, including multifamily units, accounted for approximately 73% of the revenues received by the Authority during the Fiscal Year 2020-21. Set forth below is a further composite of water account users as of the end of Fiscal Year 2020-21.

**TABLE 4**  
**COACHELLA WATER AUTHORITY**  
**WATER ENTERPRISE**  
**Water Account User Composition**  
**As of June 30, 2020**

| <u>Water Accounts</u> | <u>User Composition</u>              | <u>Percent of Total<br/>Accounts<sup>(1)</sup></u> | <u>Percent of Total<br/>Consumption<sup>(1)</sup></u> | <u>Percent of Total<br/>Revenue</u> |
|-----------------------|--------------------------------------|--|---|-------------------------------------|
| 7,921                 | Individual Residential Properties    | 87.24%   | 71.44%  | 62%                                 |
| 481                   | Apartment or other Multifamily Units | 5.30   | 12.12   | 10                                  |
| 678                   | Other <sup>(2)</sup>                 | 7.47   | 16.44   | 28                                  |

Source: Authority.

<sup>(1)</sup> Rounded percentages.

<sup>(2)</sup> Includes commercial, industrial, fire hydrants and landscaped-only properties.

### Billing and Collection Procedures

The Authority has implemented a schedule of utility billings, delinquent notices and turn-off procedures which apply to the Water Enterprise. Billings are mailed or emailed in two cycles. For cycle 1 customers, bills are mailed by the last day of the preceding month and are due on the twenty-fifth of the month. For cycle 2 customers, bills are mailed by the 15<sup>th</sup> of the preceding month and are due on the tenth of the month. If an account is delinquent, subsequent utility bills contain a delinquency notice. Shutoff notices are mailed after an account has been delinquent for over sixty days. Shutoff notices provide information for payment plans and circumstances under which services will not be shutoff. Certain medical and financial circumstances will preclude the shutoff of a customer's account if the customer can prove a threat to health and safety or financial inability to pay. Fifteen days after the shutoff notice has been mailed, the City can schedule a service disconnect. Fifteen days after the shutoff notice has been mailed, the City can schedule a service disconnect.

The average delinquency rate during Fiscal Year 2020-21 was approximately [ ]%. Delinquencies over 90 days represented approximately 30% of the accounts receivable balance as of [June 30, 2021]. Additionally, approximately \$200,000 of the delinquent balance are COVID-19 (as defined herein) related arrearages. The City, on behalf of the Authority, has applied for, and expects to be awarded, funding through the California State Water Board California Water and Wastewater Arrearage Payment Program to cover these COVID-19-related delinquent amounts. Excluding COVID-19 related

delinquencies, approximately \$139,000 of the delinquent balance is in collections. The City expects to collect 90% of the delinquent accounts. The Authority does not anticipate potential collections losses on the delinquent accounts to have any material impact on its finances.

### **Historical Operating Results**

The tables below summarize the operating revenues, operating expenses and changes in net position of the Water Authority, the historical cash flows and debt service coverages of the Water Enterprise and the net assets of the Water Enterprise each derived from the Authority's audited financial statements for the Fiscal Years 2016-17 through 2019-20 [and the unaudited financial statements for Fiscal Year 2020-21]. The Authority's audited financial statements for the Fiscal Year ended June 30, 2020, are included as Appendix B to this Official Statement. The following tables should be read in conjunction with the information and related footnotes contained in Appendix B.

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**TABLE 5**  
**COACHELLA WATER AUTHORITY**  
**Historical Financial Results**  
**(Fiscal Years Ending June 30)**

|   | 2017                | 2018                | 2019                | 2020                | 2021 <sup>(1)</sup> |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>OPERATING REVENUE</b>                      |                     |                     |                     |                     |                     |
| Charges for services                          | \$ 5,810,063        | \$ 6,170,863        | \$6,221,940         | \$5,991,611         | \$6,370,999         |
| Other revenue                                 | 759,370             | 990,251             | 598,860             | 534,781             | 528,909             |
| <b>Total operating revenues</b>               | <b>\$ 6,569,433</b> | <b>\$ 7,161,114</b> | <b>\$6,820,800</b>  | <b>\$6,526,392</b>  | <b>\$6,899,908</b>  |
| <b>OPERATING EXPENSES:</b>                    |                     |                     |                     |                     |                     |
| Salaries and benefits                         | \$1,017,658         | \$2,161,526         | \$1,822,409         | \$2,190,055         | \$2,370,782         |
| Administrative and general                    | 943,915             | 301,712             | 303,426             | 293,420             | 705,362             |
| Professional services                         | 653,371             | 458,456             | 810,812             | 1,327,643           | 323,446             |
| Materials and supplies                        | 443,288             | 582,964             | 193,977             | 539,657             | 403,799             |
| Repairs and maintenance                       | 57,900              | 118,158             | 61,404              | 109,706             | 228,832             |
| Utilities                                     | 1,097,220           | 897,224             | 890,703             | 911,288             | 955,177             |
| Depreciation and amortization                 | 1,427,613           | 1,317,192           | 1,300,348           | 1,278,343           | 1,095,093           |
| <b>Total Operating Expenses</b>               | <b>\$ 5,640,965</b> | <b>\$ 5,837,232</b> | <b>\$5,383,079</b>  | <b>\$6,650,112</b>  | <b>\$6,082,491</b>  |
| Operating Income                              | \$928,468           | \$1,323,882         | \$1,437,721         | (\$123,720)         | \$817,417           |
| <b>NONOPERATING REVENUES (EXPENSES):</b>      |                     |                     |                     |                     |                     |
| Connection charges                            | \$407,149           | \$938,957           | \$222,211           | \$443,534           | \$780,444           |
| Intergovernmental revenue                     | -                   | -                   | 154,667             | 65,224              | 57,742              |
| Investment income (loss)                      | (\$15,319)          | (\$5,426)           | 374,094             | 465,751             | (20,864)            |
| Interest expense and fiscal changes           | (515,953)           | (495,430)           | (483,642)           | (471,527)           | (546,108)           |
| <b>Total Nonoperating Revenues (Expenses)</b> | <b>(\$124,123)</b>  | <b>\$ 438,101</b>   | <b>\$267,330</b>    | <b>\$502,912</b>    | <b>\$271,214</b>    |
| Income (Loss) Before Operating Transfers      | \$804,345           | \$1,761,983         | \$1,705,051         | \$379,262           | \$1,088,631         |
| <b>TRANSFERS</b>                              |                     |                     |                     |                     |                     |
| Transfers in                                  | -                   | 30,969              | \$140,060           | -                   | -                   |
| Transfers out                                 | (\$647,388)         | (\$730,827)         | (\$618,502)         | (\$794,162)         | (\$759,279)         |
| <b>Total Transfers</b>                        | <b>(\$647,388)</b>  | <b>(\$699,858)</b>  | <b>(\$478,442)</b>  | <b>(\$794,162)</b>  | <b>(\$759,279)</b>  |
| Change in Net Position                        | \$156,957           | \$1,062,125         | \$1,226,609         | (\$414,900)         | \$329,352           |
| Total Net Position, Beginning of Year         | \$24,024,849        | \$24,684,111        | \$25,746,236        | \$27,409,036        | \$26,994,136        |
| <b>Total Net Position, End of Year</b>        | <b>\$24,181,806</b> | <b>\$25,746,236</b> | <b>\$26,972,845</b> | <b>\$26,994,136</b> | <b>\$27,323,488</b> |

Source: Authority

<sup>(1)</sup> Data is unaudited.

**TABLE 6**  
**COACHELLA WATER AUTHORITY**  
**Statement of Net Position**  
**(Fiscal Years Ending June 30)**

|  | 2017               | 2018               | 2019               | 2020               | 2021 <sup>(1)</sup> |
|--|--------------------|--------------------|--------------------|--------------------|---------------------|
| <b>ASSETS</b>  |                    |                    |                    |                    |                     |
| <u>Current Assets</u>                                    |                    |                    |                    |                    |                     |
| Cash and Investments                                     | \$347,021          | \$415,376          | \$548,790          | \$646,191          | \$675,497           |
| Restricted Cash  | 597,094            | 655,482            | 677,649            | 741,843            | 819,452             |
| Prepaid items  | 103,407            | 97,281             | 92,367             | 85,607             | 77,826              |
| Accounts receivable, net                                 | 700,487            | 1,046,976          | 1,348,135          | 1,579,888          | 1,149,203           |
| <b>Total Current Assets</b>                              | <b>\$1,748,009</b> | <b>\$2,215,115</b> | <b>\$2,666,941</b> | <b>\$3,053,529</b> | <b>\$2,722,978</b>  |
| <u>Noncurrent Assets</u>                                 |                    |                    |                    |                    |                     |
| Capital Assets not being depreciated                     | \$136,416          | \$152,227          | \$156,516          | \$89,139           | \$92,741            |
| Capital Assets being depreciated                         | 608,582            | 609,457            | 609,457            | 607,605            | 606,342             |
| Less: accumulated depreciation                           | (304,689)          | (317,318)          | (330,458)          | (330,007)          | (349,581)           |
| Investment with fiscal agent                             | -                  | -34                | 70                 | 46                 | 166,806             |
| <b>Total Noncurrent Assets</b>                           | <b>\$440,319</b>   | <b>\$434,332</b>   | <b>\$436,185</b>   | <b>\$466,783</b>   | <b>\$516,310</b>    |
| <b>Total Assets</b>                                      | <b>\$2,188,328</b> | <b>\$2,649,447</b> | <b>\$3,103,126</b> | <b>\$3,520,312</b> | <b>\$3,239,288</b>  |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                    |                    |                    |                    |                    |                     |
| Deferred changes from debt refunding:                    | \$167,360          | \$156,900          | \$146,440          | \$135,980          | \$125,520           |
| Deferred amount related to pension                       | 505,630            | 775,814            | 674,356            | 610,992            | 294,709             |
| Deferred amount related to other postemployment benefits | -                  | -                  | 37,143             | 204,339            | 184,845             |
| <b>Total Deferred Outflows of Resources</b>              | <b>\$672,990</b>   | <b>\$932,714</b>   | <b>\$857,939</b>   | <b>\$951,311</b>   | <b>\$505,074</b>    |
| <b>LIABILITIES</b>                                       |                    |                    |                    |                    |                     |
| <u>Current Liabilities:</u>                              |                    |                    |                    |                    |                     |
| Accounts payable and accrued liabilities                 | \$643,202          | \$357,215          | \$320,748          | \$566,196          | \$279,672           |
| Deposits payable   | 379,453            | 387,504            | 365,308            | 346,309            | 353,763             |
| Accrued wages payable                                    | 25,079             | 36,360             | 31,138             | 47,109             | 59,383              |
| Interest payable   | 237,823            | 232,757            | 227,584            | 222,260            | 245,599             |
| Compensated absences, due within one year                | 85,597             | 183,452            | 57,868             | 106,154            | 103,125             |
| Bonds payable, due within one year                       | 497,801            | 505,767            | 518,863            | 532,095            | 721,498             |
| <b>Total Current Liabilities</b>                         | <b>\$1,889,655</b> | <b>\$1,702,055</b> | <b>\$1,722,509</b> | <b>\$1,822,123</b> | <b>\$1,763,040</b>  |
| <u>Noncurrent Liabilities:</u>                           |                    |                    |                    |                    |                     |
| Compensated absences, due in more than one year          | \$80,269           | -                  | \$55,753           | \$33,960           | \$73,292            |
| Net other postemployment benefits liability              | 398,862            | \$744,544          | 780,961            | 1,067,287          | 1,141,250           |
| Net pension liability                                    | 2,789,045          | 2,315,420          | 2,182,131          | 2,321,945          | 2,461,383           |
| Bonds Payable, due in more than one year                 | 1,340,264          | 1,286,149          | 1,230,456          | 1,174,022          | 1,337,912           |
| <b>Total Noncurrent Liabilities</b>                      | <b>\$4,608,440</b> | <b>\$4,346,113</b> | <b>\$4,249,301</b> | <b>\$4,596,414</b> | <b>\$5,013,837</b>  |
| <b>Total Liabilities</b>                                 | <b>\$6,498,095</b> | <b>\$6,048,168</b> | <b>\$5,971,810</b> | <b>\$6,418,537</b> | <b>\$6,776,877</b>  |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                     |                    |                    |                    |                    |                     |
| Deferred amount related to pension                       | -                  | \$117,179          | \$174,025          | \$159,814          | \$99,984            |
| Deferred amount related to other postemployment benefits | -                  | 29,283             | 23,755             | 44,896             | 38,160              |
| <b>Total Deferred Inflows of Resources</b>               | <b>-</b>           | <b>\$146,462</b>   | <b>\$197,780</b>   | <b>\$204,710</b>   | <b>\$138,144</b>    |
| <b>NET POSITION</b>                                      |                    |                    |                    |                    |                     |
| Net investment in capital assets                         | \$180,077          | \$175,212          | \$162,536          | \$155,590          | \$158,741           |
| Restricted   | 597,094            | 655,426            | 677,629            | 741,849            | 844,640             |
| Unrestricted   | 140,715            | 1,670,028          | 337,080            | 402,408            | 3,789,338           |
| <b>Total Net Position</b>                                | <b>\$817,886</b>   | <b>\$2,500,666</b> | <b>\$1,176,645</b> | <b>\$2,903,847</b> | <b>\$4,792,719</b>  |

Source: Authority.

<sup>(1)</sup> Unaudited.

**TABLE 7**  
**COACHELLA WATER AUTHORITY**  
**Historical Financial Results and**  
**Debt Service Coverage**  
**(Fiscal Years Ending June 30)**

|  | 2017        | 2018        | 2019        | 2020        | 2021 <sup>(3)</sup> |
|--|-------------|-------------|-------------|-------------|---------------------|
| <u>Gross Water Revenues</u>            |             |             |             |             |                     |
| Charges for Services                   | \$5,810,063 | \$6,170,863 | \$6,221,940 | \$5,991,611 | \$6,370,999         |
| Connection Charges <sup>(1)</sup>      | 407,149     | 938,957     | 222,211     | 443,464     | 780,444             |
| Investment Income <sup>(2)</sup>       | -15,319     | -5,426      | 374,094     | 465,751     | 145,100             |
| Other Revenue                          | 759,370     | 990,251     | 753,527     | 600,005     | 528,909             |
| Total Gross Water Revenues             | \$6,961,263 | \$8,094,645 | \$7,571,772 | \$7,500,901 | \$7,825,452         |
| <u>Water Expenses</u>                  |             |             |             |             |                     |
| Salaries & Benefits                    | \$1,017,658 | \$2,161,526 | \$1,822,409 | \$2,190,055 | \$2,399,599         |
| Administrative Costs                   | 943,915     | 301,712     | 303,426     | 293,420     | 339,834             |
| Professional Services <sup>(3)</sup>   | 653,371     | 458,456     | 810,812     | 1,327,643   | 268,051             |
| Material and Supplies                  | 443,288     | 582,964     | 193,977     | 539,657     | 403,799             |
| Repairs and Maintenance                | 57,900      | 118,158     | 61,404      | 109,706     | 228,832             |
| Utilities                              | 1,097,220   | 897,224     | 890,703     | 911,288     | 955,177             |
| Total Water Expenses <sup>(4)(5)</sup> | \$4,213,352 | \$4,520,040 | \$4,082,731 | \$5,371,769 | \$4,595,292         |
| <u>Operating Income</u>                | \$2,826,212 | \$3,640,334 | \$3,192,922 | \$1,742,719 | \$3,230,160         |
| <u>Coverage</u>                        |             |             |             |             |                     |
| Total Debt Service <sup>(6)</sup>      | \$1,021,540 | \$1,022,875 | \$1,019,262 | \$1,020,394 | \$1,020,394         |
| Debt Service Coverage                  | 2.77        | 3.56        | 3.13        | 1.71        | 3.17                |
| Transfer Out                           | (\$647,388) | (\$730,827) | (\$618,502) | (\$794,162) | (\$759,279)         |

Source: Authority.

<sup>(1)</sup> Amounts represent development impact fees that can only be used for expansions to the Water Enterprise. Such amounts would not have been available to pay debt service on the 2008 USDA Bonds or the 2012 Bonds.

<sup>(2)</sup> Includes unrealized gains or losses on investments as a result of mark to market calculation.

<sup>(3)</sup> Increase in Fiscal Year 2018-19 is primarily due to replacement of significant number of water meters that for accounting purposes are not capitalized. Increase in Fiscal Year 2019-20 is primarily due to system analysis and design costs for State mandated Chromium 6 level reductions. The State relaxed the mandate and accordingly the improvements were not undertaken.

<sup>(4)</sup> Does not include allocation of various overhead costs that are discretionary and reflected in the line item designated as Transfer Out.

<sup>(5)</sup> Excludes depreciation and amortization.

<sup>(6)</sup> Debt Service on the 2008 USDA Bonds and the 2012 Bonds (excludes payments on pension benefit obligation).

<sup>(7)</sup> Unaudited.

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## Projected Net Revenues and Debt Service Coverages

The following table provides a projection of current revenues, operating expenditures, debt service payments and debt service coverage for the fiscal years ending June 30, 2022 through June 30, 2026, reflecting certain significant assumptions concerning future events and circumstances. The financial forecast represents the Authority's estimate of projected financial results based upon its judgment of the most probable occurrence of certain important future events. Actual operating results achieved during the projection period may vary from those presented in the forecast and such variations may be material.

**TABLE 8**  
**COACHELLA WATER AUTHORITY**  
**WATER ENTERPRISE**  
**Projected Net Revenues**  
**and Debt Service Coverage**  
**(Fiscal Year Ending June 30)**

|                                 | 2022           | 2023           | 2024           | 2025           | 2026           |
|---------------------------------|----------------|----------------|----------------|----------------|----------------|
| <u>Gross Water Revenues</u>     |                |                |                |                |                |
| Charges for Services            | \$6,133,363.84 | \$6,234,091.19 | \$6,336,472.77 | \$6,440,535.75 | \$6,546,307.74 |
| Interest                        | 146,884.07     | 134,001.67     | 122,249.12     | 99,302.40      | 80,662.89      |
| Other Revenues                  | 531,845.00     | 551,216.31     | 571,293.19     | 592,101.32     | 613,667.34     |
| Total Gross Water Revenues      | \$6,812,092.91 | \$6,919,309.18 | \$7,030,015.07 | \$7,131,939.47 | \$7,240,637.97 |
| <u>Direct Water Costs</u>       |                |                |                |                |                |
| Salaries & Benefits             | \$2,538,159    | \$2,633,956    | \$2,733,370    | \$2,781,867    | \$2,831,226    |
| Administrative and General      | 1,070,102      | 1,110,490      | 1,152,403      | 1,172,850      | 1,193,660      |
| Utilities & Replenishment Costs | 1,010,332      | 1,048,465      | 1,088,037      | 1,107,342      | 1,126,989      |
| Other Water Costs               | 242,045        | 251,181        | 260,661        | 265,286        | 269,993        |
| Total Direct Water Costs        | \$4,860,638    | \$5,044,092    | \$5,234,471    | \$5,327,346    | \$5,421,868    |
| <u>Net Water Revenues</u>       | \$1,951,455.35 | \$1,875,216.99 | \$1,795,544.14 | \$1,804,593.76 | \$1,818,769.62 |
| <u>Coverage</u>                 |                |                |                |                |                |
| 2008 USDA Bonds Debt Service    | \$1,019,900.00 | \$1,019,900.00 | \$1,019,900.00 | \$1,020,000.00 | \$1,019,900.00 |
| 2021 Bonds Debt Service         |                |                |                |                |                |
| Debt Service on the Bonds       |                |                |                |                |                |
| Total Debt Service              | \$1,019,900.00 | \$1,019,900.00 | \$1,019,900.00 | \$1,020,000.00 | \$1,019,900.00 |
| Debt Service Coverage           | 1.91           | 1.84           | 1.76           | 1.77           | 1.78           |

Transfer Out

Source: Authority.

## ENTERPRISE FINANCIAL INFORMATION

### Financial Statements

Attached as APPENDIX C are the audited financial statements of the City (the “Financial Statements”) for Fiscal Year 2019-20, which include financial statements for the Water Authority, prepared by the City Finance Department and audited by The Pun Group, Accountants & Advisors, Santa Ana, California (the “Auditor”).

The Auditor’s letter concludes that all the Financial Statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2020, and the respective changes in financial position, and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Financial Statements should be read in their entirety. The City has not requested nor did the City obtain permission from the Auditor to include the Financial Statements as an appendix to this Official Statement. Accordingly, the Auditor has not performed any post-audit review of the financial condition or operations of the City. In addition, the Auditor has not reviewed this Official Statement.

### Retirement Systems

*This caption contains certain information relating to the California Public Employees Retirement System (“CalPERS”). The information is primarily derived from information produced by CalPERS, its independent accountants and actuaries. Neither the Authority, the Underwriter nor the City has independently verified the information provided by CalPERS and makes no representations nor expresses any opinion as to the accuracy of the information provided by CalPERS.*

*The comprehensive annual financial reports of CalPERS are available on its Internet website at [www.calpers.ca.gov](http://www.calpers.ca.gov). The CalPERS website also contains CalPERS’ most recent actuarial valuation reports and other information concerning benefits and other matters. Such information is not incorporated by reference herein. The City cannot guarantee the accuracy of such information. Actuarial assessments are “forward-looking” statements that reflect the judgment of the fiduciaries of the pension plans, and are based upon a variety of assumptions, one or more of which may not materialize or be changed in the future. Actuarial assessments will change with the future experience of the pension plans.*

[To come.]

## RISK FACTORS

The following factors, along with other information in this Official Statement, should be considered by potential investors in evaluating the risks in the purchase of the Bonds.

### Forward Delivery

The 2022B Bonds are anticipated to be issued on or about the Settlement Date pursuant to a forward delivery arrangement. During the Forward Delivery Period, certain information contained in this Official Statement may change in material respects. Certain changes in such information would permit the Underwriter to terminate the 2022B Bond Purchase Agreement (as defined herein) or release the

purchasers of their obligation to purchase the 2022B Bonds as described under the caption “FORWARD DELIVERY OF THE 2022B BONDS—Certain Considerations Regarding Forward Delivery of the 2022B Bonds—*Termination of the 2022B Bond Purchase Agreement*,” above. See the caption “FORWARD DELIVERY OF THE 2022B BONDS —Certain Considerations Regarding Forward Delivery of the 2022B Bonds” for a description of various risks associated with the forward delivery of the 2022B Bonds.

### **Water Enterprise Demand and Growth**

There can be no assurance that the local demand for the services provided by the Water Enterprise will be maintained at levels described in this Official Statement. Reduction in the level of demand could require an increase in rates or charges in order to produce Net Revenues sufficient to comply with the Authority’s rate covenant in the Indentures. Such rate increases could increase the likelihood of nonpayment, and could also further decrease Enterprise customer demand. There can be no assurance that any other entity with regulatory authority over the Water Enterprise will not adopt further restrictions on operation thereof.

### **Water Enterprise Expenses**

There can be no assurance that Operation and Maintenance Costs of the Water Enterprise will be consistent with the levels described in this Official Statement. The kind and degree of water treatment which is effected by the Water System is regulated, to a large extent, by the federal government. Clean water standards set forth in the Safe Drinking Water Act and the Environmental Protection Act continue to set standards for the operations of the Water System and to mandate its use of technology. In the event that the California Division of Drinking Water Programs or the Federal government, either acting through the Environmental Protection Agency or by adoption of additional legislation, should impose stricter quality standards upon the Water System, its expenses would increase accordingly and rates and charges would have to be increased to offset those expenses. It is not possible to predict the direction which State and federal regulation will take with respect to water treatment. Changes in treatment, transportation and other types of technology, increases in the cost of energy, increased or decreased development within the City, or other expenses could also reduce Net Revenues, and could require substantial increases in rates or charges in order for the Authority to comply with the rate covenant in the Indenture. Rate increases could increase the likelihood of nonpayment by the Water Enterprise customers, and could also decrease water service demands within the City.

### **Clean Water and Loss of Groundwater Supplies**

A key source of Revenues to be used by the Authority pay debt service on the Bonds is derived from the sale of groundwater pumped by the Water System. If the Lower Whitewater River sub-basin or portions thereof were to suffer contamination or other degradation in the quality of the water therein, the groundwater that could be pumped might be reduced and the Revenues of the Water System could correspondingly fall. Such degradation in water quality could result from intrusion of seawater from the coastal areas, movement of saline plumes, contamination by industrial and other human activities, shifting of the aquifers and other barriers due to earthquakes and other geological activity, migration of contamination from other basins, and other reasons. Neither the City nor the Authority has received notice that the Lower Whitewater River sub-basin has experienced any substantial contamination or other degradation in the quality of the water. No assurance can be given that the City’s water quality will not be so adversely affected in the future.

## Parity Obligations

Although the Authority has covenanted not to issue additional obligations payable from Net Revenues senior to the Debt Service Payments, each Indenture permits the issuance of certain indebtedness which may have a lien which is on a parity basis to the lien on Net Revenues contained in the Indenture, if certain conditions and coverage tests are met. These coverage tests involve, to some extent, projections of Net Revenues. If such indebtedness is issued or incurred, the debt service coverage for the Debt Service Payments securing the Bonds will be diluted below what it otherwise would be subject to under the coverage tests. Moreover, there is no assurance that the assumptions that form the basis of such projections, if any, will be actually realized subsequent to the date of such projections. If such assumptions are not realized, the amount of future Net Revenues may be less than projected, and the actual amount of Net Revenues may be insufficient to provide for the payment of the Debt Service Payments and such additional indebtedness. See “SECURITY FOR THE BONDS—Issuance of Parity Obligations” herein and “THE WATER ENTERPRISE—Projected Revenues and Expenses” for a description of anticipated debt service coverage on the Parity Obligations currently expected to be incurred with respect to the Water Enterprise.

## Proposition 218

Proposition 218, a state ballot initiative known as the “Right to Vote on Taxes Act” was approved by California voters on November 5, 1996 and, except for certain provisions that became effective on July 1, 1997, became effective on November 6, 1996. Proposition 218 added Article XIIC, entitled “Voter Approval of Local Tax Levies” (“Article XIIC”), and Article XIID, entitled “Assessment and Property Related Fee Reform (“Article XIID”), to the California Constitution. Article XIIC and Article XIID limit the imposition by a local government of “general taxes,” “special taxes,” “assessments” and “fees” or “charges.” The City is a local government within the meaning of Article XIIC and Article XIID.

Article XIIC, provides, among other things, that the initiative power shall not be prohibited or otherwise limited in matters of reducing or repealing any local fee or charge. This extension of the initiative power is not limited by the terms of Article XIIC to fees and charges imposed after November 6, 1996 and, absent other authority, could result in retroactive reduction in existing fees and charges. Although the terms “fees” and “charges” are not defined in Article XIIC, the California Supreme Court, in *Bighorn-Desert View Water Agency v. Kari Verjil; E.W. Kelley* (July 2006), has stated that there is no basis for excluding from Article XIIC’s authorization any of the fees subject to Article XIID. If fees or charges charged or collected by the City for the Water Enterprise are subjected to the initiative process and the outcome of any initiative proceedings results in a reduction or repeal of such fees or charges, respectively, the ability of the Water Enterprise to generate revenues sufficient to comply with the Authority’s covenants under the Indenture may be adversely affected. Furthermore, if voters were to approve an initiative lowering the City’s water rates, or other charges, the City would need voter approval before it could change the rate or charge that had been set by initiative. The City could, however, increase a charge that was not affected by initiative or to impose an entirely new charge without voter approval.

The California Supreme Court further stated in *Bighorn* that it was not holding that the initiative power is free of all limitations and was not determining whether the initiative power is subject to the statutory provision requiring that water service charges be set at a level that will pay debt service on bonded debt and operating expenses. Such initiative power could be subject to the limitations imposed on the impairment of contracts under the contract clause of the United States Constitution. On July 1, 1997, a bill was signed into law by the Governor of the State enacting Government Code Section 5854, which states: “Section 3 of Article XIIC of the California Constitution, as adopted at the November 5, 1996

general election, shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after that date, assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights protection by Section 10 of Article I of the United States Constitution.” Government Code Section 5854 appears to limit the voters’ power to repeal or reduce Enterprise fees and charges if such reductions would interfere with the Authority’s payment of debt service on the Bonds. If Government Code Section 5854 becomes the subject of a challenge, however, no guarantee can be made that the courts will agree with such interpretation.

Article XIID prohibits the assessment upon any parcel of property or upon any person “as an incident of property ownership” (defined to exclude fees for the provision of electrical or gas service) by a local government of any tax, assessment, fee or charge except voter-approved *ad valorem* property taxes and special taxes, fees or charges as a condition of property development, and assessments and “fees or charges for property related services” levied or imposed in accordance with the provisions of Article XIID.

Under Article XIID, revenues derived from a “fee” or “charge” (defined as “any levy other than an *ad valorem* tax, a special tax or an assessment, imposed by a local government upon a parcel or upon a person as an incident of property ownership, including user fees or charges for a property related service”) may not exceed the funds required to provide the “property-related service” and may not be used for any purpose other than that for which the fee or charge was imposed. Further, the amount of a “fee” or “charge” may not exceed the proportional cost of the service attributable to the parcel, no “fee” or “charge” may be imposed for a service unless that service is actually used by, or is immediately available to, the owner of the property in question, and no “fee” or “charge” may be imposed for general governmental service where the service is “available to the public at large in substantially the same manner as it is to the property owners.”

In addition, in order for a “fee” or “charge” to be imposed or increased, Article XIID provides that, among other things, the parcel upon which a fee or charge is proposed for imposition must be identified, the amount of the fee or charge proposed to be imposed on each such parcel must be calculated, written notice by mail of the proposed fee or charge must be provided to the “record owner” of each identified parcel, and a public hearing must be conducted upon the proposed fee or charge. If written protests against the proposed “fee” or “charge” are presented by a majority of owners of the identified parcels, the fee or charge may not be imposed. The California Supreme Court in *Bighorn* indicated that once a property owner or resident has paid the connection charges and has become a customer of a public water agency, all charges for water delivery incurred thereafter are charges for a property-related service, whether the charge is calculated on the basis of consumption or is imposed as a fixed monthly fee. Accordingly, the imposition or increase of any fee or charge by the City for water service will be the subject of such a majority protest. If such a majority protest occurs, the ability of the Water Enterprise to generate revenues sufficient to comply with the Authority’s covenants under the Indenture may be adversely affected.

Article XIID states that, beginning July 1, 1997, all “fees” or “charges” must comply with its provisions. It is unclear how the provisions of Article XIID will be applied to fees or charges established prior to such date. It is also unclear how the provisions of Article XIID will be applied to fees or charges established after such date but prior to the *Bighorn* decision.

As a result of the *Bighorn* decision, there can be no assurance that Proposition 218 will not limit the ability of the Authority and the City to impose, levy, charge and collect increased fees and charges for water service.

Numerous recent appellate court opinions interpret and apply Proposition 218 in the context of evaluating the validity of water-related fees and charges. The Authority is unable to predict at this time how Proposition 218 will ultimately be interpreted by the courts and what, if any, further implementing legislation will be enacted, and there can be no assurance that Proposition 218 will not limit the future ability of the City to impose, levy, charge and collect increased fees and charges for water.

### **Proposition 26**

Proposition 26 was approved by the electorate at the November 2, 2010 election and amended California Constitution Articles XIII A and XIII C. The proposition imposes a two-thirds voter approval requirement for the imposition of fees and charges by the State. It also imposes a majority voter approval requirement on local governments with respect to fees and charges for general purposes, and a two-thirds voter approval requirement with respect to fees and charges for special purposes. Proposition 26, according to its supporters, is intended to prevent the circumvention of tax limitations imposed by the voters in California Constitution Articles XIII A, XIII C and XIII D of the California Constitution pursuant to Proposition 13, approved in 1978, Proposition 218, approved in 1996, and other measures through the use of non-tax fees and charges. Proposition 26 expressly excludes from its scope a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable cost to the State or local government of providing the service or product to the payor. Proposition 26 applies to charges imposed or increased by local governments after the date of its approval. The Authority believes that the City's current rates and charges for the Water Enterprise are not taxes under Proposition 26.

Recent appellate court opinions interpret and apply Proposition 26 in the context of evaluating the validity of water-related fees and charges. The Court of Appeal in *Newhall County Water Dist. v. Castaic Lake Water Agency*, 243 Cal. App. 4th 1430 (2016) invalidated a rate structure adopted by Castaic Lake Water Agency in 2013 because that agency could not, in accordance with Proposition 26, properly base its rates for imported water on retail water purveyors' use of groundwater. Castaic Lake Water Agency did not supply groundwater and the Court of Appeal found that it lacked statutory authority to regulate groundwater. The Authority is unable to predict at this time how Proposition 26 will be interpreted by the courts or what its ultimate impact will be.

### **Constitutional Limit on Appropriations**

Under Article XIII B of the California Constitution, state and local government entities have an annual "appropriations limit" which limits their ability to spend certain moneys called "appropriations subject to limitation," which consists of tax revenues, certain state subventions and certain other moneys, including user charges to the extent they exceed the costs reasonably borne by the entity in providing the service for which it is levying the charge. In general terms, the "appropriations limit" is to be based on certain Fiscal Year 1978-79 expenditures, and is to be adjusted annually to reflect changes in the consumer price index, population, and expenditures, and is to be adjusted annually to reflect changes in the consumer price index, population, and services provided by these entities. Among other provisions of Article XIII B, if an entity's revenues in any year exceed the amount permitted to be spent, the excess would have to be returned by revising tax rates or fee schedules over the subsequent two years. The Authority is of the opinion that the rates and use charges imposed by the City on behalf of the Authority in connection with the Water Enterprise do not exceed the costs the Authority reasonably bears in providing water service.

## **No Obligation to Tax**

The obligation of the Authority to pay the debt service payments on the Bonds does not constitute an obligation of the Authority for which the Authority is obligated to levy or pledge any form of taxation or for which the Authority has levied or pledged any form of taxation. The obligation of the Authority to pay debt service payments on the Bonds does not constitute a debt or indebtedness of the City or the State of California or any of its political subdivisions, within the meaning of any constitutional or statutory debt limitation or restriction.

## **Natural Disasters**

The occurrence of an earthquake, fire, wildfire, drought, flooding or other natural disaster which resulted in significant damage within the City or otherwise significantly impacted the economy of the City could materially adversely affect the financial condition of the City. In addition, the City's economy could be impacted in the future by potential future increased state or federal regulations.

Earthquakes are considered a threat to the City due to the highly active seismic region in which the City lies and the proximity of fault zones, which could influence the entire southern coastal portion of the State. Although no major earthquake has caused substantial damage to the City, the City is located over the San Andreas Fault.

An earthquake along one of the faults in the vicinity of the City, either known or unknown, could cause a number of casualties and extensive property damage. The effects of such an earthquake could be aggravated by aftershocks and secondary effects such as fires, landslides, dam failure, liquefaction and other threats to public health, safety and welfare. The potential direct and indirect consequences of a major earthquake could easily exceed the resources of the City.

The City generally is not located within a 100-year floodplain.

## **Drought**

[To be reviewed by the City.] Droughts that have had an adverse effect on California water supplies occurred in 1976, 1977 and 1987 through 1992, 2008 through 2011, and 2012 through early 2017. The 2012 drought lasted for five years and was one of the worst on record for the State.

Due to drought conditions and court-ordered restrictions, which reduced water deliveries from the State Water Project, on January 17, 2014, then-Governor Jerry Brown declared a State-wide Drought State of Emergency. As of such date, the State faced water shortfalls due to the driest year in recorded State history; California's river and reservoirs were below their record low levels, and manual and electronic readings recorded the water content of snowpack at the highest elevations in the State (chiefly in the Sierra Nevada mountain range) at about 20% of normal average for the winter season. As part of his State of Emergency declaration, then-Governor Brown directed State officials to expedite existing conservation grant programs, facilitate water transfers, conduct a water conservation and outreach campaign in cooperation with local water agencies and organizations, and take additional drought response and water conservation actions. He further directed State officials to assist agricultural producers and communities that may be economically impacted by dry conditions. Following the Governor Brown's declaration, the State Water Board issued a statewide notice of water shortages and potential future curtailment of water right diversions.

On April 1, 2015, the then-Governor Brown issued an executive order mandating certain water conservation measures, including a requirement that the State Water Board impose restrictions to achieve

a statewide 25% reduction in urban water usage, through February 28, 2016. On November 13, 2015, the then-Governor Brown issued a subsequent executive order mandating that, should drought conditions persist through January 2016, such reductions in urban water usage shall remain in effect through October 31, 2016. As of December 31, 2015, the cumulative statewide reduction in urban water usage was almost 1.1 million acre-feet of water saved, and putting the State 91% of the way to meeting the 1.2 million acre-foot savings goal to be achieved through February 2016.

On May 9, 2016, then-Governor Brown issued a further executive order pursuant to which certain urban water usage emergency drought regulations, including bans on hosing down driveways and watering laws within 48 hours of a rainstorm, will remain in place indefinitely. Urban water suppliers, including the City, will be required to report their water use to the State each month and to develop plans to get through long-term periods of drought. On May 18, 2016, the State suspended the statewide 25% reduction in urban water usage, instructing local communities to set their own conservation standards. The City set a goal to conserve 10% of urban water usage based on the direction provided by the State. Both of the May 2016 executive orders were issued in response to a winter in which an El Niño weather pattern caused excess rainfall in the northern part of the State but did not provide enough rainfall in the southern part of the State to fully ameliorate drought conditions.

Following unprecedented water conservation and plentiful winter rain and snow, then-Governor Brown ended the drought state of emergency in most of California on April 7, 2017, while maintaining water reporting requirements and prohibitions on wasteful practices, such as watering during or right after rainfall. The State Water Board will maintain urban water use reporting requirements and prohibitions on wasteful practices such as watering during or after rainfall, hosing off sidewalks and irrigating ornamental turf on public street medians.

In 2018, then-Governor Brown signed Senate Bill 606 and Assembly Bill 1668 into law. These bills relate to water conservation and drought planning and empower the State of California Department of Water Resources (“DWR”) and the State of California Water Resources Control Board to adopt long-term standards for the following: (i) indoor residential water use; (ii) outdoor residential water use; (iii) commercial, industrial and institutional water use for landscape irrigation; and (iv) water loss. The indoor water use standard has been defined as 55 gallons per person per day (“GPCD”) until January 2025; the standard will decrease over time to 50 GPCD in January 2030. Standards for outdoor residential water use and commercial, industrial and institutional water use for landscape irrigation are still being developed. Urban water suppliers will be required to stay within annual water budgets, based on these standards, for their service areas.

The Authority is unable to predict the effect on the Water System of the implementation of Senate Bill 606 and Assembly Bill 1668 or any future legislation with respect to water conservation. [However, the Authority believes that it will be able to meet the 55 GPCD standard for indoor water use based on the current water demands and ongoing efforts to encourage conservation.]

On April 21, 2021, Governor Gavin Newsom directed State agencies to take immediate action to bolster drought resilience and prepare for impacts on communities, businesses and ecosystems should dry conditions which have existed since 2019 continue. In addition, on July 8, 2021, the Governor declared a drought state of emergency in 50 counties in northern and central California and requested that all water users voluntarily reduce water use by 15%. As of October 19, 2021, all 58 counties in California are under a drought state of emergency.

No assurance is hereby given that future limitations on water supplies in California will not be imposed by Executive Order.

## Cybersecurity

The City relies on computers and technology to conduct its operations, including management of the Water System. The City and its departments face cyber threats from time to time including, but not limited to, hacking, viruses, malware and other forms of technology attacks. To date, there have been no significant, cyber-attacks on the City's computers and technologies.

While the City is routinely maintaining its technology systems and continuously implementing new information security controls, no assurances can be given that the City's security and operational control measures will be successful in guarding against all cyber threats and attacks. The results of any attack on the City's computer and technology could negatively impact the City's operations, and the costs related to such attacks could be substantial.

## Hazardous Substances

The discovery of a hazardous substance that limits the beneficial use of taxable property within the City could result in the reduction in the assessed value of property, and therefore property tax revenue available to make debt service on the Bonds. In general, the owners and operators of a property may be required by law to remedy conditions of the property relating to releases or threatened releases of hazardous substances. The Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as "CERCLA" or the "Superfund Act," is the most well-known and widely applicable of these laws, but State laws with regard to hazardous substances are also stringent and similar in effect. Under many of these laws, the owner or operator may be required to remedy a hazardous substance condition of property whether or not the owner or operator has anything to do with creating or handling the hazardous substance. The effect, therefore, should any of the property within the City be affected by a hazardous substance, could be to reduce the marketability and value of such property by the costs of remedying the condition, because the purchaser, upon becoming owner, will become obligated to remedy the condition just as is the seller.

Hazardous substance liabilities may arise in the future with respect to any of the property in the City as a result of the existence, currently, of a substance that is presently classified as hazardous but which has not been released or the release of which is not presently threatened. Hazardous substance liabilities may also arise in the future as a result of the existence, currently, on a parcel of a substance that is not presently classified as hazardous but which may in the future be so classified. Additionally, such liabilities may arise from the method of handling such a substance.

## Risks Related to Coronavirus

The global outbreak of the novel coronavirus COVID-19 ("COVID-19"), a respiratory disease declared to be a pandemic (the "Pandemic") by the World Health Organization, significantly affected the national capital markets and national, state and local economies in various ways. Unemployment in the United States dramatically increased as a result of the Pandemic and triggered a nationwide recession in February 2020. The nationwide economy has largely recovered to pre pandemic levels. On April 2, 2020, Governor Newsom issued Executive Order N-42-20 establishing a moratorium on water service shutoffs to residential and certain business utility customers. This shutoff moratorium has been extended through December 31, 2021 with the passage of California Senate Bill 115. Under Generally Accepted Accounting Principles, water sales are considered to be revenue when the water is consumed by the customer and the Authority is thereby owed for the provision of the consumed water. As a result, charges for service revenues reflect all water sales regardless of cash collection. Water billings that are considered revenue but for which cash has not been received are reflected in the Authority's financial statements as accounts receivable. The Authority has evaluated the amount of unpaid customer accounts due to the pandemic and

believes the potential losses due to future write offs of unpaid utility accounts is immaterial to the Authority. The Authority's cash position is such that the cash flow effect of these uncollected balances will have no effect on any aspect of the Authority's operations. The pandemic has also not had a negative financial impact on the City.

There can be no assurance that more additional State measures or more restrictive safety protocols (including business closures) will not be imposed or reimposed in the future, depending on the course of the Pandemic, variants, a significant increase in the number of COVID-19 cases, updated guidance by the Centers for Disease Control and Prevention, or other factors. The actual impact of COVID-19 on the Authority will depend on future events, including future events outside of the control of the Authority, and actions by the federal government and the State. The Authority cannot predict the extent or duration of the outbreak or what overall impact it may have on the Authority. Any adverse impact of COVID-19 on the Authority, customers, operations, and finances in general cannot be predicted.

### **Statutory Changes and Initiatives**

In addition to the other limitations described herein, the California electorate or Legislature could adopt legislation or an initiative, respectively, with the effect of (i) reducing Revenues payable to or collected by the City on behalf of the Authority for the Water Enterprise, (ii) adversely affecting the Authority's rights and powers, or (iii) imposing additional limitations or additional legal responsibilities on the City and the Authority with respect to the Water Enterprise. Furthermore, there is no assurance that such change in law would not at some future time adversely affect the Authority's ability to pay debt service on the Bonds.

### **Insurance**

The City maintains liability and property insurance. This insurance does cover damage caused by earthquakes. Though the Authority believes that the City's coverages for the Water Enterprise are similar to those customarily maintained by similar utilities systems, no assurances can be given that (i) such insurance will be adequate to cover any property damage or liability of the City with respect to the Water Enterprise in all circumstances or that (ii) such insurance will be carried in a coverage amount sufficient to prevent a material adverse impact on the Net Revenues resulting from claims against the City with respect to the Water Enterprise or property damage sustained by the City and/or the Water Enterprise.

### **Early Redemption of Premium Bonds**

Bonds purchased, whether at original issuance or otherwise, for an amount greater than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated for federal tax purposes as having amortizable premium. If such Premium Bonds are redeemed prior to maturity (or, in some cases, prior to a scheduled redemption date) as described herein under "THE BONDS—Redemption of the 2022A Bonds," not all of the amortized premium may be realized by the Owner. The Premium Bonds are treated as all other Bonds for purposes of selection for redemption prior to maturity as described herein.

### **Limitations on Remedies Available; Bankruptcy**

The enforcement of any rights and remedies provided in the Indenture, including but not limited to the remedy of acceleration of debt service payments, could be substantial and the process lengthy. The enforceability of the rights and remedies of the Owners and the obligations of the Authority may become subject to the following: the federal bankruptcy code and applicable bankruptcy, insolvency,

reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect; equitable principles which may limit the specific enforcement under State law of certain remedies; the exercise by the United States of America of the powers delegated to it by the Federal Constitution; and the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State and its governmental bodies in the interest of servicing a significant and legitimate public purpose. Any suit requesting accelerated payment of debt service and/or money damages would be subject to limitations on legal remedies against municipalities in California, including a limitation on enforcement of judgments against funds needed to serve the public welfare and interest. See "THE BONDS—Acceleration" above.

Bankruptcy proceedings, or the exercising of powers by the federal or State government, if initiated, could subject the Owners to judicial discretion and interpretation of their rights in bankruptcy or otherwise and consequently may entail risks of delay, limitation, or modification of their rights. The legal opinions to be delivered concurrently with the Bonds (including Bond Counsel's approving opinion) will be qualified as to the enforceability of the Bond documents, including the Indenture, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally and by general principles of equity applied in the exercise or judicial discretion.

### **Loss of Tax Exemption**

As discussed in this Official Statement under the caption "TAX MATTERS," interest on the Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date the Bonds were issued, as a result of future acts or omissions of the Authority in violation of its covenants in the Indenture. Should such an event of taxability occur, the Bonds are not subject to a special redemption and will remain outstanding until maturity or until redeemed under one of the other redemption provisions contained in the Indenture.

The Internal Revenue Service (the "IRS") has initiated an expanded program for the auditing of tax-exempt bond issues, including both random and targeted audits. It is possible that the Bonds will be selected for audit by the IRS. It is also possible that the market value of the Bonds might be affected as a result of such an audit of the Bonds (or by an audit of similar bonds). No assurance can be given that in the course of an audit, as a result of an audit, or otherwise, the United States Congress or the IRS might not change the Tax Code (or interpretation thereof) subsequent to the issuance of the Bonds to the extent that it adversely affects the exclusion from gross income of interest on the Bonds or their market value.

Further, changes in law or circumstances during the Forward Delivery Period could impact the tax treatment of the 2022B Bonds and result in the inability of Bond Counsel to issue its opinion relating to the tax exemption applicable to the 2022B Bonds on the Settlement Date. See the caption "FORWARD DELIVERY OF THE 2022B BONDS—Certain Considerations Regarding Forward Delivery of the 2022B Bonds" for a description of various risks associated with the forward delivery of the 2022B Bonds.

### **Absence of Market for the Bonds**

There can be no assurance that there will ever be a secondary market for purchase or sale of the Bonds, and from time to time there may be no market for them, depending upon prevailing market conditions, the financial condition or market position of firms that may make the secondary market, and the financial condition of the Authority or the City.

## TAX MATTERS

### General

**Federal Income Taxes.** The Code, imposes certain requirements that must be met subsequent to the issuance and delivery of the Bonds for interest thereon to be and remain excluded from gross income for federal income tax purposes. Noncompliance with such requirements could cause the interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issue of the Bonds. Pursuant to each Indenture and a tax and non-arbitrage certificate executed by the Authority and the City in connection with issuance of the Bonds (the “Tax Certificate”), the Authority and the City have covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code. In addition, the Authority and the City have made certain representations and certifications in the Indenture, the financing agreements and the Tax Certificate. Bond Counsel will not independently verify the accuracy of those representations and certifications.

In the opinion of Bond Counsel, under existing law and assuming compliance with the aforementioned covenant including the satisfaction of certain terms and conditions provided in the 2022B Bond Purchase Agreement as described under the heading “FORWARD DELIVERY OF THE 2022B BONDS”, and the accuracy of certain representations and certifications made by the Authority and the City described above, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. Bond Counsel, is also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code.

Assuming no change in current law, Bond Counsel expects to render the opinion substantially in the form appearing in APPENDIX D to this Official Statement relating to the 2022B Bonds, if they are delivered on the Settlement Date.

**State Taxes.** Bond Counsel, is also of the opinion that, under existing statutes, interest on the Bonds is exempt from personal income taxes of the State of California under present law. Bond Counsel expresses no opinion as to other State or local tax consequences arising with respect to the Bonds nor as to the taxability of the Bonds or the income therefrom under the laws of any state other than the State of California.

**Original Issue Discount.** Bond Counsel, is further of the opinion that the excess of the principal amount of a maturity of the Bonds over its issue price (i.e., the first price at which price a substantial amount of such maturity of the Bonds was sold to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) (each, a “Discount Bond” and collectively the “Discount Bonds”) constitutes original issue discount which is excluded from gross income for federal income tax purposes to the same extent as interest on the Bonds. Further, such original issue discount accrues actuarially on a constant interest rate basis over the term of each Discount Bond and the basis of each Discount Bond acquired at such issue price by an initial purchaser thereof will be increased by the amount of such accrued original issue discount. The accrual of original issue discount may be taken into account as an increase in the amount of tax-exempt income for purposes of determining various other tax consequences of owning the Discount Bonds, even though there will not be a corresponding cash payment. Owners of the Discount Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Discount Bonds.

**Original Issue Premium.** Bonds sold at prices in excess of their principal amounts are “Premium Bonds”. An initial purchaser with an initial adjusted basis in a Premium Bond in excess of its principal amount will have amortizable bond premium which is not deductible from gross income for federal

income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each Premium Bond based on the purchaser's yield to maturity (or, in the case of Premium Bonds callable prior to their maturity, over the period to the call date, based on the purchaser's yield to the call date and giving effect to any call premium). For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation with an amortizable bond premium is required to decrease such purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Bonds. Owners of the Premium Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

***Ancillary Tax Matters.*** Ownership of the Bonds may result in other federal tax consequences to certain taxpayers, including, without limitation, certain S corporations, foreign corporations with branches in the United States, property and casualty insurance companies, individuals receiving Social Security or Railroad Retirement benefits, individuals seeking to claim the earned income credit, and taxpayers (including banks, thrift institutions, and other financial institutions) who may be deemed to have incurred or continued indebtedness to purchase or to carry the Bonds. Prospective investors are advised to consult their own tax advisors regarding these rules.

Interest paid on tax-exempt obligations such as the Bonds is subject to information reporting to the IRS in a manner similar to interest paid on taxable obligations. In addition, interest on the Bonds may be subject to backup withholding if such interest is paid to a registered owner that (a) fails to provide certain identifying information (such as the registered owner's taxpayer identification number) in the manner required by the IRS, or (b) has been identified by the IRS as being subject to backup withholding.

Nixon Peabody LLP, Bond Counsel, is not rendering any opinion as to any Federal tax matters other than those described in its opinion attached as part of APPENDIX D. Prospective investors, particularly those who may be subject to special rules described above, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Bonds, as well as any tax consequences arising under the laws of any state or other taxing jurisdiction.

***Changes in Law and Post Issuance Events.*** Legislative or administrative actions and court decisions, at either the federal or state level, could have an adverse impact on the potential benefits of the exclusion from gross income of the interest on the Bonds for Federal or state income tax purposes, and thus on the value or marketability of the Bonds. This could result from changes to Federal or state income tax rates, changes in the structure of Federal or state income taxes (including replacement with another type of tax), repeal of the exclusion of the interest on the Bonds from gross income for Federal or state income tax purposes, or otherwise. It is not possible to predict whether any legislative or administrative actions or court decisions having an adverse impact on the federal or state income tax treatment of holders of the Bonds may occur. Prospective purchasers of the Bonds should consult their own tax advisors regarding the impact of any change in law on the Bonds.

Nixon Peabody LLP, Bond Counsel, has not undertaken to advise in the future whether any events after the date of issuance and delivery of the Bonds may affect the tax status of interest on the Bonds. Nixon Peabody LLP, Bond Counsel, expresses no opinion as to any Federal, state or local tax law consequences with respect to the Bonds, or the interest thereon, if any action is taken with respect to the Bonds or the proceeds thereof upon the advice or approval of other counsel.

## CONTINUING DISCLOSURE

***Current Undertaking.*** The Authority has covenanted for the benefit of the owners of the Bonds to provide certain financial information and operating data relating to the Bonds to the MSRB by not later March 31 of each year (the “Annual Report Filing Deadline”) with respect to the Authority’s most-recently-ended Fiscal Year (such financial information, the “Annual Report”) and to provide notices of the occurrence of certain enumerated events so long as the Bonds are outstanding. If the Annual Report Filing Deadline falls on a non-business day, then the Annual Report will be submitted on the next regularly scheduled business day. The Annual Report and notices of events will be filed by or on behalf the Authority with the MSRB, as repository, and in accordance with the requirements of Securities Exchange Commission Rule 15c2-12(b)(5) (the “Rule”).

The above covenants with respect to continuing disclosure have been made in order to assist the Underwriter in complying with the Rule. The specific nature of the information to be contained in the Annual Report or the notices of enumerated events is set forth in “APPENDIX E—FORM OF CONTINUING DISCLOSURE AGREEMENTS.”

### ***Previous Undertakings.***

The former redevelopment agency of the City, the Successor Agency to the City’s former redevelopment agency, the Coachella Financing Authority, the Coachella Sanitary District and the Authority, which are related entities to the City, have previously entered into continuing disclosure undertakings under Rule 15c2-12 in connection with the issuance of municipal obligations. In the past five years, certain material event notices disclosing ratings downgrades of the bond insurer for various bond issues of the City’s related entities and a notice of defeasance were not filed. **[To be reviewed.]** In order to correct these prior noncompliance issues and to ensure future compliance with all its continuing disclosure undertakings on a timely basis, the City has contracted with the Urban Futures, Inc., to act as dissemination agent and to prepare and perform the required filings for all of its continuing disclosure obligations. The dissemination agent submitted corrective filings with the MSRB with respect to the above-described matters.

The Dissemination Agent (defined below) will assist the Authority in timely filing the Annual Reports and notices of certain enumerated events in the future.

***Future Undertakings.*** The Authority believes that it has implemented sufficient policies and procedures in order to ensure the timely and correct filing of future Annual Reports and notices of enumerated events required under its existing continuing disclosure obligations, including the obligation pertaining to the Bonds. The Authority has retained Urban Futures, Inc. to serve as its Dissemination Agent (the “Dissemination Agent”) with respect to the Authority’s continuing disclosure obligations for the Bonds.

## NO LITIGATION

At the time of issuance of and payment for the Bonds, the Authority will certify that, except as disclosed herein, there is no action, suit, proceeding, inquiry or investigation, notice of which has been served on the Authority, at law or in equity before or by any court, government agency, public board or body, pending against the Authority, affecting the existence of the Authority or the titles of its officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the pledge and lien on the Net Revenues pursuant to the Indenture, or contesting or affecting as to the Authority the validity or enforceability of the Bond Law, the Bonds, the Indentures or the Lease Agreement, or contesting the tax-exempt status of interest on the Bonds, or contesting the

completeness or accuracy of this Official Statement, or contesting the powers of the Authority for the issuance of the Bonds, or the execution and delivery or adoption by the Authority of the Indenture or the Lease Agreement, or in any way contesting or challenging the consummation of the transactions contemplated hereby or thereby, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity of the Bond Law, as to the Authority, or the authorization, execution, delivery or performance by the Authority of the Bonds, the Indenture or the Lease Agreement.

## **FORWARD DELIVERY OF THE 2022B BONDS**

### **Certain Considerations Regarding Forward Delivery of the 2022B Bonds**

**Forward Delivery.** The Authority anticipates that the 2022B Bonds will be issued and delivered by the Authority to the Underwriter and purchased by the Underwriter (the “Settlement”) on or about the Settlement Date. The following is a description of certain provisions of the Bond Purchase Agreement, dated [May] \_\_, 2022, between the Authority and the Underwriter with respect to the 2022B Bonds (the “2022B Bond Purchase Agreement”). This description is not to be considered a full statement of the terms of the 2022B Bond Purchase Agreement and accordingly is qualified by reference thereto and is subject to the full text thereof.

Until such time as the 2022B Bonds are issued and delivered by the Authority and purchased by the Underwriter on the Settlement Date, certain information contained in this Official Statement may change in a material respect. The Authority agrees in the 2022B Bond Purchase Agreement to update the Official Statement, if necessary in the judgment of the Underwriter or the Authority, so that the Official Statement as amended or supplemented does not contain any untrue statement of a material fact or omit to state a material fact that is necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

Additionally, the Authority agrees in the 2022B Bond Purchase Agreement to prepare an Updated Official Statement, dated a date not more than twenty-five nor less than ten days prior to the Settlement Date, which, as of such date, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. References under the caption “—Certain Considerations Regarding Forward Delivery of the 2022B Bonds” to the Official Statement as of a specific date shall mean (i) at any point in time during the period from the date of this Official Statement to but not including the date of delivery of the Updated Official Statement to the Underwriter, this Official Statement, and (ii) from and after the date of delivery of the Updated Official Statement, the Updated Official Statement, in each case as amended or supplemented.

**Conditions of Settlement.** The issuance and purchase of the 2022B Bonds on the Settlement Date are subject to the satisfaction of certain conditions set forth in the 2022B Bond Purchase Agreement, including, among other things, the delivery to the Underwriter of certain documents and legal opinions on and as of the initial closing date and certain additional documents and legal opinions, and the satisfaction of other conditions, on and as of the Settlement Date, including the delivery to the Underwriter of: (i) the opinion of Bond Counsel, substantially in the form and to the effect set forth in Appendix C relating to the 2022B Bonds, (ii) the Updated Official Statement, and (iii) written evidence that, as of the Settlement Date, S&P has rated the 2022B Bonds. Changes or proposed changes in federal or state laws, court decisions, regulations or proposed regulations or rulings of administrative agencies occurring or in effect prior to the Settlement Date or the failure by the Authority to provide closing documents of the type customarily required in connection with the issuance of state and local government tax-exempt bonds

could prevent those conditions from being satisfied. None of the 2022B Bonds will be issued unless all of the 2022B Bonds are issued and delivered on the Settlement Date.

***Termination of the 2022B Bond Purchase Agreement.*** The Underwriter has the right, between the date of the 2022B Bond Purchase Agreement and the Settlement Date, by written notice to the Authority, to cancel the Underwriter's obligation to purchase the 2022B Bonds if, in the Underwriter's sole and reasonable judgment, any of the following events occur during that time and cause the market price or marketability of the 2022B Bonds, or the ability of the Underwriter to enforce contracts for the sale of the 2022B Bonds, to be materially adversely affected:

- There shall have been a Change in Law. A "Change in Law" means (i) any change in or addition to applicable federal or state law, whether statutory or as interpreted by the courts or by federal or state agencies, including any changes in or new rules, regulations or other pronouncements or interpretations by federal or state agencies; (ii) any legislation enacted by the Congress of the United States (if such enacted legislation has an effective date which is on or before the Settlement Date), (iii) any law, rule or regulation enacted by any governmental body, department or agency (if such enacted law, rule or regulation has an effective date which is on or before the Settlement Date) or (iv) any judgment, ruling or order issued by any court or administrative body, which in any such case would, (A) as to the Underwriter prohibit the Underwriter from completing the underwriting of the 2022B Bonds or selling the 2022B Bonds or beneficial ownership interests therein to the public, or (B) as to the Authority, would make the completion of the issuance, sale or delivery of the 2022B Bonds illegal.
- As a result of any legislation, regulation, ruling, order, release, court decision or judgment or action by the U.S. Department of the Treasury, the Internal Revenue Service, or any agency of the State either enacted, issued, effective, adopted or proposed (but only with respect to any such proposed legislation, regulation, ruling, order, release, court decision or judgment or action that continues to be proposed as of the Settlement Date), or for any other reason, Bond Counsel cannot issue an opinion substantially in the form of Appendix C to the Official Statement as to the tax-exempt status of the 2022B Bonds.
- There shall have occurred (A) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or (B) any other calamity or crisis in the financial markets of the United States or elsewhere.
- A general suspension of trading on the New York Stock Exchange or other major exchange shall be in force, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the U.S. Securities and Exchange Commission ("SEC") or any other governmental authority having jurisdiction.
- A general banking moratorium has been declared by federal, New York or State authorities and shall remain in effect.
- Legislation shall have been enacted by the Congress of the United States or shall have been favorably reported out of committee or be pending in committee, or shall have been recommended to the Congress for passage by the President of the United States, or a

decision by a court of the United States shall be rendered, or a ruling, regulation, proposed regulation or statement by or on behalf of the SEC or other governmental agency having jurisdiction of the subject matter shall be made, to the effect that any obligations of the general character of the 2022B Bonds, or any comparable securities of the Authority, are not exempt from the registration, qualification or other requirements of the Securities Act of 1933, the Securities Exchange Act of 1934 or the Trust Indenture Act of 1939 or otherwise, or would be in violation of any provision of the federal securities laws.

- Any event or circumstance exists that either makes untrue or incorrect, in a material respect, any statement or information contained in the Official Statement, or is not reflected in the Official Statement but should be reflected in the Official Statement in order to make the statements and information contained in the Official Statement not misleading in any material respect and, in either such event, the Authority refuses to permit the Official Statement to be supplemented to supply such statement or information, or the effect of the Official Statement as so supplemented is to materially adversely affect the market price or marketability of the 2022B Bonds or the ability of the Underwriter to enforce contracts for the sale of the 2022B Bonds.
- Additional material restrictions not in force as of the date of the 2022B Bond Purchase Agreement shall have been imposed upon trading in securities generally by any federal, State or New York governmental authority or by any United States national securities exchange.
- The New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose as to the 2022B Bonds or securities of the general character of the 2022B Bonds any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by or the charge to the net capital requirements of the Underwriter.
- The Authority does not deliver a certification as of the Settlement Date to the effect that (A) the evidence of the ratings on the 2022B Bonds delivered at and as of the initial closing date remains accurate or (B) the ratings on the 2022B Bonds at and as of the Settlement Date are as stated in such certification.

**Forward Delivery Contract.** The Underwriter reserves the right to obligate investors purchasing the 2022B Bonds (each, a “Purchaser”) to execute a Forward Delivery Contract (the “Forward Delivery Contract”) in substantially the form set forth in Appendix G. The Forward Delivery Contract provides that the Purchaser will remain obligated to purchase the 2022B Bonds, even if the Purchaser decides to sell the purchased bonds following the date of the Forward Delivery Contract. ***The Authority will not be a party to any Forward Delivery Contract, and the Authority is not in any way responsible for the performance thereof or for any representations or warranties contained therein.*** The rights and obligations under the 2022B Bond Purchase Agreement are not conditioned or dependent upon the performance of any Forward Delivery Contract. Pursuant to the terms of the Forward Delivery Contract, upon issuance by the Authority of the 2022B Bonds and purchase thereof by the Underwriter, the obligation of the Purchaser to take delivery of the Purchased 2022B Bonds (as defined in the Forward Delivery Contract) under the Forward Delivery Contract shall be unconditional unless:

- the Authority fails to deliver the 2022B Bonds as set forth in the 2022B Bond Purchase Agreement or fails or is unable to comply with all of the conditions to settlement set forth in the 2022B Bond Purchase Agreement on the Settlement Date, or
- the Underwriter terminates its agreement to purchase the 2022B Bonds on the Settlement Date for re-sale to the Purchaser upon the occurrence of an event described in the Official Statement under this caption “—Certain Considerations Regarding Forward Delivery of the 2022B Bonds.” Upon the occurrence of such an event, the Underwriter, not the Purchaser, will make the decision whether to terminate the 2022B Bond Purchase Agreement.

See Appendix G—“FORM OF FORWARD DELIVERY CONTRACT.”

***Additional Risks Relating to Forward Delivery Period.*** Between the date of the 2022B Bond Purchase Agreement and the Settlement Date (the “Forward Delivery Period”), certain information contained in this Official Statement may change in material respects. Any changes in such information will not permit the Underwriter to terminate the 2022B Bond Purchase Agreement or release the purchasers of their obligation to purchase the 2022B Bonds unless the change reflects an event described under the caption “—*Termination of 2022B Bond Purchase Agreement*” above. In addition to the risks set forth above and under “RISK FACTORS—Investment Risk,” purchasers of the 2022B Bonds are subject to certain additional risks, some of which are described below.

***Ratings Risk.*** No assurances can be given that ratings assigned to the 2022B Bonds on the Settlement Date will not be different from those currently assigned to the 2022B Bonds. Issuance of the 2022B Bonds and the Underwriter’s obligations under the 2022B Bond Purchase Agreement are not conditioned upon the assignment of any particular ratings for the 2022B Bonds or the maintenance of the initial ratings of the 2022B Bonds.

***Secondary Market Risk.*** The Underwriter is not obligated to make a secondary market for the 2022B Bonds, and no assurance can be given that a secondary market will exist for the 2022B Bonds during the Forward Delivery Period or at any time thereafter. Prospective purchasers of the 2022B Bonds should assume that there will be no secondary market for the 2022B Bonds during the Forward Delivery Period.

***Market Value Risk.*** The market value of the 2022B Bonds as of the Settlement Date may be affected by a variety of factors, including, without limitation, general market conditions, the financial condition of the Authority and the State, assessed values within the Project Areas, and federal and state tax, securities and other laws. The market value of the 2022B Bonds as of the Settlement Date could therefore be higher or lower than the price to be paid by the initial purchasers of the 2022B Bonds, and that difference could be substantial. Neither the Authority nor the Underwriter makes any representations as to the expected market value of the 2022B Bonds as of the Settlement Date.

***Tax Law Risk.*** Subject to the other conditions of Settlement and the Underwriter’s rights of termination described above, the 2022B Bond Purchase Agreement obligates the Authority to deliver, and the Underwriters to accept, the 2022B Bonds if the Authority delivers an opinion of Bond Counsel substantially in the form and to the effect set forth in Appendix D relating to the 2022B Bonds. Notwithstanding that the enactment of new legislation, new court decisions or the promulgation of new regulations or rulings might diminish the value of, or otherwise affect, the exclusion from gross income of interest payable on “state or local bonds” (such as the 2022B Bonds) for federal income tax purposes, the Authority might be able to satisfy the requirements for the delivery of the 2022B Bonds. In such event, the purchasers would be required to accept delivery of the 2022B Bonds. Prospective purchasers are

encouraged to consult their tax advisors regarding the likelihood of any such changes in tax law and the consequences of such changes to the purchasers. See the caption “TAX MATTERS” herein.

## CONCLUDING INFORMATION

### Underwriting

The Authority has agreed to sell the Bonds to Stifel, Nicolaus & Company Incorporated (the “Underwriter”). The Underwriter has agreed, subject to certain conditions, to purchase the 2022A Bonds at a purchase price of \$\_\_\_\_\_ (the principal amount of the 2022A Bonds, [plus/less] [net] original issue [premium/discount] of \$\_\_\_\_\_ and less an underwriting discount of \$\_\_\_\_\_). The Underwriter has agreed, subject to certain conditions, to purchase the 2022B Bonds at a purchase price of \$\_\_\_\_\_ (the principal amount of the 2022B Bonds, [plus/less] [net] original issue [premium/discount] of \$\_\_\_\_\_ and less an underwriting discount of \$\_\_\_\_\_). The obligations of the Underwriter are subject to certain conditions precedent, and it will be obligated to purchase all such Bonds if any such Bonds are purchased. The Underwriter intends to offer the Bonds to the public initially at the prices and/or yield set forth on the cover page of this Official Statement, which prices or yields may subsequently change without any requirement of prior notice.

The Underwriter has entered into an agreement with its affiliate, Vining-Sparks IBG, LLC (“Vining-Sparks”) for the distribution of certain municipal securities offerings at the original issue price. Pursuant to that distribution agreement, Vining-Sparks may purchase Bonds from the Underwriter at the original issue price less a negotiated portion of the selling concession applicable to any Bonds that Vining-Sparks sells.

The Underwriter reserves the right to join with dealers and other underwriters in offering the Bonds to the public. The Underwriter may offer and sell Bonds to certain dealers (including dealers depositing Bonds into investment trusts) at prices lower than the public offering prices, and such dealers may reallow any such discounts on sales to other dealers. In reoffering Bonds to the public, the Underwriter may overalloc or effect transactions which stabilize or maintain the market prices for Bonds at levels above those which might otherwise prevail. Such stabilization, if commenced, may be discontinued at any time.

### Ratings

S&P is expected to assign its municipal bond rating of “[ ]” to the Bonds, with the understanding that upon delivery of the Bonds, a policy insuring the payment when due of the principal of and interest on the Bonds will be issued by the Insurer. In addition, S&P has assigned their municipal bond rating of “[ ]” to the Bonds, notwithstanding the delivery of the Insurance Policy. Such ratings reflect only the views of the rating agency and any desired explanation of the significance of such ratings should be obtained from S&P at the following address: S&P Global Ratings, a Standard & Poor’s Financial Services LLC business, 55 Water Street, 45th Floor, New York, New York 10041. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that any rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency, if, in the judgment of such rating agency, circumstances so warrant. The Authority does not undertake any responsibility to oppose any such revision or withdrawal. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

## Legal Opinions

All legal matters in connection with the issuance of the Bonds are subject to the approval of Nixon Peabody LLP, Los Angeles, California, as Bond Counsel. A copy of the approving opinions of Bond Counsel will be provided to the registered owners of the Bonds, and the forms of such opinions are attached hereto as APPENDIX D. Certain legal matters will be passed upon by the City Attorney for the City of Coachella, as counsel to the Authority, and by Nixon Peabody LLP, Los Angeles, California, Disclosure Counsel. The Underwriter is being represented by its counsel, Kutak Rock LLP, Irvine, California. From time to time, Bond Counsel and Disclosure Counsel may represent the Underwriter on matters not related to the Bonds.

## Municipal Advisor

The Authority has retained Urban Futures, Inc. Tustin, California, as municipal advisor (the “Municipal Advisor”) in connection with the preparation of this Official Statement and with respect to the delivery of the Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume any responsibility for the accuracy, completeness of fairness of the information contained in this Official Statement. The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading, or distributing municipal or other public securities.

## Professional Fees

In connection with the execution and delivery of the Bonds, fees payable to Bond Counsel, Disclosure Counsel, Underwriter’s Counsel, the Municipal Advisor and the Trustee are contingent upon the execution and delivery of the Bonds.

## Miscellaneous

Some of the data contained herein has been taken or constructed from Authority and City records. Appropriate officials of the Authority, acting in their official capacities, have reviewed this Official Statement and have determined that, as of the date hereof, the information contained herein is, to the best of their knowledge and belief, true and correct in all material respects and does not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made herein, in light of the circumstances under which they were made, not misleading. The execution and delivery of this Official Statement has been duly authorized by the Authority Board.

## COACHELLA WATER AUTHORITY

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

**APPENDIX A****SUMMARY OF THE INDENTURE**

*The following is a brief summary of certain provisions of the Indenture. The following also includes definitions of certain terms used therein and in this Official Statement. Such summary is not intended to be definitive. Reference is directed to the Indenture for the complete text thereof. Except as otherwise defined in this summary, the terms previously defined in this Official Statement have the respective meanings previously given. Copies of the Indenture are available from the Authority and from the Trustee.*

[TO COME]

## APPENDIX B

### GENERAL INFORMATION REGARDING THE CITY OF COACHELLA AND RIVERSIDE COUNTY

*The following information concerning the City of Coachella and Riverside County is included only for the purpose of supplying general information regarding the area of the City. The Bonds are not a debt of the City, the County, the State or any of its political subdivisions, and none of the City, the County, the State nor any of their political subdivisions, except for the Authority, is liable therefor.*

#### General

The City is located in Riverside County, in the center of the Coachella Valley, approximately 134 miles east of Los Angeles, 553 miles south of San Francisco and 22 miles southeast of Palm Springs. Coachella covers an area in excess of 19 square miles at an average elevation of 67 feet below sea level.

Incorporated in 1946, the City operates as a general law city. It has a council-manager form of government, with five City Council members elected at large for staggered four-year terms. The City Council elects one of the Council members as Mayor.

#### Population

The following table presents population statistics for the City for the years shown.

#### CITY OF COACHELLA POPULATION

| <u>January 1</u>    | <u>Population</u> |
|---------------------|-------------------|
| 2012                | 42,336            |
| 2013                | 43,210            |
| 2014                | 44,101            |
| 2015                | 44,486            |
| 2016                | 44,940            |
| 2017                | 45,273            |
| 2018                | 45,777            |
| 2019                | 46,885            |
| 2020                | 47,583            |
| 2021 <sup>(1)</sup> | 41,941            |

Source: California State Department of Finance,  
Demographic Research Unit.

<sup>(1)</sup> U.S. 2020 Census.

## Building Activity

Building permit valuation in the City decreased from \$65,103,856.54 in 2020 to \$45,503,913.44 in 2021. The following table details residential and nonresidential valuations, and new single family and multifamily permits approved in the City for the years 2017 through 2021.

### CITY OF COACHELLA BUILDING PERMIT VALUATIONS 2017-2021

| Year ending<br>December<br>31 | Total Valuation | Residential    | Non-Residential | Existing      | Single Family<br>Permits Issued | Multifamily<br>Permits Issued |
|-------------------------------|-----------------|----------------|-----------------|---------------|---------------------------------|-------------------------------|
| 2017                          | \$28,664,663.86 | \$7,845,900.10 | \$13,156,583.85 | 7,662,179.91  | 5                               | 80                            |
| 2018                          | 31,182,178.58   | 0              | 25,069,802.15   | 6,112,376.43  | 0                               | 0                             |
| 2019                          | 27,917,534.69   | 18,865,311.64  | 530,650.10      | 8,521,572.95  | 76                              | 0                             |
| 2020                          | 65,103,856.54   | 48,630,056.63  | 6,838,819.58    | 9,634,980.33  | 170                             | 105                           |
| 2021                          | 45,503,913.44   | 16,359,000.78  | 2,865,023.04    | 26,279,889.62 | 81                              | 0                             |

Source: City of Coachella.

## Industry and Employment

The following table summarizes the civilian labor force, employment and unemployment figures for the years 2016 through 2020 for the City and for the County.

### LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT Yearly Average for Years 2016 through 2020

| <u>City of Coachella</u> |                    |                 |                   |                              |
|--------------------------|--------------------|-----------------|-------------------|------------------------------|
|                          | <u>Labor Force</u> | <u>Employed</u> | <u>Unemployed</u> | <u>Unemployment<br/>Rate</u> |
| 2016                     | 19,600             | 17,000          | 2,700             | 13.6%                        |
| 2017                     | 19,800             | 17,400          | 2,400             | 12.3                         |
| 2018                     | 20,000             | 17,800          | 2,200             | 11.0                         |
| 2019                     | 20,000             | 17,900          | 2,100             | 10.3                         |
| 2020                     | 20,000             | 16,900          | 3,200             | 15.8                         |

| <u>County of Riverside</u> |                    |                 |                   |                              |
|----------------------------|--------------------|-----------------|-------------------|------------------------------|
|                            | <u>Labor Force</u> | <u>Employed</u> | <u>Unemployed</u> | <u>Unemployment<br/>Rate</u> |
| 2016                       | 1,051,600          | 987,200         | 64,400            | 6.1%                         |
| 2017                       | 1,071,600          | 1,014,900       | 56,700            | 5.3                          |
| 2018                       | 1,090,100          | 1,041,500       | 48,600            | 4.5                          |
| 2019                       | 1,105,700          | 1,058,700       | 47,000            | 4.2                          |
| 2020                       | 1,107,700          | 997,700         | 110,000           | 9.9                          |

Source: California Employment Development Department.

Riverside County is a part of the Riverside-San Bernardino-Ontario Metropolitan Statistical Area (“MSA”), which includes all of Riverside and San Bernardino Counties. In addition to varied manufacturing employment, the MSA has large and growing commercial and service sector employment, as reflected in the following table.

**RIVERSIDE-SAN BERNARDINO-ONTARIO MSA  
ANNUAL AVERAGE EMPLOYMENT  
(In Thousands)**

| <b>Industry</b>                                   | <b>2016</b>      | <b>2017</b>      | <b>2018</b>      | <b>2019</b>      | <b>2020</b>      |
|---|------------------|------------------|------------------|------------------|------------------|
| Agriculture                                       | 14,600           | 14,500           | 14,500           | 15,400           | 13,900           |
| Construction                                      | 92,000           | 97,400           | 105,200          | 107,200          | 105,000          |
| Finance, Insurance and Real Estate                | 39,500           | 39,100           | 38,700           | 39,100           | 38,400           |
| Government  | 242,300          | 251,000          | 257,200          | 261,200          | 249,100          |
| Manufacturing:                                    |                  |                  |                  |                  |                  |
| Nondurables                                       | 33,100           | 34,000           | 34,700           | 35,600           | 34,600           |
| Durables  | 64,400           | 64,100           | 65,100           | 65,000           | 59,700           |
| Mining and Logging                                | 900              | 1,000            | 1,200            | 1,200            | 1,300            |
| Retail Trade                                      | 178,300          | 180,900          | 181,200          | 180,700          | 168,800          |
| Service Providing                                 | 1,211,000        | 1,256,400        | 1,299,900        | 1,343,200        | 1,287,400        |
| Trade, Transportation and Utilities               | 346,300          | 363,400          | 378,800          | 394,400          | 403,800          |
| Wholesale Trade                                   | 61,600           | 62,600           | 65,500           | 67,100           | 64,600           |
| Information, Publishing and<br>Telecommunications | 18,800           | 18,700           | 18,300           | 18,400           | 15,900           |
| <b>TOTAL<sup>(1)</sup></b>                        | <b>1,416,000</b> | <b>1,467,300</b> | <b>1,520,500</b> | <b>1,567,500</b> | <b>1,501,800</b> |

<sup>(1)</sup> The employment figures by industry which are shown above are not directly comparable to the “Total, All Industries” employment figures due to rounded data.

Development of Riverside County and the Coachella area has brought a number of large firms to the area. Much of the City’s economy involves agribusiness, with the major crops being grapes, grapefruit and dates.

## Major Employers

The following table lists the largest employers in the City as of June 30, 2020.

### PRINCIPAL EMPLOYERS

| Name of Company   | Employment | Type of Business                       |
|---|------------|--|
| Coachella Valley Unified School District                    | 530        | Education                              |
| Spotlight 29 Casino   | 496        | Casinos                                |
| Ernie Ball Inc./Paladar                                     | 380        | Manufacturing – Music Supplies         |
| Augustine Casino  | 314        | Casinos                                |
| Armtec Defense (Subsidiary of Esterling Defense Technology) | 236        | Manufacturing - Defense                |
| Valley Pride  | 200        | Crop Harvesting                        |
| Coachella Valley Water District                             | 194        | Water and Wastewater Services Provider |
| Teserra Outdoors (formerly California Pools)                | 156        | Pool Installation and Services         |
| Cardenas (Market #18)                                       | 118        | Groceries                              |
| Coca-Cola Enterprise Inc.                                   | 103        | Manufacturer and Distributer           |

Source: City of Coachella.

## Commercial Activity

Taxable sales in the County totaled approximately \$41,918,022,541 in 2020, the most recent full year for which figures are available. The following shows the taxable transactions of the County for the years shown, as provided by the California Department of Tax and Fee Administration.

### COUNTY OF RIVERSIDE TAXABLE TRANSACTIONS (In Thousands)

| Types of Business                                    | 2017                | 2018                | 2019                | 2020                |
|--|---------------------|---------------------|---------------------|---------------------|
| Motor Vehicle and Parts Dealers                      | \$ 5,348,812        | \$ 5,407,139        | \$ 5,554,741        | \$ 5,786,471        |
| Home Furnishings and Appliance Stores                | 1,730,566           | 1,962,650           | 2,104,126           | 2,097,785           |
| Building Materials and Garden Equipment and Supplies | 2,161,593           | 2,346,508           | 2,500,049           | 3,091,784           |
| Food and Beverage Stores                             | 1,666,856           | 1,790,507           | 1,822,075           | 1,938,871           |
| Gasoline Stations                                    | 2,933,668           | 3,381,768           | 3,383,756           | 2,622,849           |
| Clothing and Clothing Accessories Stores             | 2,199,517           | 2,315,433           | 2,361,700           | 1,824,772           |
| General Merchandise Stores                           | 3,375,623           | 3,560,755           | 3,967,112           | 4,122,094           |
| Food Services and Drinking Places                    | 3,852,753           | 4,004,657           | 4,282,201           | 3,547,301           |
| Other Retail Group                                   | 2,586,954           | 3,273,276           | 3,087,294           | 5,031,911           |
| Total Retail and Food Services                       | 25,856,341          | 28,042,692          | 29,063,054          | 30,063,839          |
| All Other Outlets                                    | 10,551,119          | 10,876,806          | 11,563,944          | 11,854,184          |
| Total All Outlets                                    | <u>\$36,407,460</u> | <u>\$38,919,498</u> | <u>\$40,626,998</u> | <u>\$41,918,023</u> |

Source: California Department of Tax and Fee Administration.

**APPENDIX C**

**AUDITED FINANCIAL STATEMENTS OF THE CITY FOR FISCAL YEAR 2019-20**

## APPENDIX D

### FORM OF FINAL OPINION OF BOND COUNSEL

*Upon the delivery of the Bonds, Nixon Peabody LLP proposes to render its final approving opinion with respect to the Bonds in substantially the following form:*

Coachella Water Authority  
Lynwood, California

Re: \$ \_\_\_\_\_ Coachella Water Authority Enterprise Revenue Bonds, [2022A][2022B] Series

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Ladies and Gentlemen:

We have acted as Bond Counsel to the Coachella Water Authority (the “Authority”) in connection with the issuance of the above-captioned bonds (the “Bonds”), issued pursuant to an Indenture of Trust, dated as of [February][May] 1, 2022 (the “Indenture”), by and between the Authority and Wilmington Trust, National Association, as trustee (the “Trustee”). Capitalized terms used but not defined herein shall have the meaning ascribed to such term as set forth in the Indenture.

As Bond Counsel, we have examined copies, certified to us as being true and complete, of the Indenture, certificates of the Authority, the Trustee and others, and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein. We have not undertaken to verify independently the accuracy of the factual matters represented, warranted or certified therein, and we have assumed the genuineness of all signatures thereto.

We have, with your approval, assumed that all items submitted to us as originals are authentic and that all items submitted as copies conform to the originals.

On the basis of such examination, our reliance upon the assumptions contained herein and our consideration of such questions of law as we considered relevant, and subject to the limitations and qualifications in this opinion, we are of the opinion that:

1. The Bonds constitute the valid and binding limited obligations of the Authority.
2. The Indenture has been duly executed and delivered by, and, assuming due authorization, execution and delivery by the other parties thereto, constitutes the legally valid and binding obligation of, the Authority, enforceable in accordance with its terms. The Indenture establishes a valid lien on and a pledge of the Net Revenues (as defined in the Indenture) for the security of the Bonds. Enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles affecting the enforcement of creditors' rights generally, the exercise of judicial discretion, the application of equitable principles if equitable remedies are sought and limitations on remedies against counties in the State of California.
3. Interest on the Bonds is exempt from personal income taxes of the State of California under present state law.

4. The Internal Revenue Code of 1986 (the “Code”) sets forth certain requirements which must be met subsequent to the issuance and delivery of the Bonds for interest thereon to be and remain excluded from gross income for federal income tax purposes. Noncompliance with such requirements could cause the interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issue of the Bonds. Pursuant to the Indenture, and the Tax Certificate, the Authority and the City have covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code. In addition, the Authority and the City have made certain representations and certifications in the Indenture and the Tax Certificate. We have not independently verified the accuracy of those certifications and representations.

Under existing law, assuming compliance with the tax covenants described herein and the accuracy of the aforementioned representations and certifications, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. We are also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code.

The opinions set forth in paragraphs 1 and 2 above are subject to (a) applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors’ rights generally (including, without limitation, fraudulent conveyance laws), (b) the effect of general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law, and (c) the limitations on legal remedies against government entities in the State of California. We express no opinion with respect to any indemnification, contribution, choice of law, choice of forum or waiver provisions contained in the Indenture, and we express no opinion on the laws of any jurisdiction other than the State of California and the United States of America.

Except as stated in paragraphs 3 and 4, we express no opinion as to any other federal, state or local tax consequences of the ownership or disposition of the Bonds. Furthermore, we express no opinion as to any federal, state or local tax law consequences with respect to the Bonds, or the interest thereon, if any action is taken with respect to the Bonds or the proceeds thereof upon the advice or approval of other counsel.

No opinion is expressed herein on the accuracy, completeness or sufficiency of any offering material relating to the Bonds. This opinion is expressly limited to the matters set forth above and we render no opinion, whether by implication or otherwise, as to any other matters.

We do not undertake to advise you of any subsequent events or developments which might affect the statements contained herein. Our engagement with respect to this matter has ended as of the date hereof, and we disclaim any obligation to update this letter.

Respectfully submitted,

## APPENDIX E

### FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the “Disclosure Agreement”) is executed and delivered by and between the Coachella Water Authority (the “Authority”) and Urban Futures, Inc., as dissemination agent (the “Dissemination Agent”), in connection with the issuance and delivery of \$ \_\_\_\_\_ Coachella Water Authority Water Revenue Refunding Bonds, [2022A Series][2022B Series] (the “Bonds”). The Bonds are issued pursuant to an Indenture of Trust, dated as of [February 1, 2022][May 1, 2022] (the “Indenture”), by and between the Authority and Wilmington Trust, National Association (the “Trustee”).

Purpose of this Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Authority for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule.

Definitions. In addition to the definitions set forth in the Trust Agreement, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the Authority pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Annual Report Date” shall mean March 31 of each year (beginning on March 31, [2022][2023]).

“Beneficial Owner” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“Fiscal Year” shall mean the one-year period ending on June 30 of each year.

“Holder” shall mean a registered owner of the Bonds.

“Listed Events” shall mean any of the events listed in Section 5 of this Disclosure Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934 or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Marketplace Access (EMMA) website of the MSRB, currently located at <http://emma.msrb.org>.

“Participating Underwriter” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Rule” shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

### SECTION 3 Provision of Annual Reports.

(a) The Authority shall provide, or cause the Dissemination Agent to provide, not later than the Annual Report Date to MSRB an Annual Report relating to the immediately preceding Fiscal Year which is consistent with the requirements of Section 4 of this Disclosure Agreement, which Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement. The Authority shall satisfy the requirement of filing the Annual Report for the Fiscal Year ending June 30, 2021 by filing the audited financial statements of the Authority for the Fiscal Year ending June 30, 2021.

(b) Not later than 15 business days prior to the Annual Report Date the Authority shall provide the Annual Report to the Dissemination Agent. If by such date, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the Authority to determine if the Authority is in compliance with the first sentence of this subsection (b).

(c) If the Authority is unable to provide to MSRB an Annual Report by the date required in subsection (a), the Authority, in a timely manner, shall send to MSRB a notice in substantially the form attached hereto as Exhibit A.

SECTION 4 Content of Annual Reports. The Annual Report shall contain or incorporate by reference the following:

1. The audited financial statements of the Authority for the most recently completed Fiscal Year, prepared in accordance with generally accepted accounting principles for governmental enterprises as prescribed from time to time by any regulatory body with jurisdiction over the Authority and by the Governmental Accounting Standards Board. If the Authority's audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available;

2. An update, for the fiscal year ended the June 30 next preceding the Annual Report Date, of the following tables contained in the Official Statement (to the extent not included in the audited financial statements described in paragraph (1) above):

3. Table 1 – Leading Users of the Water Enterprise
4. Table 3 – Water Enterprise Production and Number of Accounts
5. Table 4 – Water Account User Composition
6. Table 5 – Historical Financial Results
7. Table 6 – State of Net Position
8. Table 7 – Historical Financial Results and Debt Service Coverage

In addition to any of the information expressly required to be provided under subsections (1) and (2) of this Section, the Authority shall provide such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Authority or related public entities, which are available to the public on the MSRB's Internet Web site or filed with the Securities and Exchange Commission.

SECTION 5 Reporting of Listed Events. The Authority shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds (in each case to the extent applicable) in a timely manner not more than ten business days after the occurrence of the event:

1. principal or interest payment delinquencies;
2. non-payment related defaults, if material;
3. modifications to the rights of the Holders, if material;
4. optional, contingent or unscheduled calls, if material, and tender offers;
5. defeasances;
6. rating changes;
7. adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
8. unscheduled draws on the debt service reserves reflecting financial difficulties;
9. unscheduled draws on the credit enhancements reflecting financial difficulties;
10. substitution of the credit or liquidity providers or their failure to perform;
11. release, substitution or sale of property securing repayment of the Bonds, if material;
12. bankruptcy, insolvency, receivership or similar proceedings of the Authority, which shall occur as described below;
13. appointment of a successor or additional trustee or the change of name of a trustee, if material;
14. the consummation of a merger, consolidation, or acquisition involving the Authority or the sale of all or substantially all of the assets of the Authority other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
15. incurrence of a financial obligation of the Authority, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Authority, any of which affect security holders, if material; or
16. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Authority, any of which reflect financial difficulties.

For these purposes, any event described in item 12 of this Section 5 is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Authority in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Authority, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Authority.

The term financial obligation means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (3) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

**SECTION 6 Termination of Obligation.** The Authority's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Authority shall give notice of such termination in the same manner as for a Listed Event under Section 5.

**SECTION 7 Dissemination Agent.** The Authority may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign by providing 30 days' written notice to the Authority and the Trustee (if the Trustee is not the Dissemination Agent). The Dissemination Agent shall have no duty to prepare or review the Annual Report nor shall the Dissemination Agent be responsible for filing any Annual Report not provided to it by the Authority in a timely manner and in a form suitable for filing.

**SECTION 8 Amendment; Waiver.** Notwithstanding any other provision of this Disclosure Agreement, the Authority may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that, in the opinion of nationally recognized bond counsel, such amendment or waiver is permitted by the Rule. In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Authority shall give notice of such amendment or waiver in the same manner as for a Listed Event under Section 5.

**SECTION 9 Additional Information.** Nothing in this Disclosure Agreement shall be deemed to prevent the Authority from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Authority chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Authority shall not thereby have any obligation under this Disclosure Agreement to update such information or include it in any future notice of occurrence of a Listed Event.

**SECTION 10 Default.** In the event of a failure of the Authority to comply with any provision of this Disclosure Agreement, any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Authority to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Trust Agreement, and the sole remedy under this Disclosure Agreement in the event of any failure of the Authority to comply with this Disclosure Agreement shall be an action to compel performance.

No Holder or Beneficial Owner of the Bonds may institute such action, suit or proceeding to compel performance unless they shall have first delivered to the Authority satisfactory written evidence of their status as such, and a written notice of and request to cure such failure, and the Authority shall have refused to comply therewith within a reasonable time.

**SECTION 11 Duties, Immunities and Liabilities of the Dissemination Agent.** The Dissemination Agent (if other than the Authority) shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Authority agrees to indemnify and save the Dissemination Agent and its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall be paid compensation by the Authority for its services provided hereunder in accordance with its schedule of fees as amended from time to time and all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder. The Dissemination Agent shall have no duty or obligation to review any information provided to them hereunder and shall not be deemed to be acting in any fiduciary capacity for the Authority, the Holders, or any other party. The obligations of the Authority under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. No person shall have any right to commence any action against the Dissemination Agent hereunder, seeking any remedy other than to compel specific performance of this Disclosure Certificate. The Dissemination Agent shall not be liable under any circumstances for monetary damages to any person for any breach under this Disclosure Certificate.

**SECTION 12 Filings with the MSRB.** All financial information, operating data, financial statements, notices, and other documents provided to MSRB in accordance with this Disclosure Agreement shall be provided in an electronic format prescribed by MSRB and shall be accompanied by identifying information as prescribed by MSRB.

**SECTION 13 Beneficiaries.** This Disclosure Agreement shall inure solely to the benefit of the Authority, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

**SECTION 14 Counterparts.** This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Date: \_\_\_\_\_

COACHELLA WATER AUTHORITY

\_\_\_\_\_  
Authorized Signatory

URBAN FUTURES, INC., as Dissemination Agent

\_\_\_\_\_  
Authorized Signatory

## APPENDIX F

### THE BOOK-ENTRY SYSTEM

**The information concerning DTC set forth herein has been supplied by DTC, and neither the Authority nor the City assumes no responsibility for the accuracy thereof.**

Unless a successor securities depository is designated pursuant to the Indenture, DTC will act as Securities Depository for the Bonds. The Bonds will be issued as fully-registered securities, registered in the name of Cede & Co., DTC's partnership nominee, or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

**DTC and Its Participants.** DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve Enterprise, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing corporation" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfer and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, FICC, and EMCC, also subsidiaries of DTCC) as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others, such as both U.S. and non-U.S. securities brokers and dealers, banks and trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has been rated "AA+" by S&P. The DTC Rules applicable to its Participants are on file with the Securities Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

**Purchase of Ownership Interests.** Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

**Notices and Other Communications.** Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. THE CITY AND THE TRUSTEE WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATION TO SUCH DTC PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE BONDS.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

**Voting Rights.** Neither DTC nor Cede & Co. will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to an issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

**Redemption Proceeds.** Payments of principal and interest on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts on interest payment dates in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the interest payment date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Trustee, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, principal and interest to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC is the responsibility of the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

THE TRUSTEE AND THE CITY SHALL NOT HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY DTC PARTICIPANT, ANY BENEFICIAL OWNER OR ANY OTHER PERSON CLAIMING A BENEFICIAL OWNERSHIP INTEREST IN THE BONDS UNDER OR THROUGH DTC OR ANY DTC PARTICIPANT, OR ANY OTHER PERSON WHICH IS NOT SHOWN ON THE REGISTRATION BOOKS OF THE TRUSTEE AS BEING AN OWNER OF BONDS, WITH RESPECT TO THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT IN RESPECT OF THE PRINCIPAL OF, AND PREMIUM, IF ANY, OR INTEREST ON THE BONDS; ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO OWNER OF THE BONDS UNDER THE INDENTURE; THE SELECTION BY DTC OR ANY DIRECT OR

INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE BONDS; ANY CONSENT OR OTHER ACTION TAKEN BY DTC AS OWNER OF THE BONDS; OR ANY OTHER PROCEDURES OR OBLIGATIONS OF DTC UNDER THE BOOK-ENTRY SYSTEM.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE BONDS, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE REGISTERED OWNERS OF THE BONDS SHALL MEAN CEDE & CO., AS AFORESAID, AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE BONDS (EXCEPT FOR THE MATTERS UNDER THE CAPTION “TAX MATTERS” HEREIN)

The foregoing description of the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal and interest on the Bonds to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial owner interest in such Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owner is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters, and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

**Discontinuance of Book-Entry System.** DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the City or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Bonds are required to be printed and delivered as described in the Indenture.

The City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bonds will be printed and delivered as described in the Indenture.

## APPENDIX G

### FORM OF FORWARD DELIVERY CONTRACT

*The Underwriter reserves the right to obligate investors purchasing the 2022B Bonds to execute a Forward Delivery Contract in substantially the following form.*

Re: Coachella Water Authority Revenue Refunding Bonds, 2022B Series  
(the “2022B Bonds”)

Ladies and Gentlemen:

The Purchaser designated below and executing this instrument (the “Purchaser”) hereby agrees to purchase when, as, and if issued and delivered by the Coachella Water Authority (the “Authority”) to Stifel, Nicolaus & Company, Incorporated, as underwriter (the “Underwriter”), and the Underwriter agrees to sell to the undersigned,

| <i><b>Maturity<br/>Date</b></i> | <i><b>Par<br/>Amount</b></i> | <i><b>Coupon</b></i> | <i><b>CUSIP<br/>Number</b></i> | <i><b>Yield</b></i> | <i><b>Price</b></i> |
|---------------------------------|------------------------------|----------------------|--------------------------------|---------------------|---------------------|
|---------------------------------|------------------------------|----------------------|--------------------------------|---------------------|---------------------|

of the above-referenced 2022B Bonds (the “Purchased 2022B Bonds”) offered by the Authority’s Preliminary Official Statement dated [\_\_\_\_], 2021 and the Official Statement dated \_\_\_\_\_, 2021 (the “Official Statement”), receipt of copies of which is hereby acknowledged, at a purchase price (plus accrued interest, if any, from the date of the initial delivery of the Purchased 2022B Bonds), at the interest rates, in the principal amounts and with maturity dates shown above, and on the further terms and conditions set forth in this Forward Delivery Contract.

The Purchaser hereby confirms that it has reviewed the Official Statement (including without limitation the information under the heading “FORWARD DELIVERY OF THE 2022B BONDS—Certain Considerations Regarding Forward Delivery of the 2022B Bonds” therein), has considered the risks associated with purchasing the Purchased 2022B Bonds and is duly authorized to purchase the Purchased 2022B Bonds. The Purchaser further acknowledges and agrees that the Purchased 2022B Bonds are being sold on a “forward” basis, and the Purchaser hereby purchases and agrees to accept delivery of such Purchased 2022B Bonds from the Underwriter on or about May \_\_, 2022 (the “Settlement Date”) as they may be issued pursuant to the Forward Delivery Bond Purchase Agreement between the Authority and the Underwriter (the “Bond Purchase Agreement”). A copy of the Bond Purchase Agreement is available from the Underwriter upon request.

Payment for the Purchased 2022B Bonds that the Purchaser has agreed to purchase on the Settlement Date shall be made to the Underwriter by wire transfer to a bank account specified by the Underwriter, on the Settlement Date upon delivery to the Purchaser of the Purchased 2022B Bonds then to be purchased by the Purchaser through the book-entry system of The Depository Trust Company.

Upon issuance by the Authority of the 2022B Bonds and purchase thereof by the Underwriter, the obligation of the Purchaser to take delivery of the Purchased 2022B Bonds hereunder *shall be unconditional* unless:

- The Authority fails to deliver the 2022B Bonds as set forth in the Bond Purchase Agreement or fails or is unable to comply with all of the conditions to settlement set forth in the Bond Purchase Agreement on the Settlement Date, or
- the Underwriter terminates its agreement to purchase the 2022B Bonds on the Settlement Date for re-sale to the Purchaser upon the occurrence of an event described in the Official Statement under “FORWARD DELIVERY OF THE 2022B BONDS—Certain Considerations Regarding Forward Delivery of the 2022B Bonds.”

The Purchaser acknowledges that the market value of the 2022B Bonds as of the Settlement Date may be affected by a variety of factors between the date of this Forward Delivery Contract and the Settlement Date, including, without limitation, changes in general market conditions or the financial condition of the Authority or modifications to laws that may diminish the value of, as opposed to eliminating the exclusion from gross income for federal income tax purposes, interest payable on “state or local bonds,” that will not prevent the Authority from satisfying all material conditions precedent for the delivery of the Purchased 2022B Bonds. The Purchaser acknowledges and agrees that it will not be able to withdraw its order as described and, except as described in the fourth paragraph of this Forward Delivery Contract, will not otherwise be excused from performance of its obligations to take up and pay for the Purchased 2022B Bonds on the Settlement Date. To effect a termination by the Purchaser, the Purchaser acknowledges and agrees that it must give written notice of termination of this Forward Delivery Contract to the Underwriter before Settlement (i.e., delivery of the 2022B Bonds to, and payment for the 2022B Bonds by, the Underwriter) on the Settlement Date. The Purchaser understands and agrees that no termination of the obligation of the Purchaser may occur after Settlement. The Purchaser also acknowledges and agrees that it will remain obligated to purchase the Purchased 2022B Bonds in accordance with the terms hereof even if the Purchaser decides to sell such Purchased 2022B Bonds following the date hereof.

The Purchaser represents and warrants that, as of the date of this Forward Delivery Contract, the Purchaser is not prohibited from purchasing the Purchased 2022B Bonds hereby agreed to be purchased by it under the laws of the jurisdiction to which the undersigned is subject.

This Forward Delivery Contract will inure to the benefit of and be binding upon the parties hereto and their respective successors, but will not be assignable by either party hereto without the prior written consent of the other.

This Forward Delivery Contract may be executed by either of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall constitute one and the same instrument.

It is understood that the acceptance by the Underwriter of any Forward Delivery Contract (including this one) is in the Underwriter’s sole discretion and that, without limiting the foregoing, acceptances of such contracts need not be on a first-come, first-served basis. If this Forward Delivery Contract is acceptable to the Underwriter, it is requested that the Underwriter sign the form of acceptance below and mail or deliver one of the counterparts hereof to the Purchaser at its address set forth below. This will become a binding contract between the Underwriter and the Purchaser when such counterpart is mailed or delivered to the Purchaser. This Forward Delivery Contract does not constitute a customer confirmation pursuant to Rule G-15 of the Municipal Securities Rulemaking Board.

This Forward Delivery Contract shall be construed and administered under the laws of the State of New York.

[NAME OF INVESTOR]

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Accepted: \_\_\_\_\_, 20\_\_

STIFEL, NICOLAUS & COMPANY, INCORPORATED

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**APPENDIX H**  
**SPECIMEN MUNICIPAL BOND INSURANCE POLICY**

## EXHIBIT A

### GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Bonds in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to the Authority by Urban Futures, Inc. as municipal advisor to the Authority (the “Municipal Advisor”), each with respect to the Bonds.

**Principal Amount of the 2022A Bonds.** The Municipal Advisor has informed the Authority that, based on the Authority’s financing plan and current market conditions, its good faith estimate of the aggregate principal amount of the Bonds is \$4,885,000 (the “Estimated Principal Amount”).

**True Interest Cost of the 2022A Bonds.** The Municipal Advisor has informed the Authority that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the true interest cost of the Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Bonds, is 2.79%.

**Finance Charge of the 2022A Bonds.** The Municipal Advisor has informed the Authority that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the finance charge for the Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Bonds), is \$217,228.

**Amount of Proceeds to be Received for the 2022A Bonds.** The Municipal Advisor has informed the Authority that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the amount of proceeds expected to be received by the Authority, less the finance charge of the Bonds, as estimated above, and any reserve fund funded with proceeds of the Bonds, is \$5,406,353.

**Total Payment Amount for the 2022A Bonds.** The Municipal Advisor has informed the Authority that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the total payment amount, which means the sum total of all payments the Authority will make to pay debt service on the Bonds, plus the finance charge for the Bonds, as described above, not paid with the proceeds of the Bonds, calculated to the final maturity of the Bonds, is \$7,749,958.

**Principal Amount of the 2022B Bonds.** The Municipal Advisor has informed the Authority that, based on the Authority’s financing plan and current market conditions, its good faith estimate of the aggregate principal amount of the Bonds is \$6,230,000 (the “Estimated Principal Amount”).

**True Interest Cost of the 2022B Bonds.** The Municipal Advisor has informed the Authority that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on

market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the true interest cost of the Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Bonds, is 2.12%.

**Finance Charge of the 2022B Bonds.** The Municipal Advisor has informed the Authority that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the finance charge for the Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Bonds), is \$212,131.

**Amount of Proceeds to be Received for the 2022B Bonds.** The Municipal Advisor has informed the Authority that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the amount of proceeds expected to be received by the Authority, less the finance charge of the Bonds, as estimated above, and any reserve fund funded with proceeds of the Bonds, is \$6,713,578.

**Total Payment Amount for the 2022B Bonds.** The Municipal Advisor has informed the Authority that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the total payment amount, which means the sum total of all payments the Authority will make to pay debt service on the Bonds, plus the finance charge for the Bonds, as described above, not paid with the proceeds of the Bonds, calculated to the final maturity of the Bonds, is \$7,624,531.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual closing dates being different than the dates assumed for purposes of such estimates, (b) the actual original principal amount of the Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the Authority's financing plan, or a combination of such factors. The actual date of sale of the Bonds and the actual principal amount of the Bonds sold will be determined by the Authority based on the timing of the need for proceeds and other factors. The actual interest rates borne by the Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the Authority.



**STAFF REPORT**  
**1/26/2022**

**To:** Honorable Mayor and City Council Members

**FROM:** Andrew Simmons, P.E., City Engineer

**SUBJECT:** Construction Contract with Desert Concepts Construction Inc. in the amount of \$3,083,148.50 and 10% for contingency for the construction of the Pueblo Viejo Sustainable Transportation Project, City Project ST-130.

**STAFF RECOMMENDATION:**

- Authorize the City Manager to execute a construction contract with Desert Concepts Construction, Inc. in the amount \$3,083,148.50 and 10% for contingency for the construction of the Pueblo Viejo Sustainable Transportation Project, City Project ST-130.
- Authorize City Manager to execute a contract for construction materials and quality assurance testing with Atlas Engineering (On-Call Consultant) in the amount of \$15,000.
- Authorize City Manager to execute a contract Amendment with Egan Civil Engineering to perform construction phase engineering services, including construction staking and support.

**BACKGROUND:**

In October of 2020, the City entered into a grant agreement with an Infill Infrastructure Grant (IIG) program, which also supplements an Affordable Housing and Sustainable Communities (AHSC) program grant. These two grants provide approximately 3.4 million in funding and are allocated under City project number ST-130. These grant funds are to be used on infill infrastructure improvements in the downtown Pueblo Viejo District. Improvements included in the grant funding include curbs, gutters, sidewalks, bike lanes, lighting, electrical undergrounding, public plaza improvements, landscaping and ADA improvements.

On January 27, 2021, the City Council approved a professional services agreement with Egan Civil, Inc. to develop final plans, specifications and estimates for the Pueblo Viejo Sustainable Transportation Project in the amount of \$182,000.

During the design process, it was determined that portions of the Pueblo Viejo Sustainable Transportation project overlapped portions of the Fire Station #79 Rehabilitation and Expansion project (F-7). As a result, the design and bid documents intentionally included \$250,000 of additional improvements that are portions of the Fire Station project. These additional improvements include additional undergrounding of overhead electrical on Palm Ave, full removal and reinstallation of the driveways and flat work at the fire station frontage and installation of

electrical transformers, switch gear and building upgrades to accommodate the new underground service. Staff determined that this work could be performed at a more cost effective price point if performed in connection with the Pueblo Viejo Sustainable Transportation Project.

### **DISCUSSION/ANALYSIS:**

The City requested public bids in accordance with City Standards and in compliance with the California Public Contract Code. On November 2, 2021, the City issued the Notice Inviting Bids with a non-mandatory job walk held on November 16, 2021. The project bid opening was held on December 1, 2021 at 2:00 p.m., with four companies submitting bids for this project. The bid opening results are listed below:

| <b>Company Name:</b>               | <b>Bid Amount:</b> |
|------------------------------------|--------------------|
| Desert Concepts Construction, Inc. | \$3,083,148.50     |
| Granite Construction               | \$3,202,023.00     |
| C.S. Legacy                        | \$3,985,269.50     |
| LA Engineering                     | \$4,399,900.00     |

This total project cost includes all base bid items as well as three add alternative bid items. The three bid add alternative items include new sidewalks on the north side of First Street, new sidewalks on the west side of Pendleton drive and a new block wall along the entire northern side of the new 5<sup>th</sup> street paseo. Staff has reviewed the bids and has determined that Desert Concepts Construction, Inc. is the lowest, responsive, responsible bidder. However, due to the current high construction cost from the COVID-19 pandemic, the project budget exceeds the amount of grant funds received:

| <b>Project Item:</b>                     | <b>Project Cost:</b>  | <b>Project Revenue:</b> |
|--|-----------------------|-------------------------|
| Architectural Design – Egan Civil        | \$181,938             |                         |
| Construction -                           | \$3,083,148.50        |                         |
| Construction Contingency (10%)           | \$308,314.50          |                         |
| ATLAS Engineering materials testing      | \$15,000              |                         |
| Construction Engineering                 | \$25,000              |                         |
| <b>TOTAL CONSTRUCTION PROJECT COST:</b>  | <b>\$3,613,401.00</b> |                         |
| IIG – Grant                              |                       | \$2,460,000             |
| AHSC – Grant                             |                       | \$696,500               |
| CIP project F-7                          |                       | \$250,000               |
| <b>CONSTRUCTION COST DIFFERENCE:</b>     | <b>\$206,901</b>      |                         |
|  |                       |                         |
| <b>LAND ACQUISITION</b>                  | <b>\$849,912</b>      |                         |
| AHSC – Grant funds for land acquisition  |                       | \$500,000               |
| <b>LAND ACQUISITION COST DIFFERENCE:</b> | <b>\$349,912</b>      |                         |

The project total project cost is proposed to be paid with: \$2,460,000 in remaining IIG grant funds, \$696,500 in AHSC grant funds, \$250,000 from CIP project F-7, and the remaining project cost

difference of \$556,813 (which includes both construction contingency and land acquisition costs) is proposed to be funded with an appropriation from Fund 101 – General Fund.

Per section E or article 27 of the Project Specifications for the project, Granite Construction submitted a bid protest on December 3<sup>rd</sup>, 2021. City staff preformed an independent factual inquiry of the bid protest with a review of applicable law. Upon conclusion of this examination, the protest was found to offer no persuasive (or lawful) reason why public policy would favor awarding the contract to Granite Construction at a higher cost than Desert Concepts responsive bid. For that reason, the protest was denied and a bid protest denial letter, dated December 15<sup>th</sup>, 2021 was returned to Granite Construction.

**FISCAL IMPACT:**

The Pueblo Viejo Sustainable Transportation Project (ST-130) is proposed to be funded with the following grants and appropriations with the following allocations:

- |                                |             |
|--------------------------------|-------------|
| ○ IIG (Fund 152)-              | \$2,460,000 |
| ○ AHSC (Fund 152)-             | \$696,500   |
| ○ City Project F-7 (Fund 130)- | \$250,000   |
| ○ Coachella (Fund 101) -       | \$556,813   |

These appropriations will replace current budgeted appropriations adopted in the FY 21/22 CIP budget. With this action, Council will be approving all necessary transfers between the appropriated funds above and the City's CIP Fund (182).

**ATTACHMENTS:**

1. Construction Contract – Desert Concepts
2. Bid Summary – ST-130

Pueblo Viejo Sustainable Transportation Project

CITY OF COACHELLA

BID OPENING: December 1, 2021

Engineers Estimate = \$3,279,916

| Summary of Bid Results After Evaluation |                        |                        |                        |                        |
|---|------------------------|------------------------|------------------------|------------------------|
|   | Desert Concepts        | Granite Construction   | CS Legacy              | LA Engineering         |
| Base Bid                                | \$ 2,775,053.00        | \$ 2,898,161.00        | \$ 3,414,911.73        | \$ 4,132,257.40        |
| Alt 1 (block wall)                      | \$ 101,760.00          | \$ 88,560.00           | \$ 254,488.56          | \$ 76,080.00           |
| Alt 2 (Pendelton)                       | \$ 129,041.00          | \$ 142,890.00          | \$ 194,117.46          | \$ 121,469.60          |
| Alt 3 (First Street)                    | \$ 77,294.50           | \$ 72,412.00           | \$ 121,751.75          | \$ 70,093.00           |
| <b>TOTAL</b>                            | <b>\$ 3,083,148.50</b> | <b>\$ 3,202,023.00</b> | <b>\$ 3,985,269.50</b> | <b>\$ 4,399,900.00</b> |

Staff has reviewed the bids and has determined that Desert Concepts Construction, Inc. is the lowest, responsive, responsible bidder.

| Pueblo Viejo Sustainable Transportation Project<br>CITY OF COACHELLA<br>BID OPENING: December 1, 2021 |  |                    |      | Engineer's Estimate |               |
|---|--|--------------------|------|---------------------|---------------|
| ITEM NO.  | ITEM DESCRIPTION   | ESTIMATED QUANTITY | UNIT | ITEM PRICE          | TOTAL         |
| 1   | Mobilization   | 1                  | LS   | \$ 70,200.00        | \$ 70,200.00  |
| 2   | Best Management Practices  | 1                  | LS   | \$ 15,000.00        | \$ 15,000.00  |
| 3   | Traffic Control  | 1                  | LS   | \$ 15,000.00        | \$ 15,000.00  |
| 4   | 90-Day Maintenance (Landscape)                                       | 1                  | LS   | \$ 12,000.00        | \$ 12,000.00  |
| 5   | Sawcut & Remove AC Pavement (D)                                      | 2,605              | SF   | \$ 10.00            | \$ 26,050.00  |
| 6   | Clearing, Grubbing & Removals (D)                                    | 1                  | LS   | \$ 7,415.00         | \$ 7,415.00   |
| 7   | Adjust to Grade Water Valve (D)                                      | 3                  | EA   | \$ 1,700.00         | \$ 5,100.00   |
| 8   | Adjust to Grade Sewer MH Frame & Lid (D)                             | 1                  | EA   | \$ 3,200.00         | \$ 3,200.00   |
| 9   | Adjust to Grade Electrical Pull box                                  | 1                  | EA   | \$ 1,500.00         | \$ 1,500.00   |
| 10  | Salvage & Reinstall Fire Hydrant (D)                                 | 1                  | EA   | \$ 3,500.00         | \$ 3,500.00   |
| 11  | Suitable Backfill (Parkway) (D)(F)                                   | 40                 | CY   | \$ 60.00            | \$ 2,400.00   |
| 12  | Cold Mill AC Pavement (4") (D)                                       | 13,932             | SF   | \$ 1.50             | \$ 20,898.00  |
| 13  | Asphalt Concrete (4") (D)  | 13,932             | SF   | \$ 4.00             | \$ 55,728.00  |
| 14  | Asphalt Concrete (5") (D)  | 267                | SF   | \$ 4.50             | \$ 1,201.50   |
| 15  | Class 2 Crushed Misc. Base (D) (F)                                   | 10                 | CY   | \$ 90.00            | \$ 900.00     |
| 16  | 6" Curb & Gutter over 6" CAB (D)                                     | 320                | LF   | \$ 50.00            | \$ 16,000.00  |
| 17  | Conc. Sidewalk over 2" Sand & 10 Mil Plastic (D)                     | 268                | SF   | \$ 15.00            | \$ 4,020.00   |
| 18  | Conc. Sidewalk w/ Med Broom Finish over 2" Sand & 10 Mil Plastic (D) | 5,900              | SF   | \$ 20.00            | \$ 118,000.00 |
| 19  | Conc. Driveway Pavement (8")   | 240                | SF   | \$ 30.00            | \$ 7,200.00   |
| 20  | Curb Ramp (D)  | 6                  | EA   | \$ 7,500.00         | \$ 45,000.00  |
| 21  | Interlocking Pavers (Pedestrian) (D)                                 | 215                | SF   | \$ 22.00            | \$ 4,730.00   |
| 22  | Permeable Pavers   | 514                | SF   | \$ 24.00            | \$ 12,336.00  |
| 23  | Decorative Single Post Top Light (D)                                 | 5                  | EA   | \$ 9,000.00         | \$ 45,000.00  |
| 24  | Palm Tree Light (D)  | 8                  | EA   | \$ 2,500.00         | \$ 20,000.00  |
| 25  | Electrical Receptacle (D)  | 2                  | EA   | \$ 750.00           | \$ 1,500.00   |
| 26  | Pull Box No. 3.5 (PCC) (D)   | 10                 | EA   | \$ 450.00           | \$ 4,500.00   |
| 27  | 2" PVC Conduit & Conductors (D) (F)                                  | 460                | LF   | \$ 15.00            | \$ 6,900.00   |
| 28  | 4" PVC Conduit Sleeve (D)  | 280                | LF   | \$ 20.00            | \$ 5,600.00   |
| 29  | Signing & Striping (D)   | 1                  | LS   | \$ 8,500.00         | \$ 8,500.00   |
| 30  | Landscape Sleeving (D) (F)   | 270                | LF   | \$ 20.00            | \$ 5,400.00   |
| 31  | Irrigation (D) (F)   | 1                  | LS   | \$ 19,905.00        | \$ 19,905.00  |
| 32  | Date Palm (16' BTH) (D)  | 6                  | EA   | \$ 7,500.00         | \$ 45,000.00  |
| 33  | 36" Box Tree (D)   | 2                  | EA   | \$ 800.00           | \$ 1,600.00   |
| 34  | 5 Gallon Shrubs (D)  | 99                 | EA   | \$ 50.00            | \$ 4,950.00   |
| 35  | DG Surface Cover (3/8" Desert Gold) (D)                              | 1,540              | SF   | \$ 4.00             | \$ 6,160.00   |
| 36  | Bench (D)  | 2                  | EA   | \$ 1,600.00         | \$ 3,200.00   |
| 37  | Bike Rack (D)  | 1                  | EA   | \$ 500.00           | \$ 500.00     |
| 38  | Trash Receptacle (D)   | 2                  | EA   | \$ 1,200.00         | \$ 2,400.00   |
| 39  | Sawcut & Remove AC Pavement (D)                                      | 7,641              | SF   | \$ 10.00            | \$ 76,410.00  |
| 40  | Clearing, Grubbing & Removals (D)                                    | 1                  | LS   | \$ 12,110.00        | \$ 12,110.00  |
| 41  | Adjust to Grade Water Valve Frame (D)                                | 1                  | EA   | \$ 1,700.00         | \$ 1,700.00   |
| 42  | Adjust to Grade Sewer MH Lid (D)                                     | 3                  | EA   | \$ 3,500.00         | \$ 10,500.00  |
| 43  | Adjust to Grade Gas Valve Frame                                      | 1                  | EA   | \$ 1,500.00         | \$ 1,500.00   |
| 44  | Adjust to Grade Water Meter box (D)                                  | 6                  | EA   | \$ 500.00           | \$ 3,000.00   |
| 45  | Salvage & Reinstall Fire Hydrant (D)                                 | 1                  | EA   | \$ 3,200.00         | \$ 3,200.00   |
| 46  | Salvage & Reinstall Mailbox (D)                                      | 1                  | EA   | \$ 250.00           | \$ 250.00     |
| 47  | Salvage & Reinstall Backflow w/ Cage                                 | 1                  | EA   | \$ 1,200.00         | \$ 1,200.00   |
| 48  | Suitable Backfill (Parkway) (D) (F)                                  | 55                 | CY   | \$ 60.00            | \$ 3,300.00   |

| Desert Concepts |               | Granite Construction |               | CS Legacy     |               | LA Engineering |               |
|-----------------|---------------|----------------------|---------------|---------------|---------------|----------------|---------------|
| ITEM PRICE      | TOTAL         | ITEM PRICE           | TOTAL         | ITEM PRICE    | TOTAL         | ITEM PRICE     | TOTAL         |
| \$ 175,000.00   | \$ 175,000.00 | \$ 125,000.00        | \$ 125,000.00 | \$ 177,944.80 | \$ 177,944.80 | \$ 550,000.00  | \$ 550,000.00 |
| \$ 75,305.00    | \$ 75,305.00  | \$ 45,000.00         | \$ 45,000.00  | \$ 45,277.30  | \$ 45,277.30  | \$ 49,182.25   | \$ 49,182.25  |
| \$ 90,000.00    | \$ 90,000.00  | \$ 60,579.00         | \$ 60,579.00  | \$ 56,121.03  | \$ 56,121.03  | \$ 200,000.00  | \$ 200,000.00 |
| \$ 12,000.00    | \$ 12,000.00  | \$ 5,500.00          | \$ 5,500.00   | \$ 6,240.00   | \$ 6,240.00   | \$ 5,000.00    | \$ 5,000.00   |
| \$ 3.50         | \$ 9,117.50   | \$ 2.00              | \$ 5,210.00   | \$ 4.47       | \$ 11,644.35  | \$ 4.00        | \$ 10,420.00  |
| \$ 20,000.00    | \$ 20,000.00  | \$ 15,000.00         | \$ 15,000.00  | \$ 3,403.63   | \$ 3,403.63   | \$ 134,000.00  | \$ 134,000.00 |
| \$ 1,100.00     | \$ 3,300.00   | \$ 800.00            | \$ 2,400.00   | \$ 1,076.91   | \$ 3,230.73   | \$ 200.00      | \$ 600.00     |
| \$ 1,200.00     | \$ 1,200.00   | \$ 2,800.00          | \$ 2,800.00   | \$ 3,044.23   | \$ 3,044.23   | \$ 1,500.00    | \$ 1,500.00   |
| \$ 1,000.00     | \$ 1,000.00   | \$ 700.00            | \$ 700.00     | \$ 884.94     | \$ 884.94     | \$ 1,000.00    | \$ 1,000.00   |
| \$ 1,800.00     | \$ 1,800.00   | \$ 10,000.00         | \$ 10,000.00  | \$ 27,229.09  | \$ 27,229.09  | \$ 15,000.00   | \$ 15,000.00  |
| \$ 55.00        | \$ 2,200.00   | \$ 650.00            | \$ 26,000.00  | \$ 109.65     | \$ 4,386.00   | \$ 90.00       | \$ 3,600.00   |
| \$ 1.50         | \$ 20,898.00  | \$ 1.00              | \$ 13,932.00  | \$ 1.13       | \$ 15,743.16  | \$ 1.00        | \$ 13,932.00  |
| \$ 3.50         | \$ 48,762.00  | \$ 4.00              | \$ 55,728.00  | \$ 3.80       | \$ 52,941.60  | \$ 3.25        | \$ 45,279.00  |
| \$ 4.00         | \$ 1,068.00   | \$ 4.00              | \$ 1,068.00   | \$ 4.54       | \$ 1,212.18   | \$ 3.25        | \$ 867.75     |
| \$ 65.00        | \$ 650.00     | \$ 85.00             | \$ 850.00     | \$ 204.22     | \$ 2,042.20   | \$ 400.00      | \$ 4,000.00   |
| \$ 45.00        | \$ 14,400.00  | \$ 60.00             | \$ 19,200.00  | \$ 64.47      | \$ 20,630.40  | \$ 77.00       | \$ 24,640.00  |
| \$ 9.50         | \$ 2,546.00   | \$ 12.00             | \$ 3,216.00   | \$ 17.67      | \$ 4,735.56   | \$ 24.00       | \$ 6,432.00   |
| \$ 9.00         | \$ 53,100.00  | \$ 14.00             | \$ 82,600.00  | \$ 16.67      | \$ 98,353.00  | \$ 11.00       | \$ 64,900.00  |
| \$ 16.00        | \$ 3,840.00   | \$ 20.00             | \$ 4,800.00   | \$ 26.40      | \$ 6,336.00   | \$ 32.00       | \$ 7,680.00   |
| \$ 9,500.00     | \$ 57,000.00  | \$ 3,000.00          | \$ 18,000.00  | \$ 7,298.05   | \$ 43,788.30  | \$ 3,500.00    | \$ 21,000.00  |
| \$ 18.00        | \$ 3,870.00   | \$ 22.00             | \$ 4,730.00   | \$ 36.41      | \$ 7,828.15   | \$ 95.00       | \$ 20,425.00  |
| \$ 20.00        | \$ 10,280.00  | \$ 23.00             | \$ 11,822.00  | \$ 35.40      | \$ 18,195.60  | \$ 52.00       | \$ 26,728.00  |
| \$ 9,000.00     | \$ 45,000.00  | \$ 9,100.00          | \$ 45,500.00  | \$ 11,629.09  | \$ 58,145.45  | \$ 10,000.00   | \$ 50,000.00  |
| \$ 1,200.00     | \$ 9,600.00   | \$ 1,700.00          | \$ 13,600.00  | \$ 3,522.76   | \$ 28,182.08  | \$ 3,000.00    | \$ 24,000.00  |
| \$ 800.00       | \$ 1,600.00   | \$ 600.00            | \$ 1,200.00   | \$ 1,843.64   | \$ 3,687.28   | \$ 1,600.00    | \$ 3,200.00   |
| \$ 600.00       | \$ 6,000.00   | \$ 485.00            | \$ 4,850.00   | \$ 737.45     | \$ 7,374.50   | \$ 600.00      | \$ 6,000.00   |
| \$ 48.00        | \$ 22,080.00  | \$ 36.00             | \$ 16,560.00  | \$ 45.38      | \$ 20,874.80  | \$ 40.00       | \$ 18,400.00  |
| \$ 32.00        | \$ 8,960.00   | \$ 40.00             | \$ 11,200.00  | \$ 56.73      | \$ 15,884.40  | \$ 25.00       | \$ 7,000.00   |
| \$ 28,000.00    | \$ 28,000.00  | \$ 5,173.00          | \$ 5,173.00   | \$ 5,869.01   | \$ 5,869.01   | \$ 5,400.00    | \$ 5,400.00   |
| \$ 35.00        | \$ 9,450.00   | \$ 15.00             | \$ 4,050.00   | \$ 37.06      | \$ 10,006.20  | \$ 38.00       | \$ 10,260.00  |
| \$ 25,000.00    | \$ 25,000.00  | \$ 20,000.00         | \$ 20,000.00  | \$ 22,123.63  | \$ 22,123.63  | \$ 38,000.00   | \$ 38,000.00  |
| \$ 4,500.00     | \$ 27,000.00  | \$ 3,000.00          | \$ 18,000.00  | \$ 3,176.73   | \$ 19,060.38  | \$ 5,500.00    | \$ 33,000.00  |
| \$ 1,600.00     | \$ 3,200.00   | \$ 950.00            | \$ 1,900.00   | \$ 1,077.82   | \$ 2,155.64   | \$ 3,000.00    | \$ 6,000.00   |
| \$ 35.00        | \$ 3,465.00   | \$ 24.00             | \$ 2,376.00   | \$ 27.23      | \$ 2,695.77   | \$ 60.00       | \$ 5,940.00   |
| \$ 4.50         | \$ 6,930.00   | \$ 2.00              | \$ 3,080.00   | \$ 4.67       | \$ 7,191.80   | \$ 7.00        | \$ 10,780.00  |
| \$ 1,800.00     | \$ 3,600.00   | \$ 2,800.00          | \$ 5,600.00   | \$ 3,176.73   | \$ 6,353.46   | \$ 2,700.00    | \$ 5,400.00   |
| \$ 800.00       | \$ 800.00     | \$ 700.00            | \$ 700.00     | \$ 794.18     | \$ 794.18     | \$ 750.00      | \$ 750.00     |
| \$ 1,200.00     | \$ 2,400.00   | \$ 1,500.00          | \$ 3,000.00   | \$ 1,701.82   | \$ 3,403.64   | \$ 1,400.00    | \$ 2,800.00   |
| \$ 3.50         | \$ 26,743.50  | \$ 2.00              | \$ 15,282.00  | \$ 4.03       | \$ 30,793.23  | \$ 3.00        | \$ 22,923.00  |
| \$ 10,000.00    | \$ 10,000.00  | \$ 75,000.00         | \$ 75,000.00  | \$ 3,403.63   | \$ 3,403.63   | \$ 75,000.00   | \$ 75,000.00  |
| \$ 1,100.00     | \$ 1,100.00   | \$ 800.00            | \$ 800.00     | \$ 1,076.91   | \$ 1,076.91   | \$ 550.00      | \$ 550.00     |
| \$ 1,200.00     | \$ 3,600.00   | \$ 2,800.00          | \$ 8,400.00   | \$ 3,044.24   | \$ 9,132.72   | \$ 1,500.00    | \$ 4,500.00   |
| \$ 1,000.00     | \$ 1,000.00   | \$ 500.00            | \$ 500.00     | \$ 1,076.91   | \$ 1,076.91   | \$ 650.00      | \$ 650.00     |
| \$ 800.00       | \$ 4,800.00   | \$ 1,000.00          | \$ 6,000.00   | \$ 1,076.91   | \$ 6,461.46   | \$ 500.00      | \$ 3,000.00   |
| \$ 1,800.00     | \$ 1,800.00   | \$ 10,000.00         | \$ 10,000.00  | \$ 27,229.09  | \$ 27,229.09  | \$ 15,000.00   | \$ 15,000.00  |
| \$ 500.00       | \$ 500.00     | \$ 1,200.00          | \$ 1,200.00   | \$ 1,078.44   | \$ 1,078.44   | \$ 1,000.00    | \$ 1,000.00   |
| \$ 1,200.00     | \$ 1,200.00   | \$ 13,000.00         | \$ 13,000.00  | \$ 6,240.00   | \$ 6,240.00   | \$ 1,500.00    | \$ 1,500.00   |
| \$ 55.00        | \$ 3,025.00   | \$ 650.00            | \$ 35,750.00  | \$ 109.65     | \$ 6,030.75   | \$ 100.00      | \$ 5,500.00   |

| Pueblo Viejo Sustainable Transportation Project<br>CITY OF COACHELLA<br>BID OPENING: December 1, 2021 |  |        |    | Engineer's Estimate |               | Desert Concepts |              | Granite Construction |               | CS Legacy    |              | LA Engineering |               |
|---|--|--------|----|---------------------|---------------|-----------------|--------------|----------------------|---------------|--------------|--------------|----------------|---------------|
| 49  | Cold Mill AC Pavement (4") (D)                                       | 26,514 | SF | \$ 1.50             | \$ 39,771.00  | \$ 1.50         | \$ 39,771.00 | \$ 1.00              | \$ 26,514.00  | \$ 0.79      | \$ 20,946.06 | \$ 0.60        | \$ 15,908.40  |
| 50  | Asphalt Concrete (4") (D)  | 26,514 | SF | \$ 4.00             | \$ 106,056.00 | \$ 3.50         | \$ 92,799.00 | \$ 4.00              | \$ 106,056.00 | \$ 3.12      | \$ 82,723.68 | \$ 2.75        | \$ 72,913.50  |
| 51  | Asphalt Concrete (5") (D)  | 430    | SF | \$ 4.50             | \$ 1,935.00   | \$ 4.00         | \$ 1,720.00  | \$ 4.00              | \$ 1,720.00   | \$ 7.94      | \$ 3,414.20  | \$ 2.75        | \$ 1,182.50   |
| 52  | Class 2 Crushed Misc. Base (D) (F)                                   | 60     | CY | \$ 90.00            | \$ 5,400.00   | \$ 65.00        | \$ 3,900.00  | \$ 85.00             | \$ 5,100.00   | \$ 175.85    | \$ 10,551.00 | \$ 300.00      | \$ 18,000.00  |
| 53  | 6" Curb & Gutter over 6" CAB (D)                                     | 847    | LF | \$ 50.00            | \$ 42,350.00  | \$ 45.00        | \$ 38,115.00 | \$ 60.00             | \$ 50,820.00  | \$ 64.15     | \$ 54,335.05 | \$ 61.00       | \$ 51,667.00  |
| 54  | 6" Curb over 6" CAB (D)  | 45     | LF | \$ 40.00            | \$ 1,800.00   | \$ 35.00        | \$ 1,575.00  | \$ 70.00             | \$ 3,150.00   | \$ 63.64     | \$ 2,863.80  | \$ 90.00       | \$ 4,050.00   |
| 55  | Conc. Sidewalk over 2" Sand & 10 Mil Plastic (D)                     | 900    | SF | \$ 15.00            | \$ 13,500.00  | \$ 9.50         | \$ 8,550.00  | \$ 12.00             | \$ 10,800.00  | \$ 17.13     | \$ 15,417.00 | \$ 13.00       | \$ 11,700.00  |
| 56  | Conc. Sidewalk w/ Med Broom Finish over 2" Sand & 10 Mil Plastic (D) | 5,917  | SF | \$ 18.00            | \$ 106,506.00 | \$ 9.00         | \$ 53,253.00 | \$ 14.00             | \$ 82,838.00  | \$ 16.15     | \$ 95,559.55 | \$ 11.00       | \$ 65,087.00  |
| 57  | Conc. Driveway Approach (D)  | 1,035  | SF | \$ 20.00            | \$ 20,700.00  | \$ 14.00        | \$ 14,490.00 | \$ 16.00             | \$ 16,560.00  | \$ 24.52     | \$ 25,378.20 | \$ 16.00       | \$ 16,560.00  |
| 58  | Conc. / Paver Driveway Approach (D)                                  | 832    | SF | \$ 30.00            | \$ 24,960.00  | \$ 14.00        | \$ 11,648.00 | \$ 24.00             | \$ 19,968.00  | \$ 30.70     | \$ 25,542.40 | \$ 67.00       | \$ 55,744.00  |
| 59  | Conc. Driveway Pavement (6") (D)                                     | 2,290  | SF | \$ 25.00            | \$ 57,250.00  | \$ 14.00        | \$ 32,060.00 | \$ 14.00             | \$ 32,060.00  | \$ 23.78     | \$ 54,456.20 | \$ 11.00       | \$ 25,190.00  |
| 60  | Conc. Driveway Pavement (8") (D)                                     | 3,454  | SF | \$ 30.00            | \$ 103,620.00 | \$ 16.00        | \$ 55,264.00 | \$ 16.00             | \$ 55,264.00  | \$ 23.69     | \$ 81,825.26 | \$ 12.00       | \$ 41,448.00  |
| 61  | Curb Ramp (D)  | 4      | EA | \$ 7,500.00         | \$ 30,000.00  | \$ 9,500.00     | \$ 38,000.00 | \$ 3,000.00          | \$ 12,000.00  | \$ 7,353.63  | \$ 29,414.52 | \$ 3,500.00    | \$ 14,000.00  |
| 61A   | Interlocking Pavers (Pedestrian) (D)                                 | 488    | SF | \$ 22.00            | \$ 10,736.00  | \$ 18.00        | \$ 8,784.00  | \$ 22.00             | \$ 10,736.00  | \$ 32.81     | \$ 16,011.28 | \$ 76.00       | \$ 37,088.00  |
| 62  | Permeable Pavers (D)   | 2,062  | SF | \$ 24.00            | \$ 49,488.00  | \$ 20.00        | \$ 41,240.00 | \$ 23.00             | \$ 47,426.00  | \$ 31.75     | \$ 65,468.50 | \$ 50.00       | \$ 103,100.00 |
| 63  | Traffic Rated Paver Crosswalk w/ Conc. Band                          | 960    | SF | \$ 65.00            | \$ 62,400.00  | \$ 25.00        | \$ 24,000.00 | \$ 50.00             | \$ 48,000.00  | \$ 64.22     | \$ 61,651.20 | \$ 80.00       | \$ 76,800.00  |
| 64  | Catch Basin  | 3      | EA | \$ 14,000.00        | \$ 42,000.00  | \$ 8,000.00     | \$ 24,000.00 | \$ 24,000.00         | \$ 72,000.00  | \$ 7,714.91  | \$ 23,144.73 | \$ 8,000.00    | \$ 24,000.00  |
| 65  | 12" N-12 WT JT HDPE Pipe   | 67     | LF | \$ 75.00            | \$ 5,025.00   | \$ 280.00       | \$ 18,760.00 | \$ 500.00            | \$ 33,500.00  | \$ 583.16    | \$ 39,071.72 | \$ 350.00      | \$ 23,450.00  |
| 66  | 18" N-12 WT JT HDPE Pipe   | 61     | LF | \$ 95.00            | \$ 5,795.00   | \$ 350.00       | \$ 21,350.00 | \$ 500.00            | \$ 30,500.00  | \$ 602.44    | \$ 36,748.84 | \$ 500.00      | \$ 30,500.00  |
| 67  | Decorative Single Post Top Light (D)                                 | 5      | EA | \$ 9,000.00         | \$ 45,000.00  | \$ 9,000.00     | \$ 45,000.00 | \$ 9,100.00          | \$ 45,500.00  | \$ 11,629.09 | \$ 58,145.45 | \$ 10,000.00   | \$ 50,000.00  |
| 68  | Decorative Street Light (D)  | 1      | EA | \$ 10,200.00        | \$ 10,200.00  | \$ 12,000.00    | \$ 12,000.00 | \$ 14,458.00         | \$ 14,458.00  | \$ 17,886.11 | \$ 17,886.11 | \$ 16,000.00   | \$ 16,000.00  |
| 69  | Palm Tree Ring Light (D)   | 5      | EA | \$ 2,500.00         | \$ 12,500.00  | \$ 1,200.00     | \$ 6,000.00  | \$ 1,700.00          | \$ 8,500.00   | \$ 3,522.76  | \$ 17,613.80 | \$ 3,200.00    | \$ 16,000.00  |
| 70  | Electrical Receptacle (D)  | 7      | EA | \$ 750.00           | \$ 5,250.00   | \$ 800.00       | \$ 5,600.00  | \$ 600.00            | \$ 4,200.00   | \$ 1,843.64  | \$ 12,905.48 | \$ 1,600.00    | \$ 11,200.00  |
| 71  | Pull Box No. 3.5 (PCC) (D)   | 12     | EA | \$ 450.00           | \$ 5,400.00   | \$ 600.00       | \$ 7,200.00  | \$ 485.00            | \$ 5,820.00   | \$ 737.45    | \$ 8,849.40  | \$ 700.00      | \$ 8,400.00   |
| 72  | 2" PVC Conduit & Conductors (D) (F)                                  | 780    | LF | \$ 15.00            | \$ 11,700.00  | \$ 48.00        | \$ 37,440.00 | \$ 36.00             | \$ 28,080.00  | \$ 45.38     | \$ 35,396.40 | \$ 40.00       | \$ 31,200.00  |
| 73  | Modify Ex. Electrical Meter Pedestal                                 | 1      | EA | \$ 3,500.00         | \$ 3,500.00   | \$ 2,500.00     | \$ 2,500.00  | \$ 2,000.00          | \$ 2,000.00   | \$ 1,815.28  | \$ 1,815.28  | \$ 1,600.00    | \$ 1,600.00   |
| 74  | 4" PVC Conduit Sleeve (D) (F)  | 750    | LF | \$ 20.00            | \$ 15,000.00  | \$ 32.00        | \$ 24,000.00 | \$ 40.00             | \$ 30,000.00  | \$ 56.73     | \$ 42,547.50 | \$ 25.00       | \$ 18,750.00  |
| 75  | Signing & Striping (D)   | 1      | LS | \$ 8,190.00         | \$ 8,190.00   | \$ 25,000.00    | \$ 25,000.00 | \$ 7,010.00          | \$ 7,010.00   | \$ 7,953.17  | \$ 7,953.17  | \$ 8,000.00    | \$ 8,000.00   |
| 76  | Landscape Sleeving (D) (F)   | 680    | LF | \$ 20.00            | \$ 13,600.00  | \$ 35.00        | \$ 23,800.00 | \$ 15.00             | \$ 10,200.00  | \$ 38.18     | \$ 25,962.40 | \$ 30.00       | \$ 20,400.00  |
| 77  | Irrigation (D) (F)   | 1      | LS | \$ 22,380.00        | \$ 22,380.00  | \$ 18,000.00    | \$ 18,000.00 | \$ 25,000.00         | \$ 25,000.00  | \$ 28,363.63 | \$ 28,363.63 | \$ 50,000.00   | \$ 50,000.00  |
| 78  | Date Palm (16' BTH) (D)  | 6      | EA | \$ 7,500.00         | \$ 45,000.00  | \$ 4,500.00     | \$ 27,000.00 | \$ 3,000.00          | \$ 18,000.00  | \$ 3,176.73  | \$ 19,060.38 | \$ 5,500.00    | \$ 33,000.00  |
| 79  | 36" Box Tree (D)   | 2      | EA | \$ 800.00           | \$ 1,600.00   | \$ 1,600.00     | \$ 3,200.00  | \$ 950.00            | \$ 1,900.00   | \$ 1,021.10  | \$ 2,042.20  | \$ 3,000.00    | \$ 6,000.00   |
| 80  | 5 Gallon Shrubs (D)  | 37     | EA | \$ 50.00            | \$ 1,850.00   | \$ 35.00        | \$ 1,295.00  | \$ 24.00             | \$ 888.00     | \$ 17.66     | \$ 653.42    | \$ 59.00       | \$ 2,183.00   |
| 81  | DG Surface Cover (3/8" Desert Gold) (D)                              | 375    | SF | \$ 4.00             | \$ 1,500.00   | \$ 4.50         | \$ 1,687.50  | \$ 2.00              | \$ 750.00     | \$ 4.46      | \$ 1,672.50  | \$ 7.00        | \$ 2,625.00   |
| 82  | Bench (D)  | 3      | EA | \$ 1,600.00         | \$ 4,800.00   | \$ 1,800.00     | \$ 5,400.00  | \$ 2,800.00          | \$ 8,400.00   | \$ 3,176.73  | \$ 9,530.19  | \$ 3,700.00    | \$ 11,100.00  |
| 83  | Bike Rack (D)  | 2      | EA | \$ 500.00           | \$ 1,000.00   | \$ 800.00       | \$ 1,600.00  | \$ 700.00            | \$ 1,400.00   | \$ 794.19    | \$ 1,588.38  | \$ 600.00      | \$ 1,200.00   |
| 84  | Trash Receptacle (D)   | 3      | EA | \$ 1,200.00         | \$ 3,600.00   | \$ 1,200.00     | \$ 3,600.00  | \$ 1,500.00          | \$ 4,500.00   | \$ 1,701.82  | \$ 5,105.46  | \$ 1,350.00    | \$ 4,050.00   |
| 85  | Sawcut & Remove AC Pavement (D)                                      | 420    | SF | \$ 10.00            | \$ 4,200.00   | \$ 3.50         | \$ 1,470.00  | \$ 2.00              | \$ 840.00     | \$ 5.38      | \$ 2,259.60  | \$ 10.00       | \$ 4,200.00   |
| 86  | Adjust to Grade Gas Valve Frame                                      | 1      | EA | \$ 1,500.00         | \$ 1,500.00   | \$ 1,100.00     | \$ 1,100.00  | \$ 500.00            | \$ 500.00     | \$ 1,076.91  | \$ 1,076.91  | \$ 650.00      | \$ 650.00     |
| 87  | Salvage & Reinstall Fire Backflow Prevention Device                  | 1      | EA | \$ 7,500.00         | \$ 7,500.00   | \$ 3,500.00     | \$ 3,500.00  | \$ 12,000.00         | \$ 12,000.00  | \$ 28,363.63 | \$ 28,363.63 | \$ 1,800.00    | \$ 1,800.00   |
| 88  | Relocate Traffic Signal Communication Pull box                       | 1      | EA | \$ 1,500.00         | \$ 1,500.00   | \$ 2,400.00     | \$ 2,400.00  | \$ 8,000.00          | \$ 8,000.00   | \$ 11,005.09 | \$ 11,005.09 | \$ 10,000.00   | \$ 10,000.00  |
| 89  | Clearing, Grubbing and Removals (D)                                  | 1      | LS | \$ 2,420.00         | \$ 2,420.00   | \$ 12,000.00    | \$ 12,000.00 | \$ 25,000.00         | \$ 25,000.00  | \$ 3,403.63  | \$ 3,403.63  | \$ 15,000.00   | \$ 15,000.00  |
| 90  | F&I 10" DIP Water Pipe & Couplers                                    | 10     | LF | \$ 350.00           | \$ 3,500.00   | \$ 380.00       | \$ 3,800.00  | \$ 500.00            | \$ 5,000.00   | \$ 249.60    | \$ 2,496.00  | \$ 600.00      | \$ 6,000.00   |
| 91  | Asphalt Concrete (5") (D)  | 6,976  | SF | \$ 4.00             | \$ 27,904.00  | \$ 4.00         | \$ 27,904.00 | \$ 4.00              | \$ 27,904.00  | \$ 5.67      | \$ 39,553.92 | \$ 4.50        | \$ 31,392.00  |
| 92  | Class 2 Crushed Misc. Base (D) (F)                                   | 195    | CY | \$ 90.00            | \$ 17,550.00  | \$ 65.00        | \$ 12,675.00 | \$ 85.00             | \$ 16,575.00  | \$ 96.44     | \$ 18,805.80 | \$ 250.00      | \$ 48,750.00  |
| 93  | 6" Curb & Gutter over 6" CAB (D)                                     | 325    | LF | \$ 50.00            | \$ 16,250.00  | \$ 45.00        | \$ 14,625.00 | \$ 60.00             | \$ 19,500.00  | \$ 65.86     | \$ 21,404.50 | \$ 60.00       | \$ 19,500.00  |
| 94  | Conc. Cross Gutter (D)   | 1,187  | SF | \$ 22.00            | \$ 26,114.00  | \$ 16.00        | \$ 18,992.00 | \$ 20.00             | \$ 23,740.00  | \$ 30.31     | \$ 35,977.97 | \$ 35.00       | \$ 41,545.00  |

| Pueblo Viejo Sustainable Transportation Project<br>CITY OF COACHELLA<br>BID OPENING: December 1, 2021 |  |       |    | Engineer's Estimate |              | Desert Concepts |              | Granite Construction |              | CS Legacy    |              | LA Engineering |               |
|---|--|-------|----|---------------------|--------------|-----------------|--------------|----------------------|--------------|--------------|--------------|----------------|---------------|
| 95  | Conc. Sidewalk over 2" Sand & 10 Mil Plastic (D) | 2,144 | SF | \$ 15.00            | \$ 32,160.00 | \$ 9.50         | \$ 20,368.00 | \$ 12.00             | \$ 25,728.00 | \$ 18.03     | \$ 38,656.32 | \$ 14.00       | \$ 30,016.00  |
| 96  | Conc. Driveway Pavement (8") (D)                 | 729   | SF | \$ 25.00            | \$ 18,225.00 | \$ 16.00        | \$ 11,664.00 | \$ 16.00             | \$ 11,664.00 | \$ 28.18     | \$ 20,543.22 | \$ 17.00       | \$ 12,393.00  |
| 96A   | Curb Ramp (D)                                    | 2     | EA | \$ 7,500.00         | \$ 15,000.00 | \$ 9,500.00     | \$ 19,000.00 | \$ 3,000.00          | \$ 6,000.00  | \$ 7,353.64  | \$ 14,707.28 | \$ 4,000.00    | \$ 8,000.00   |
| 97  | Type 15 Street Light (Non Decorative) (LED) (D)  | 2     | EA | \$ 6,500.00         | \$ 13,000.00 | \$ 14,000.00    | \$ 28,000.00 | \$ 8,400.00          | \$ 16,800.00 | \$ 9,813.82  | \$ 19,627.64 | \$ 10,000.00   | \$ 20,000.00  |
| 98  | 2" PVC Conduit & Conductors (D) (F)              | 250   | LF | \$ 15.00            | \$ 3,750.00  | \$ 48.00        | \$ 12,000.00 | \$ 36.00             | \$ 9,000.00  | \$ 45.38     | \$ 11,345.00 | \$ 40.00       | \$ 10,000.00  |
| 99  | Signing & Striping (D)                           | 1     | LS | \$ 2,110.00         | \$ 2,110.00  | \$ 15,000.00    | \$ 15,000.00 | \$ 1,438.00          | \$ 1,438.00  | \$ 1,631.47  | \$ 1,631.47  | \$ 1,500.00    | \$ 1,500.00   |
| 100   | Landscape Sleeving (D) (F)                       | 58    | LF | \$ 20.00            | \$ 1,160.00  | \$ 35.00        | \$ 2,030.00  | \$ 15.00             | \$ 870.00    | \$ 53.13     | \$ 3,081.54  | \$ 75.00       | \$ 4,350.00   |
| 101   | Irrigation (D) (F)                               | 1     | LS | \$ 11,016.00        | \$ 11,016.00 | \$ 20,000.00    | \$ 20,000.00 | \$ 8,500.00          | \$ 8,500.00  | \$ 9,643.64  | \$ 9,643.64  | \$ 120,000.00  | \$ 120,000.00 |
| 102   | Date Palm (16' BTH) (D)                          | 1     | EA | \$ 7,500.00         | \$ 7,500.00  | \$ 4,500.00     | \$ 4,500.00  | \$ 3,000.00          | \$ 3,000.00  | \$ 3,176.72  | \$ 3,176.72  | \$ 6,000.00    | \$ 6,000.00   |
| 103   | 24" Box Tree (D)                                 | 20    | EA | \$ 600.00           | \$ 12,000.00 | \$ 1,200.00     | \$ 24,000.00 | \$ 500.00            | \$ 10,000.00 | \$ 510.55    | \$ 10,211.00 | \$ 800.00      | \$ 16,000.00  |
| 104   | 5 Gallon Shrubs (D)                              | 41    | EA | \$ 50.00            | \$ 2,050.00  | \$ 35.00        | \$ 1,435.00  | \$ 24.00             | \$ 984.00    | \$ 27.23     | \$ 1,116.43  | \$ 45.00       | \$ 1,845.00   |
| 105   | DG Surface Cover (3/8" Desert Gold) (D)          | 3,560 | SF | \$ 3.50             | \$ 12,460.00 | \$ 4.50         | \$ 16,020.00 | \$ 2.00              | \$ 7,120.00  | \$ 4.50      | \$ 16,020.00 | \$ 6.00        | \$ 21,360.00  |
| 106   | Sawcut & Remove AC Pavement (D)                  | 231   | SF | \$ 10.00            | \$ 2,310.00  | \$ 3.50         | \$ 808.50    | \$ 2.00              | \$ 462.00    | \$ 6.58      | \$ 1,519.98  | \$ 15.00       | \$ 3,465.00   |
| 107   | Remove AC Berm                                   | 108   | LF | \$ 5.00             | \$ 540.00    | \$ 20.00        | \$ 2,160.00  | \$ 5.00              | \$ 540.00    | \$ 12.34     | \$ 1,332.72  | \$ 16.00       | \$ 1,728.00   |
| 108   | 6" Curb & Gutter over 6" CAB (D)                 | 108   | LF | \$ 50.00            | \$ 5,400.00  | \$ 45.00        | \$ 4,860.00  | \$ 60.00             | \$ 6,480.00  | \$ 61.78     | \$ 6,672.24  | \$ 54.00       | \$ 5,832.00   |
| 109   | Conc. Sidewalk over 2" Sand & 10 Mil Plastic (D) | 551   | SF | \$ 15.00            | \$ 8,265.00  | \$ 9.50         | \$ 5,234.50  | \$ 12.00             | \$ 6,612.00  | \$ 18.13     | \$ 9,989.63  | \$ 15.00       | \$ 8,265.00   |
| 110   | Remove Conc. Driveway                            | 128   | SF | \$ 4.00             | \$ 512.00    | \$ 4.50         | \$ 576.00    | \$ 3.00              | \$ 384.00    | \$ 18.48     | \$ 2,365.44  | \$ 12.00       | \$ 1,536.00   |
| 111   | Conc. Sidewalk over 2" Sand & 10 Mil Plastic (D) | 1,696 | SF | \$ 15.00            | \$ 25,440.00 | \$ 9.50         | \$ 16,112.00 | \$ 12.00             | \$ 20,352.00 | \$ 21.86     | \$ 37,074.56 | \$ 15.00       | \$ 25,440.00  |
| 112   | Conc. Driveway Approach (D)                      | 128   | SF | \$ 20.00            | \$ 2,560.00  | \$ 14.00        | \$ 1,792.00  | \$ 16.00             | \$ 2,048.00  | \$ 37.43     | \$ 4,791.04  | \$ 43.00       | \$ 5,504.00   |
| 113   | 6" Curb over 6" CAB (D)                          | 105   | LF | \$ 40.00            | \$ 4,200.00  | \$ 35.00        | \$ 3,675.00  | \$ 70.00             | \$ 7,350.00  | \$ 74.66     | \$ 7,839.30  | \$ 60.00       | \$ 6,300.00   |
| 114   | Salvage & Reinstall Sign (D)                     | 2     | EA | \$ 150.00           | \$ 300.00    | \$ 150.00       | \$ 300.00    | \$ 250.00            | \$ 500.00    | \$ 283.64    | \$ 567.28    | \$ 500.00      | \$ 1,000.00   |
| 115   | Remove Chain Link Fence (F)                      | 1,121 | LF | \$ 3.00             | \$ 3,363.00  | \$ 20.00        | \$ 22,420.00 | \$ 8.00              | \$ 8,968.00  | \$ 6.30      | \$ 7,062.30  | \$ 5.00        | \$ 5,605.00   |
| 116   | Conc. Sidewalk over 2" Sand & 10 Mil Plastic (D) | 2,015 | SF | \$ 15.00            | \$ 30,225.00 | \$ 9.50         | \$ 19,142.50 | \$ 12.00             | \$ 24,180.00 | \$ 19.04     | \$ 38,365.60 | \$ 12.00       | \$ 24,180.00  |
| 117   | Curb Ramp (D)                                    | 1     | EA | \$ 8,000.00         | \$ 8,000.00  | \$ 9,500.00     | \$ 9,500.00  | \$ 3,000.00          | \$ 3,000.00  | \$ 7,353.64  | \$ 7,353.64  | \$ 5,000.00    | \$ 5,000.00   |
| 118   | Clearing, Grubbing and Removals (D)              | 1     | LS | \$ 4,970.00         | \$ 4,970.00  | \$ 15,000.00    | \$ 15,000.00 | \$ 35,000.00         | \$ 35,000.00 | \$ 3,403.63  | \$ 3,403.63  | \$ 55,000.00   | \$ 55,000.00  |
| 119   | Cold Mill AC Pavement (0.10') (D)                | 1,761 | SF | \$ 1.50             | \$ 2,641.50  | \$ 1.50         | \$ 2,641.50  | \$ 1.00              | \$ 1,761.00  | \$ 0.68      | \$ 1,197.48  | \$ 2.00        | \$ 3,522.00   |
| 120   | Asphalt Concrete Overlay (Ave. T=0.15')          | 1,761 | SF | \$ 2.50             | \$ 4,402.50  | \$ 2.00         | \$ 3,522.00  | \$ 4.00              | \$ 7,044.00  | \$ 2.61      | \$ 4,596.21  | \$ 2.00        | \$ 3,522.00   |
| 121   | Mod. Wedge Curb over 6" CAB                      | 48    | LF | \$ 50.00            | \$ 2,400.00  | \$ 86.00        | \$ 4,128.00  | \$ 65.00             | \$ 3,120.00  | \$ 102.45    | \$ 4,917.60  | \$ 140.00      | \$ 6,720.00   |
| 122   | Conc. Sidewalk over 2" Sand & 10 Mil Plastic (D) | 523   | SF | \$ 15.00            | \$ 7,845.00  | \$ 9.50         | \$ 4,968.50  | \$ 12.00             | \$ 6,276.00  | \$ 20.11     | \$ 10,517.53 | \$ 13.00       | \$ 6,799.00   |
| 123   | Conc. Bikeway over 2" Sand & 10 Mil Plastic      | 5,517 | SF | \$ 16.00            | \$ 88,272.00 | \$ 9.00         | \$ 49,653.00 | \$ 12.00             | \$ 66,204.00 | \$ 17.76     | \$ 97,981.92 | \$ 16.00       | \$ 88,272.00  |
| 124   | Conc. Driveway Approach (D)                      | 515   | SF | \$ 9.00             | \$ 4,635.00  | \$ 14.00        | \$ 7,210.00  | \$ 16.00             | \$ 8,240.00  | \$ 30.53     | \$ 15,722.95 | \$ 18.00       | \$ 9,270.00   |
| 125   | Furnish & Install Metal Bollard                  | 2     | EA | \$ 250.00           | \$ 500.00    | \$ 900.00       | \$ 1,800.00  | \$ 1,500.00          | \$ 3,000.00  | \$ 3,403.64  | \$ 6,807.28  | \$ 750.00      | \$ 1,500.00   |
| 126   | Decorative Street Light (D)                      | 1     | EA | \$ 10,200.00        | \$ 10,200.00 | \$ 12,000.00    | \$ 12,000.00 | \$ 14,458.00         | \$ 14,458.00 | \$ 17,886.11 | \$ 17,886.11 | \$ 16,000.00   | \$ 16,000.00  |

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|---|---|--------|----|---------------------|---------------|-----------------|---------------|----------------------|---------------|--------------|---------------|----------------|---------------|
| 126A  | Decorative Single Post Top Light (D)                                    | 4      | EA | \$ 9,000.00         | \$ 36,000.00  | \$ 9,000.00     | \$ 36,000.00  | \$ 9,100.00          | \$ 36,400.00  | \$ 11,629.09 | \$ 46,516.36  | \$ 10,500.00   | \$ 42,000.00  |
| 127   | Decorative Bollard Light w/ Receptacle                                  | 5      | EA | \$ 5,500.00         | \$ 27,500.00  | \$ 4,000.00     | \$ 20,000.00  | \$ 3,500.00          | \$ 17,500.00  | \$ 3,931.20  | \$ 19,656.00  | \$ 4,000.00    | \$ 20,000.00  |
| 128   | 2" PVC Conduit & Conductors (D) (F)                                     | 560    | LF | \$ 15.00            | \$ 8,400.00   | \$ 48.00        | \$ 26,880.00  | \$ 36.00             | \$ 20,160.00  | \$ 45.38     | \$ 25,412.80  | \$ 40.00       | \$ 22,400.00  |
| 129   | Pull Box No. 3.5 (PCC) (D)  | 10     | EA | \$ 450.00           | \$ 4,500.00   | \$ 600.00       | \$ 6,000.00   | \$ 485.00            | \$ 4,850.00   | \$ 737.45    | \$ 7,374.50   | \$ 700.00      | \$ 7,000.00   |
| 130   | Meter Pedestal (Paseo Lighting) (200A)                                  | 1      | EA | \$ 5,200.00         | \$ 5,200.00   | \$ 5,000.00     | \$ 5,000.00   | \$ 11,000.00         | \$ 11,000.00  | \$ 5,105.46  | \$ 5,105.46   | \$ 5,000.00    | \$ 5,000.00   |
| 131   | Transformer Pad (Single Phase) per IID Standard                         | 1      | EA | \$ 2,000.00         | \$ 2,000.00   | \$ 10,000.00    | \$ 10,000.00  | \$ 9,500.00          | \$ 9,500.00   | \$ 11,912.72 | \$ 11,912.72  | \$ 12,000.00   | \$ 12,000.00  |
| 132   | F&I Street Sign   | 2      | EA | \$ 650.00           | \$ 1,300.00   | \$ 450.00       | \$ 900.00     | \$ 650.00            | \$ 1,300.00   | \$ 794.19    | \$ 1,588.38   | \$ 1,200.00    | \$ 2,400.00   |
| 133   | Landscape Sleeving (D) (F)  | 35     | LF | \$ 20.00            | \$ 700.00     | \$ 35.00        | \$ 1,225.00   | \$ 15.00             | \$ 525.00     | \$ 55.11     | \$ 1,928.85   | \$ 60.00       | \$ 2,100.00   |
| 134   | Irrigation (D) (F)  | 1      | LS | \$ 56,695.00        | \$ 56,695.00  | \$ 33,750.00    | \$ 33,750.00  | \$ 38,000.00         | \$ 38,000.00  | \$ 41,978.18 | \$ 41,978.18  | \$ 33,000.00   | \$ 33,000.00  |
| 135   | Date Palm (16' BTH) (D)   | 1      | EA | \$ 7,500.00         | \$ 7,500.00   | \$ 4,500.00     | \$ 4,500.00   | \$ 3,000.00          | \$ 3,000.00   | \$ 3,176.72  | \$ 3,176.72   | \$ 6,000.00    | \$ 6,000.00   |
| 136   | 24" Box Tree (D)  | 21     | EA | \$ 600.00           | \$ 12,600.00  | \$ 1,200.00     | \$ 25,200.00  | \$ 500.00            | \$ 10,500.00  | \$ 510.55    | \$ 10,721.55  | \$ 300.00      | \$ 6,300.00   |
| 137   | 5 Gallon Shrubs (D)   | 116    | EA | \$ 50.00            | \$ 5,800.00   | \$ 35.00        | \$ 4,060.00   | \$ 24.00             | \$ 2,784.00   | \$ 27.23     | \$ 3,158.68   | \$ 35.00       | \$ 4,060.00   |
| 138   | DG Surface Cover (3/8" Desert Gold) (D)                                 | 30,100 | SF | \$ 3.50             | \$ 105,350.00 | \$ 4.50         | \$ 135,450.00 | \$ 2.00              | \$ 60,200.00  | \$ 3.75      | \$ 112,875.00 | \$ 4.00        | \$ 120,400.00 |
| 139   | Bench (D)   | 2      | EA | \$ 1,500.00         | \$ 3,000.00   | \$ 1,800.00     | \$ 3,600.00   | \$ 2,800.00          | \$ 5,600.00   | \$ 3,176.73  | \$ 6,353.46   | \$ 2,700.00    | \$ 5,400.00   |
| 140   | Trash Receptacle (D)  | 1      | EA | \$ 1,200.00         | \$ 1,200.00   | \$ 1,200.00     | \$ 1,200.00   | \$ 1,500.00          | \$ 1,500.00   | \$ 1,701.82  | \$ 1,701.82   | \$ 1,400.00    | \$ 1,400.00   |
| 141   | Bike Lane Detail "A" (Biker Symbol, "BIKE LANE" & Arrow                 | 35     | EA | \$ 600.00           | \$ 21,000.00  | \$ 275.00       | \$ 9,625.00   | \$ 125.00            | \$ 4,375.00   | \$ 141.82    | \$ 4,963.70   | \$ 130.00      | \$ 4,550.00   |
| 142   | Bike Lane Detail "B" (Biker w/ Double Chevron) w/ Green MMAX Background | 29     | EA | \$ 300.00           | \$ 8,700.00   | \$ 450.00       | \$ 13,050.00  | \$ 250.00            | \$ 7,250.00   | \$ 283.64    | \$ 8,225.56   | \$ 260.00      | \$ 7,540.00   |
| 143   | 4" Solid White Line (Paint) (Det 27B) (F)                               | 9,910  | LF | \$ 2.00             | \$ 19,820.00  | \$ 3.25         | \$ 32,207.50  | \$ 0.50              | \$ 4,955.00   | \$ 0.57      | \$ 5,648.70   | \$ 0.50        | \$ 4,955.00   |
| 144   | 6" Solid White Line (Paint) (Det 39) (F)                                | 8,780  | LF | \$ 2.20             | \$ 19,316.00  | \$ 3.75         | \$ 32,925.00  | \$ 0.60              | \$ 5,268.00   | \$ 0.68      | \$ 5,970.40   | \$ 0.60        | \$ 5,268.00   |
| 145   | 6" Skip White Line (Paint) (Det 39A) (Painted Length) (F)               | 470    | LF | \$ 2.20             | \$ 1,034.00   | \$ 3.75         | \$ 1,762.50   | \$ 0.40              | \$ 188.00     | \$ 0.45      | \$ 211.50     | \$ 0.40        | \$ 188.00     |
| 146   | Clearing, Grubbing and Removals (D)                                     | 1      | LS | \$ 5,500.00         | \$ 5,500.00   | \$ 4,000.00     | \$ 4,000.00   | \$ 15,000.00         | \$ 15,000.00  | \$ 2,836.36  | \$ 2,836.36   | \$ 10,000.00   | \$ 10,000.00  |
| 147   | Interlocking Pavers (Pedestrian) (D)                                    | 585    | SF | \$ 22.00            | \$ 12,870.00  | \$ 18.00        | \$ 10,530.00  | \$ 24.00             | \$ 14,040.00  | \$ 25.67     | \$ 15,016.95  | \$ 60.00       | \$ 35,100.00  |
| 148   | Shade Structure   | 1      | LS | \$ 55,000.00        | \$ 55,000.00  | \$ 68,000.00    | \$ 68,000.00  | \$ 65,000.00         | \$ 65,000.00  | \$ 69,561.02 | \$ 69,561.02  | \$ 55,000.00   | \$ 55,000.00  |
| 149   | Picnic Table  | 2      | EA | \$ 2,000.00         | \$ 4,000.00   | \$ 3,500.00     | \$ 7,000.00   | \$ 4,000.00          | \$ 8,000.00   | \$ 4,538.18  | \$ 9,076.36   | \$ 4,900.00    | \$ 9,800.00   |
| 150   | Trash Receptacle (D)  | 1      | EA | \$ 1,200.00         | \$ 1,200.00   | \$ 1,200.00     | \$ 1,200.00   | \$ 1,500.00          | \$ 1,500.00   | \$ 1,701.82  | \$ 1,701.82   | \$ 1,350.00    | \$ 1,350.00   |
| 151   | Bike Rack (D)   | 1      | EA | \$ 500.00           | \$ 500.00     | \$ 800.00       | \$ 800.00     | \$ 700.00            | \$ 700.00     | \$ 794.18    | \$ 794.18     | \$ 600.00      | \$ 600.00     |
| 152   | Dry Utility Trenching (F)   | 1,260  | LF | \$ 165.00           | \$ 207,900.00 | \$ 35.00        | \$ 44,100.00  | \$ 80.00             | \$ 100,800.00 | \$ 170.18    | \$ 214,426.80 | \$ 160.00      | \$ 201,600.00 |
| 153   | 4" Sch. 40 PVC, IID Conduit (F)   | 560    | LF | \$ 15.00            | \$ 8,400.00   | \$ 14.00        | \$ 7,840.00   | \$ 45.00             | \$ 25,200.00  | \$ 56.73     | \$ 31,768.80  | \$ 60.00       | \$ 33,600.00  |
| 154   | 5" Sch. 40 PVC, IID Conduit (F)   | 2,310  | LF | \$ 17.00            | \$ 39,270.00  | \$ 17.00        | \$ 39,270.00  | \$ 45.00             | \$ 103,950.00 | \$ 31.77     | \$ 73,388.70  | \$ 30.00       | \$ 69,300.00  |
| 155   | 6" Sch. 40 PVC, IID Conduit (F)   | 1,970  | LF | \$ 20.00            | \$ 39,400.00  | \$ 20.00        | \$ 39,400.00  | \$ 50.00             | \$ 98,500.00  | \$ 34.04     | \$ 67,058.80  | \$ 55.00       | \$ 108,350.00 |
| 156   | 5" Sch. 80 PVC Riser  | 4      | EA | \$ 1,200.00         | \$ 4,800.00   | \$ 1,200.00     | \$ 4,800.00   | \$ 1,500.00          | \$ 6,000.00   | \$ 2,765.46  | \$ 11,061.84  | \$ 2,000.00    | \$ 8,000.00   |

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|---|--|-------|----|---------------------|---------------|-----------------|-----------------|----------------------|--------------|-----------------|-----------------|-----------------|-----------------|
| 157   | 6" Sch. 80 PVC Riser                             | 4     | EA | \$ 1,200.00         | \$ 4,800.00   | \$ 1,500.00     | \$ 6,000.00     | \$ 1,500.00          | \$ 6,000.00  | \$ 2,456.29     | \$ 9,825.16     | \$ 2,000.00     | \$ 8,000.00     |
| 158   | Transformer Pad (3 Phase) per IID Standard       | 1     | EA | \$ 12,000.00        | \$ 12,000.00  | \$ 10,000.00    | \$ 10,000.00    | \$ 4,000.00          | \$ 4,000.00  | \$ 13,614.54    | \$ 13,614.54    | \$ 13,000.00    | \$ 13,000.00    |
| 159   | Sector Vault Per IID Standard                    | 1     | EA | \$ 13,000.00        | \$ 13,000.00  | \$ 25,000.00    | \$ 25,000.00    | \$ 20,000.00         | \$ 20,000.00 | \$ 9,076.36     | \$ 9,076.36     | \$ 9,000.00     | \$ 9,000.00     |
|   | Add Alternative A                                |       |    |                     |               | \$ 2,775,053.00 |                 | \$ 2,898,161.00      |              | \$ 3,414,911.73 |                 | \$ 4,132,257.40 |                 |
| 160   | Remove Fence, Posts & Footing (F)                | 120   | LF | \$ 35.00            | \$ 4,200.00   | \$ 35.00        | \$ 4,200.00     | \$ 6.00              | \$ 720.00    | \$ 10.26        | \$ 1,231.20     | \$ 20.00        | \$ 2,400.00     |
| 161   | 6' Tall Garden Wall (Precision Block) (Sand)     | 392   | LF | \$ 275.00           | \$ 107,800.00 | \$ 195.00       | \$ 76,440.00    | \$ 180.00            | \$ 70,560.00 | \$ 507.81       | \$ 199,061.52   | \$ 150.00       | \$ 58,800.00    |
| 162   | 6' Tall Garden Wall (Split Face) (La Paz)        | 96    | LF | \$ 275.00           | \$ 26,400.00  | \$ 220.00       | \$ 21,120.00    | \$ 180.00            | \$ 17,280.00 | \$ 564.54       | \$ 54,195.84    | \$ 155.00       | \$ 14,880.00    |
|   | Add Alternative B                                |       |    |                     |               |                 |                 |                      |              |                 |                 |                 |                 |
| 163   | Sawcut & Remove AC Pavement (D)                  | 1,840 | SF | \$ 10.00            | \$ 18,400.00  | \$ 3.50         | \$ 6,440.00     | \$ 2.00              | \$ 3,680.00  | \$ 5.73         | \$ 10,543.20    | \$ 4.00         | \$ 7,360.00     |
| 164   | Clearing, Grubbing and Removals (D)              | 1     | LS | \$ 7,100.00         | \$ 7,100.00   | \$ 7,000.00     | \$ 7,000.00     | \$ 5,000.00          | \$ 5,000.00  | \$ 3,403.63     | \$ 3,403.63     | \$ 15,000.00    | \$ 15,000.00    |
| 165   | Cold Mill AC Pavement (0.10') (D)                | 7,996 | SF | \$ 1.50             | \$ 11,994.00  | \$ 1.50         | \$ 11,994.00    | \$ 1.00              | \$ 7,996.00  | \$ 0.68         | \$ 5,437.28     | \$ 0.60         | \$ 4,797.60     |
| 166   | Asphalt Concrete Overlay (Ave. T=0.20')          | 7,996 | SF | \$ 3.00             | \$ 23,988.00  | \$ 2.50         | \$ 19,990.00    | \$ 4.00              | \$ 31,984.00 | \$ 2.61         | \$ 20,869.56    | \$ 2.00         | \$ 15,992.00    |
| 167   | 6" Curb & Gutter over 6" CAB (D)                 | 368   | LF | \$ 50.00            | \$ 18,400.00  | \$ 45.00        | \$ 16,560.00    | \$ 60.00             | \$ 22,080.00 | \$ 70.77        | \$ 26,043.36    | \$ 50.00        | \$ 18,400.00    |
| 168   | Conc. Sidewalk over 2" Sand & 10 Mil Plastic (D) | 1,950 | SF | \$ 12.00            | \$ 23,400.00  | \$ 9.50         | \$ 18,525.00    | \$ 12.00             | \$ 23,400.00 | \$ 19.64        | \$ 38,298.00    | \$ 9.00         | \$ 17,550.00    |
| 169   | Conc. Driveway Approach                          | 918   | SF | \$ 9.00             | \$ 8,262.00   | \$ 14.00        | \$ 12,852.00    | \$ 16.00             | \$ 14,688.00 | \$ 27.60        | \$ 25,336.80    | \$ 15.00        | \$ 13,770.00    |
| 170   | Conc. Cross Gutter (D)                           | 480   | SF | \$ 22.00            | \$ 10,560.00  | \$ 16.00        | \$ 7,680.00     | \$ 20.00             | \$ 9,600.00  | \$ 52.74        | \$ 25,315.20    | \$ 20.00        | \$ 9,600.00     |
| 171   | Curb Ramp  | 3     | EA | \$ 8,000.00         | \$ 24,000.00  | \$ 4,500.00     | \$ 13,500.00    | \$ 3,000.00          | \$ 9,000.00  | \$ 7,298.04     | \$ 21,894.12    | \$ 4,000.00     | \$ 12,000.00    |
| 172   | Salvage & Reinstall Mailbox (D)                  | 2     | EA | \$ 450.00           | \$ 900.00     | \$ 500.00       | \$ 1,000.00     | \$ 1,200.00          | \$ 2,400.00  | \$ 1,078.44     | \$ 2,156.88     | \$ 1,000.00     | \$ 2,000.00     |
| 173   | Signing & Striping (D)                           | 1     | LS | \$ 2,800.00         | \$ 2,800.00   | \$ 13,500.00    | \$ 13,500.00    | \$ 13,062.00         | \$ 13,062.00 | \$ 14,819.43    | \$ 14,819.43    | \$ 5,000.00     | \$ 5,000.00     |
|   | Add Alternative C                                |       |    |                     |               |                 |                 |                      |              |                 |                 |                 |                 |
| 174   | Sawcut & Remove AC Pavement (D)                  | 1,735 | SF | \$ 10.00            | \$ 17,350.00  | \$ 3.50         | \$ 6,072.50     | \$ 2.00              | \$ 3,470.00  | \$ 5.60         | \$ 9,716.00     | \$ 3.00         | \$ 5,205.00     |
| 175   | Asphalt Concrete (5") (D)                        | 2,078 | SF | \$ 4.00             | \$ 8,312.00   | \$ 4.00         | \$ 8,312.00     | \$ 4.00              | \$ 8,312.00  | \$ 9.64         | \$ 20,031.92    | \$ 6.00         | \$ 12,468.00    |
| 176   | Class 2 Crushed Misc. Base (D) (F)               | 58    | CY | \$ 90.00            | \$ 5,220.00   | \$ 65.00        | \$ 3,770.00     | \$ 85.00             | \$ 4,930.00  | \$ 186.07       | \$ 10,792.06    | \$ 150.00       | \$ 8,700.00     |
| 177   | 6" Curb & Gutter (D) over 6" CAB                 | 408   | LF | \$ 50.00            | \$ 20,400.00  | \$ 45.00        | \$ 18,360.00    | \$ 60.00             | \$ 24,480.00 | \$ 75.73        | \$ 30,897.84    | \$ 40.00        | \$ 16,320.00    |
| 178   | Conc. Sidewalk over 2" Sand & 10 Mil Plastic (D) | 2,240 | SF | \$ 15.00            | \$ 33,600.00  | \$ 9.50         | \$ 21,280.00    | \$ 12.00             | \$ 26,880.00 | \$ 18.50        | \$ 41,440.00    | \$ 10.00        | \$ 22,400.00    |
| 179   | Curb Ramp (D)                                    | 1     | EA | \$ 8,500.00         | \$ 8,500.00   | \$ 9,500.00     | \$ 9,500.00     | \$ 3,000.00          | \$ 3,000.00  | \$ 7,353.64     | \$ 7,353.64     | \$ 4,000.00     | \$ 4,000.00     |
| 180   | Signing & Striping (D)                           | 1     | LS | \$ 3,200.00         | \$ 3,200.00   | \$ 10,000.00    | \$ 10,000.00    | \$ 1,340.00          | \$ 1,340.00  | \$ 1,520.29     | \$ 1,520.29     | \$ 1,000.00     | \$ 1,000.00     |
| Sub-Total:  |  |       |    | \$                  | 3,279,916.50  |                 | \$ 3,083,148.50 | \$                   | 3,202,023.00 |                 | \$ 3,985,269.50 |                 | \$ 4,399,900.00 |
| Contingency   |  |       |    | \$                  | 327,991.65    |                 | \$ 308,314.85   | \$                   | 320,202.30   |                 | \$ 398,526.95   |                 | \$ 439,990.00   |
| Grand Total   |  |       |    | \$                  | 3,607,908.15  |                 | \$ 3,391,463.35 | \$                   | 3,522,225.30 |                 | \$ 4,383,796.45 |                 | \$ 4,839,890.00 |
|   |  |       |    |                     |               |                 |                 |                      |              |                 |                 |                 |                 |
|   |  |       |    |                     |               |                 |                 |                      |              |                 |                 |                 |                 |
|   |  |       |    |                     |               |                 |                 |                      |              |                 |                 |                 |                 |
|   |  |       |    |                     |               |                 |                 |                      |              |                 |                 |                 |                 |

Indicates Staff Correction of the math

Indicates Apparent Low Bidder

## CONTRACT FOR CONSTRUCTION

This Contract for Construction ("Contract"), No. \_\_\_\_\_, is made and entered into this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between City of Coachella, a municipal corporation, organized under the laws of the State of California, with its principal place of business at 53990 Enterprise Way, Coachella, California 92236, sometimes hereinafter called the "City" and \_\_\_\_\_, sometimes hereinafter called "Contractor."

WITNESSETH: That the parties hereto have mutually covenanted and agreed, and by these presents do covenant and agree with each other as follows:

### ARTICLE 1. SCOPE OF WORK.

The Contractor shall perform all Work within the time stipulated in the Contract, and shall provide all labor, materials, equipment, tools, utility services, and transportation to complete all of the Work required in strict compliance with the Contract Documents as specified in Article 5, below, for the following Project:

#### PUEBLO VIEJO SUSTAINABLE TRANSPORTATION PROJECT CITY PROJECT NO. ST-130

Contractor is an independent contractor and not an agent of the City. The Contractor and its surety shall be liable to the City for any damages arising as a result of the Contractor's failure to comply with this obligation.

### ARTICLE 2. TIME FOR COMPLETION.

Time is of the essence in the performance of the Work. The Work shall be commenced on the date stated in the City's Notice to Proceed. The Contractor shall complete all Work required by the Contract Documents within **120 Working Days** from the commencement date stated in the Notice to Proceed. By its signature hereunder, Contractor agrees the time for completion set forth above is adequate and reasonable to complete the Work.

### ARTICLE 3. CONTRACT PRICE.

The City shall pay to the Contractor as full compensation for the performance of the Contract, subject to any additions or deductions as provided in the Contract Documents, and including all applicable taxes and costs, the sum of **Three Million Eighty Three Thousand One Hundred Forty-Eight Dollars and Fifty Cents (\$3,083,148.50)**. Payment shall be made as set forth in the General Conditions. The City will pay to Contractor compensation based upon the prices set forth in the Bid Schedule.

### ARTICLE 4. LIQUIDATED DAMAGES.

Contractor acknowledges that the City will sustain actual damages for each and every Day completion of the Project is delayed beyond the Contract Time. Because of the nature of the Project, it would be impracticable or extremely difficult to determine the City's actual damages. Accordingly, in accordance with Government Code section 53069.85, it is agreed that the Contractor will pay the City the sum of **\$1,500.00** for each and every Working Day of delay beyond the time prescribed in the Contract Documents for finishing the Work, as Liquidated Damages

and not as a penalty or forfeiture. Additionally, the Contractor will pay the City the sum of \$6,500.00 for each and every Calendar Day specifically for the interim completion of 6<sup>th</sup> Street, west of Tripoli Way to Date Avenue. In the event this is not paid, the Contractor agrees the City may deduct that amount from any money due or that may become due the Contractor under the Contract. This Section does not exclude recovery of other damages specified in the Contract Documents. Liquidated damages may be deducted from progress payments due Contractor, Project retention or may be collected directly from Contractor, or from Contractor's surety. These provisions for liquidated damages shall not prevent the City, in case of Contractor's default, from terminating the Contractor.

## **ARTICLE 5. COMPONENT PARTS OF THE CONTRACT.**

The "Contract Documents" include the following:

- Notice Inviting Bids
- Instructions to Bidders
- Bid Forms
- Bid Acknowledgement
- Bid Schedule
- Bid Guarantee
- Designation of Subcontractors
- Information Required of Bidders
- Non-Collusion Declaration Form
- Iran Contracting Act Certification
- Drug-Free Workplace Certification
- Asbestos-Free Material Certification
- Recycled Content Certification
- Public Works Contractor DIR Registration Certification
- Performance Bond
- Payment (Labor and Materials) Bond
- Contract for Construction
- General Conditions
- Special Conditions
- Technical Specifications
- Addenda
- Construction Plans and Drawings
- City of Coachella Standard Specifications and Procedures (June 2007)
- City of Coachella Standard Infrastructure Drawings (2007 Edition) including Surface Improvement Standards and Water Standards
- Standard Specifications for Public Works Construction "Greenbook" (2018), Except Sections 1-9
- Standard Plans for Public Works Construction "Greenbook" (2018)
- Caltrans Standard Specifications (2018), except Division 1
- Caltrans Standard Plans (2018)
- Applicable Local Agency Standards and Specifications, as last revised
- Reference Specifications
- Approved and fully executed Change Orders
- Permits
- Any other documents contained in or incorporated into the Contract

The Contractor shall complete the Work in strict accordance with all of the Contract Documents.

All of the Contract Documents are intended to be complementary. Work required by one of the Contract Documents and not by others shall be done as if required by all. In the event of conflict, the various Contract Documents will be given effect in the order set forth in the General Conditions. This Contract shall supersede any prior agreement of the parties.

#### **ARTICLE 6. PROVISIONS REQUIRED BY LAW AND CONTRACTOR COMPLIANCE.**

Each and every provision of law required to be included in these Contract Documents shall be deemed to be included in these Contract Documents. The Contractor shall comply with all requirements of applicable federal, state and local laws, rules and regulations, including, but not limited to, the provisions of the California Labor Code and California Public Contract Code which are applicable to this Work.

#### **ARTICLE 7. INDEMNIFICATION.**

Contractor shall provide indemnification and defense as set forth in the General Conditions.

#### **ARTICLE 8. PREVAILING WAGES.**

Contractor shall be required to pay the prevailing rate of wages in accordance with the Labor Code which such rates may be obtained online at <http://www.dir.ca.gov> and which must be posted at the job site.

#### **ARTICLE 9. FALSE CLAIMS.**

Contractor acknowledges that if a false claim is submitted to the City, it may be considered fraud and Contractor may be subject to criminal prosecution. Contractor acknowledges that the False Claims Act, California Government Code sections 12650, et seq., provides for civil penalties where a person knowingly submits a false claim to a public entity. These provisions include within their scope false claims made with deliberate ignorance of the false information or in reckless disregard of the truth or falsity of the information. In the event the City seeks to recover penalties pursuant to the False Claims Act, it is entitled to recover its litigation costs, including attorneys' fees. Contractor hereby acknowledges that the filing of a false claim may the Contractor to an administrative debarment proceeding wherein Contractor may be prevented from further bidding on public contracts for a period of up to five (5) years.

**[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]**

IN WITNESS WHEREOF, this Contract has been duly executed by the above-named parties, on the day and year above written.

CITY OF COACHELLA

DESERT CONCEPTS CONSTRUCTION,  
INC.

By: \_\_\_\_\_  
Gabriel Martin  
City Manager

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

Its: \_\_\_\_\_

ATTEST:

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

By: \_\_\_\_\_  
Andrea Carranza  
City Clerk

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

Its: \_\_\_\_\_

APPROVED AS TO FORM:

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

By: \_\_\_\_\_  
Carlos Campos  
City Attorney

849837  
Contractor's License Number and  
Classification

1000006619  
DIR Registration Number

**(CONTRACTOR'S SIGNATURE MUST BE  
NOTARIZED AND CORPORATE  
SEAL AFFIXED, IF APPLICABLE)**

**END OF CONTRACT**

## Notary Acknowledgment

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

STATE OF CALIFORNIA

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

On \_\_\_\_\_, 20\_\_\_\_, before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory

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

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

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature of Notary Public

### OPTIONAL

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

#### CAPACITY CLAIMED BY SIGNER

#### DESCRIPTION OF ATTACHED DOCUMENT

- ☐ Individual  
☐ Corporate Officer

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

- ☐ Partner(s)                      ☐ Limited  
☐                                      ☐ General

- ☐ Attorney-In-Fact  
☐ Trustee(s)  
☐ Guardian/Conservator  
☐ Other:

Signer is representing:  
 Name Of Person(s) Or Entity(ies)

\_\_\_\_\_  
 \_\_\_\_\_

\_\_\_\_\_  
Title or Type of Document

\_\_\_\_\_  
Number of Pages

\_\_\_\_\_  
Date of Document

\_\_\_\_\_  
Signer(s) Other Than Named Above

## BOND FORMS

### Performance Bond

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, the City of Coachella, a municipal corporation, organized under the laws of the State of California, with its principal place of business at 53990 Enterprise Way, California 92236, (hereinafter referred to as the "City") has been awarded to **Desert Concepts Construction, Inc.**, (hereinafter referred to as the "Contractor") an agreement for **Pueblo Viejo Sustainable Transportation Project, City Project No. ST-130**, (hereinafter referred to as the "Project").

WHEREAS, the work to be performed by the Contractor is more particularly set forth in the Contract Documents for the Project dated \_\_\_\_\_, (hereinafter referred to as "Contract Documents"), the terms and conditions of which are expressly incorporated herein by reference; and

WHEREAS, the Contractor is required by said Contract Documents to perform the terms thereof and to furnish a bond for the faithful performance of said Contract Documents.

NOW, THEREFORE, we, \_\_\_\_\_, the undersigned Contractor and \_\_\_\_\_ as Surety, a corporation organized and duly authorized to transact business under the laws of the State of California, are held and firmly bound unto the City in the sum of **Three million Eighty-Three Thousand One Hundred Forty-Eight DOLLARS and Fifty Cents, (\$3,083,148.50)**, said sum being not less than one hundred percent (100%) of the total amount of the Contract, for which amount well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that, if the Contractor, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and agreements in the Contract Documents and any alteration thereof made as therein provided, on its part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their intent and meaning; and shall faithfully fulfill all obligations including the one (1) year guarantee of all materials and workmanship; and shall indemnify and save harmless the City, its officials, officers, employees, and authorized volunteers, as stipulated in said Contract Documents, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

As a part of the obligation secured hereby and in addition to the face amount specified therefore, there shall be included costs and reasonable expenses and fees including reasonable attorney's fees, incurred by the City in enforcing such obligation.

As a condition precedent to the satisfactory completion of the Contract Documents, unless otherwise provided for in the Contract Documents, the above obligation shall hold good for a period of one (1) year after the acceptance of the work by the City, during which time if Contractor shall fail to make full, complete, and satisfactory repair and replacements and totally protect the City from loss or damage resulting from or caused by defective materials or faulty workmanship. The obligations of Surety hereunder shall continue so long as any obligation of Contractor remains. Nothing herein shall limit the City's rights or the Contractor or Surety's obligations under

the Contract, law or equity, including, but not limited to, California Code of Civil Procedure Section 337.15.

Whenever Contractor shall be, and is declared by the City to be, in default under the Contract Documents, the Surety shall remedy the default pursuant to the Contract Documents, or shall promptly, at the City's option:

- i. Take over and complete the Project in accordance with all terms and conditions in the Contract Documents; or
- ii. Obtain a bid or bids for completing the Project in accordance with all terms and conditions in the Contract Documents and upon determination by Surety of the lowest responsive and responsible bidder, arrange for a Contract between such bidder, the Surety and the City, and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to Contractor by the City under the Contract and any modification thereto, less any amount previously paid by the City to the Contractor and any other set offs pursuant to the Contract Documents.
- iii. Permit the City to complete the Project in any manner consistent with California law and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to Contractor by the City under the Contract and any modification thereto, less any amount previously paid by the City to the Contractor and any other set offs pursuant to the Contract Documents.

Surety expressly agrees that the City may reject any contractor or subcontractor which may be proposed by Surety in fulfillment of its obligations in the event of default by the Contractor.

Surety shall not utilize Contractor in completing the Project nor shall Surety accept a bid from Contractor for completion of the Project if the City, when declaring the Contractor in default, notifies Surety of the City's objection to Contractor's further participation in the completion of the Project.

The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project to be performed thereunder shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project.

**[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]**

IN WITNESS WHEREOF, we have hereunto set our hands and seals this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

(Corporate Seal)

\_\_\_\_\_  
Contractor/ Principal

By \_\_\_\_\_

Title \_\_\_\_\_

(Corporate Seal)

\_\_\_\_\_  
Surety

By \_\_\_\_\_  
Attorney-in-Fact

(Attach Attorney-in-Fact Certificate)

Title \_\_\_\_\_

The rate of premium on this bond is \_\_\_\_\_ per thousand. The total amount of premium charges is \$\_\_\_\_\_.  
(The above must be filled in by corporate attorney.)

**THIS IS A REQUIRED FORM**

Any claims under this bond may be addressed to:

(Name and Address of Surety)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Name and Address of Agent or Representative for service of process in California, if different from above)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Telephone number of Surety and Agent or Representative for service of process in California)

\_\_\_\_\_

## Notary Acknowledgment

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

STATE OF CALIFORNIA

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

On \_\_\_\_\_, 20\_\_\_\_, before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory

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

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

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature of Notary Public

### OPTIONAL

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

#### CAPACITY CLAIMED BY SIGNER

#### DESCRIPTION OF ATTACHED DOCUMENT

- ☐ Individual  
☐ Corporate Officer

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

- ☐ Partner(s)                      ☐ Limited  
☐                                      ☐ General

- ☐ Attorney-In-Fact  
☐ Trustee(s)  
☐ Guardian/Conservator  
☐ Other:

Signer is representing:  
 Name Of Person(s) Or Entity(ies)

\_\_\_\_\_  
 \_\_\_\_\_

\_\_\_\_\_  
Title or Type of Document

\_\_\_\_\_  
Number of Pages

\_\_\_\_\_  
Date of Document

\_\_\_\_\_  
Signer(s) Other Than Named Above

NOTE: This acknowledgment is to be completed for Contractor/Principal.

## Notary Acknowledgment

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

STATE OF CALIFORNIA

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

On \_\_\_\_\_, 20\_\_\_\_, before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory

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

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

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature of Notary Public

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☐ Corporate Officer

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

- ☐ Partner(s)      ☐ Limited  
☐                      ☐ General

- ☐ Attorney-In-Fact  
☐ Trustee(s)  
☐ Guardian/Conservator  
☐ Other:

Signer is representing:  
 Name Of Person(s) Or Entity(ies)

\_\_\_\_\_  
 \_\_\_\_\_

\_\_\_\_\_  
Title or Type of Document

\_\_\_\_\_  
Number of Pages

\_\_\_\_\_  
Date of Document

\_\_\_\_\_  
Signer(s) Other Than Named Above

NOTE: This acknowledgment is to be completed for the Attorney-in-Fact. The Power-of Attorney to local representatives of the bonding company must also be attached.

**END OF PERFORMANCE BOND**

**Payment Bond (Labor and Materials)**

KNOW ALL MEN BY THESE PRESENTS That

WHEREAS, the City of Coachella, a municipal corporation organized and operating under the laws of the State of California (hereinafter designated as the "City"), by action taken or a resolution passed on \_\_\_\_\_ Date \_\_\_\_\_, 202\_, has been awarded to **Desert Concepts Construction, Inc.** hereinafter designated as the "Principal," a contract for the work described as follows: **Pueblo Viejo Sustainable Transportation Project, City Project No. ST-130** (the "Project"); and

WHEREAS, the work to be performed by the Contractor is more particularly set forth in the Contract Documents for the Project dated \_\_\_\_\_, (hereinafter referred to as "Contract Documents"), the terms and conditions of which are expressly incorporated herein by reference; and

WHEREAS, said Principal is required to furnish a bond in connection with said contract; providing that if said Principal or any of its Subcontractors shall fail to pay for any materials, provisions, provender, equipment, or other supplies used in, upon, for or about the performance of the work contracted to be done, or for any work or labor done thereon of any kind, or for amounts due under the Unemployment Insurance Code or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of said Principal and its Subcontractors with respect to such work or labor the Surety on this bond will pay for the same to the extent hereinafter set forth.

NOW THEREFORE, we, the Principal and \_\_\_\_\_ as Surety, are held and firmly bound unto the City in the penal sum of **Three Million Eighty Three Thousand One Hundred Forty-Eight Dollars and Fifty Cents (\$3,083,148.50)** lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if said Principal, his or its subcontractors, heirs, executors, administrators, successors or assigns, shall fail to pay any of the persons named in Civil Code Section 9100, fail to pay for any materials, provisions or other supplies, used in, upon, for or about the performance of the work contracted to be done, or for any work or labor thereon of any kind, or amounts due under the Unemployment Insurance Code with respect to work or labor performed under the contract, or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department or Franchise Tax Board from the wages of employees of the contractor and his subcontractors pursuant to Revenue and Taxation Code Section 18663, with respect to such work and labor the Surety or Sureties will pay for the same, in an amount not exceeding the sum herein above specified, and also, in case suit is brought upon this bond, all litigation expenses incurred by the City in such suit, including reasonable attorneys' fees, court costs, expert witness fees and investigation expenses.

This bond shall inure to the benefit of any of the persons named in Civil Code Section 9100 so as to give a right of action to such persons or their assigns in any suit brought upon this bond.

It is further stipulated and agreed that the Surety on this bond shall not be exonerated or released from the obligation of this bond by any change, extension of time for performance, addition, alteration or modification in, to, or of any contract, plans, specifications, or agreement pertaining

or relating to any scheme or work of improvement herein above described, or pertaining or relating to the furnishing of labor, materials, or equipment therefore, nor by any change or modification of any terms of payment or extension of the time for any payment pertaining or relating to any scheme or work of improvement herein above described, nor by any rescission or attempted rescission or attempted rescission of the contract, agreement or bond, nor by any conditions precedent or subsequent in the bond attempting to limit the right of recovery of claimants otherwise entitled to recover under any such contract or agreement or under the bond, nor by any fraud practiced by any person other than the claimant seeking to recover on the bond and that this bond be construed most strongly against the Surety and in favor of all persons for whose benefit such bond is given, and under no circumstances shall Surety be released from liability to those for whose benefit such bond has been given, by reason of any breach of contract between the owner or the City and original contractor or on the part of any obligee named in such bond, but the sole conditions of recovery shall be that claimant is a person described in Civil Code Section 9100, and has not been paid the full amount of his claim.

The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract to be performed thereunder, shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of Contract, including but not limited to, the provisions of Sections 2819 and 2845 of the California Civil Code.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

(Corporate Seal)

\_\_\_\_\_  
Contractor/ Principal

By \_\_\_\_\_

Title \_\_\_\_\_

(Corporate Seal)

\_\_\_\_\_  
Surety

By \_\_\_\_\_

Attorney-in-Fact

(Attach Attorney-in-Fact Certificate)

Title \_\_\_\_\_

## Notary Acknowledgment

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

STATE OF CALIFORNIA

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

On \_\_\_\_\_, 20\_\_\_\_, before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory

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

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

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature of Notary Public

### OPTIONAL

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

#### CAPACITY CLAIMED BY SIGNER

#### DESCRIPTION OF ATTACHED DOCUMENT

- ☐ Individual  
☐ Corporate Officer

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

- ☐ Partner(s)                      ☐ Limited  
☐                                      ☐ General

- ☐ Attorney-In-Fact  
☐ Trustee(s)  
☐ Guardian/Conservator  
☐ Other:

Signer is representing:  
 Name Of Person(s) Or Entity(ies)

\_\_\_\_\_  
 \_\_\_\_\_

\_\_\_\_\_  
Title or Type of Document

\_\_\_\_\_  
Number of Pages

\_\_\_\_\_  
Date of Document

\_\_\_\_\_  
Signer(s) Other Than Named Above

NOTE: This acknowledgment is to be completed for Contractor/Principal.

## Notary Acknowledgment

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

STATE OF CALIFORNIA

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

On \_\_\_\_\_, 20\_\_\_\_, before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory

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

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

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Signature of Notary Public

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☐                                      ☐ General

- ☐ Attorney-In-Fact  
☐ Trustee(s)  
☐ Guardian/Conservator  
☐ Other:

Signer is representing:  
 Name Of Person(s) Or Entity(ies)

\_\_\_\_\_  
 \_\_\_\_\_

\_\_\_\_\_  
Title or Type of Document

\_\_\_\_\_  
Number of Pages

\_\_\_\_\_  
Date of Document

\_\_\_\_\_  
Signer(s) Other Than Named Above

NOTE: This acknowledgment is to be completed for the Attorney-in-Fact. The Power-of-Attorney to local representatives of the bonding company must also be attached.

#### END OF PAYMENT BOND



**STAFF REPORT**  
**1/26/2022**

**TO:** Honorable Mayor and City Council Members

**FROM:** Jacob Alvarez, Assistant to the City Manager

**SUBJECT:** Approve Lease Agreement with Coachella General for the City owned former Chamber of Commerce Building located at 1258 Sixth Street in the Downtown Pueblo Viejo District

---

**STAFF RECOMMENDATION:**

That the City Council approve the City Manager to execute a lease agreement between the City of Coachella and Coachella General (Teddy Lee) for the 722 sq.ft. former Chamber of Commerce Building located at 1258 Sixth Street in the Downtown Pueblo Viejo District and that the City Attorney can approve any minor changes to the lease agreement prior to its execution.

**BACKGROUND:**

On February 6, 2020, the City of Coachella Economic Development/Planning Subcommittee supported repurposing the vacant former Coachella Chamber of Commerce Building. The repurposing would be issuing a Request for Proposal (RFP) similar to that of the Utility Billing Building located at City Hall.

On September 16, 2021, the City of Coachella Economic Development Department issued a Request for Proposals (RFP) to solicit well-qualified business entities the opportunity to operate a 722 sq.ft. restaurant/retail business in the former Coachella 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 experience that will cater to visitors of the Downtown Pueblo Viejo District and draw people to the area for a memorable experience. The RFP also provided economic development incentives to the well-qualified business in order to assist with startup costs. The deadline for proposals was October 21, 2021.

As a result, the City only received 2 proposals and staff decided to provide an addendum extending the deadline to December 14<sup>th</sup>.

Staff reviewed and evaluated the 6 proposals that the City received and identified Teddy Lee and Steve Garcia's Coachella General as the best proposal based on the RFP requirements, conceptual design, marketing, customer service, related business experience and capital investment.

Coachella General will be a multi-purpose space, utilizing both its indoor and outdoor spaces. Firstly, Coachella General will serve as a tap-room, serving wine, beer, and small bites, as well as housing a coffee roastery. Coachella General will be the first public coffee roaster in Coachella. Secondly, Coachella General will host various activities in its large rear yard. Such activities include food truck vendors, farmers' markets, dry goods markets, and a place for eating, drinking, and gathering for the community. Additional information about the Coachella General business is available under Exhibit 3.

**DISCUSSION/ANALYSIS:**

The proposed lease agreement will allow the Coachella General to function 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, 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 \$1.00/square foot, which shall equal to a \$722/monthly payment to the City, once the cost of the tenant improvements are recovered.

**FISCAL IMPACT:**

If the City Council approves the staff recommendation, the lease agreement will yield annual revenue of \$8,664.00 plus sales tax revenue, while providing a much-needed amenity to the Downtown Pueblo Viejo District.

**EXHIBIT(S):**

- 1) RFP- Former Coachella Chamber of Commerce Building Lease – Includes - Exhibit C of RFP (pg13)- Draft Lease Agreement
- 2) RFP Addendum #1
- 3) Coachella General Business Proposal



# Request for Proposals

## City of Coachella Former Chamber of Commerce Building Lease

Site Address:  
1258 Sixth Street  
Coachella, CA 92236

Issued: Thursday, September 16, 2021

**Proposals Due: Thursday, October 21, 2021 at 3pm**

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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 2<sup>nd</sup> 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. Former Chamber of Commerce 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.

- E. Art Mural: The building currently has one (1) unsanctioned art mural installation that will not be required at the current location. The tenant will be allowed to remove the art mural.

## **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 \$1.00/square foot after cost of tenant improvements have been recovered or 3 years have passed, whichever 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 before 3:00 PM on October 21, 2021. 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, returned to sender 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.

Below is the anticipated schedule:

- Advertisement/Marketing of RFP: **September 16th – October 21<sup>st</sup>**
- Site visit: **September 30th 9am located at 1258 Sixth Street, Coachella**
- Review of Proposals: **October 25th – October 28th**
- Staff Report and Lease Agreement uploaded to agenda: **November 4th**
- City Council approval: **November 10th**

Mail, hand-deliver or e-mail Proposal to:

Attn: Jacob Alvarez

City of Coachella Economic Development Department  
53990 Enterprise Way, Coachella, CA 92236

E-mail: [jalvarez@coachella.org](mailto:jalvarez@coachella.org)

## **VIII. RFP Inquires**

All questions and clarifications must be submitted by email to Jacob Alvarez, Assistant to the City Manager, at [jalvarez@coachella.org](mailto:jalvarez@coachella.org) no later than Thursday, October 7 at 3pm. The questions and answers will be posted to the City's website RFP announcement.

## **IX. 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.

## **X. 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.

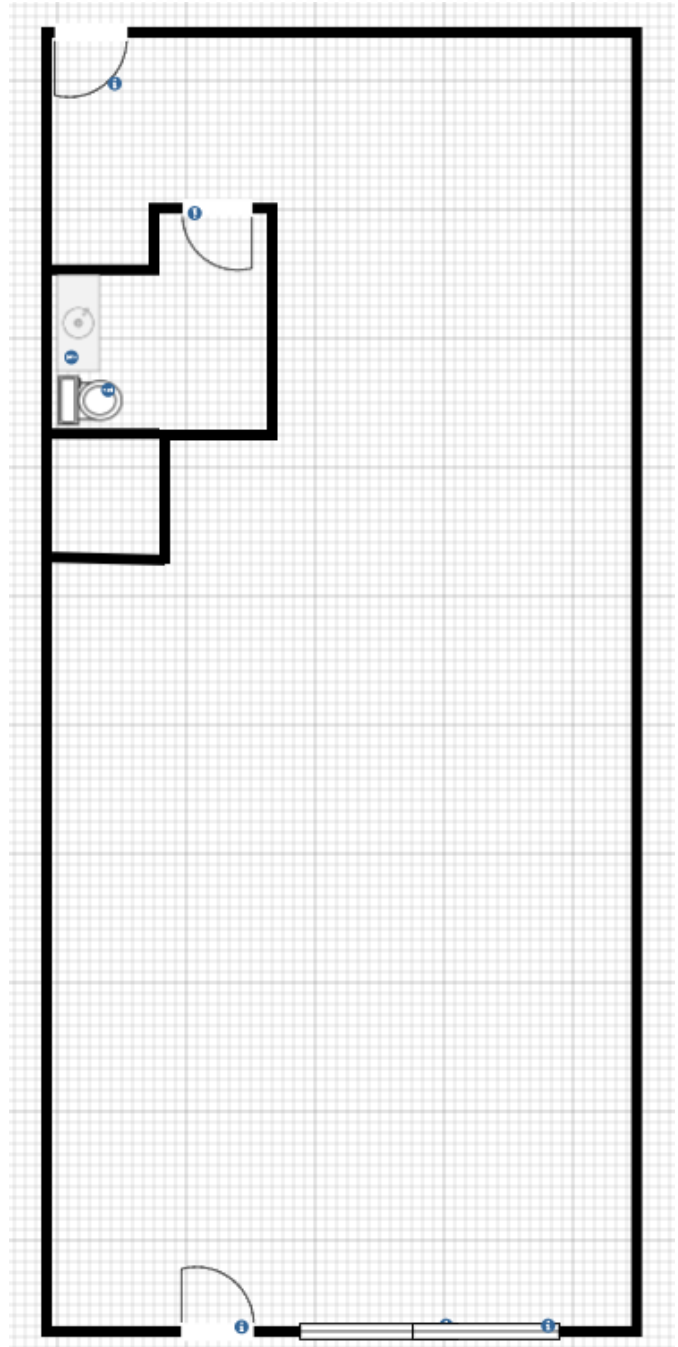
The intent of the RFP step of this selection process is to identify qualified parties interested in operating and maintaining a full-service business and related amenities within the Downtown Pueblo Viejo District. The selection of a qualified proposer will be based generally upon his/her experience 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:

| <b>Selection Criteria – Chamber of Commerce Building Proposed Business</b> | <b>Score:</b> |
|--|---------------|
| 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            |
|  |               |
| <b>TOTAL:</b>  | <b>100</b>    |

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 **November XX, 2021** 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. City already has relocated the Coachella Chamber of Commerce to a wing in the City Hall Building, previously held by City Administration; and
- D. Lessee will be responsible for all tenant improvements and utility services; and
- E. Lessee is eligible for all Economic Development Incentives provided in Section 5 of this agreement and approved by the Economic Development/Planning Sub-Committee on **Month XX, 2021**; and
- F. 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, 2021 and terminating on Month XX, 2024** (the "Term").
  - b) During the Term of this Lease, Lessee shall pay to Lessor as rent the sum of Five Hundred Five Dollars (\$722.00) 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 27<sup>th</sup> 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 **\$1.00/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 of 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:  
 City of Coachella  
 53990 Enterprise Way  
 Coachella, CA 92236  
 Attn: Jacob Alvarez  
 Assistant to the City Manager  
 Phone: 760) 398-3502 Ext. 129  
 E-mail: [jalvarez@coachella.org](mailto:jalvarez@coachella.org)

**To Lessor:**

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.
- 25.

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: \_\_\_\_\_

Dr. Gabriel Martin, City Manager

*Attest:*

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

Angela M. Zepeda

City Clerk - City of Coachella

*Approved as to Form:*

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

Best, Best & Krieger LLP

City Attorney



## City of Coachella RFP Addendum #1: Deadline time extension

### Proposals due December 14<sup>th</sup> before 3:00pm

The City of Coachella has unilaterally decided to extended its submission deadline

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 before 3:00 PM on December 14th, 2021.** 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, returned to sender 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.

Below is the anticipated schedule:

- Advertisement/Marketing of RFP: **September 16th – December 14<sup>th</sup>**
- Site visit: **November 18th 9am located at 1258 Sixth Street, Coachella**
- Review of Proposals: **December 15th – January 6th**
- Staff Report and Lease Agreement uploaded to agenda: **January 19th**
- City Council approval: **January 26th**

Mail, hand-deliver or e-mail Proposal to:

Attn: Jacob Alvarez

City of Coachella Economic Development Department

53990 Enterprise Way, Coachella, CA 92236

E-mail: [jalvarez@coachella.org](mailto:jalvarez@coachella.org)



## NEW PROJECT PROPOSAL

CITY OF COACHELLA  
FORMER CHAMBER OF COMMERCE  
BUILDING LEASE

SITE ADDRESS:  
1258 SIXTH STREET  
COACHELLA, CA 92236

APPLICANTS:

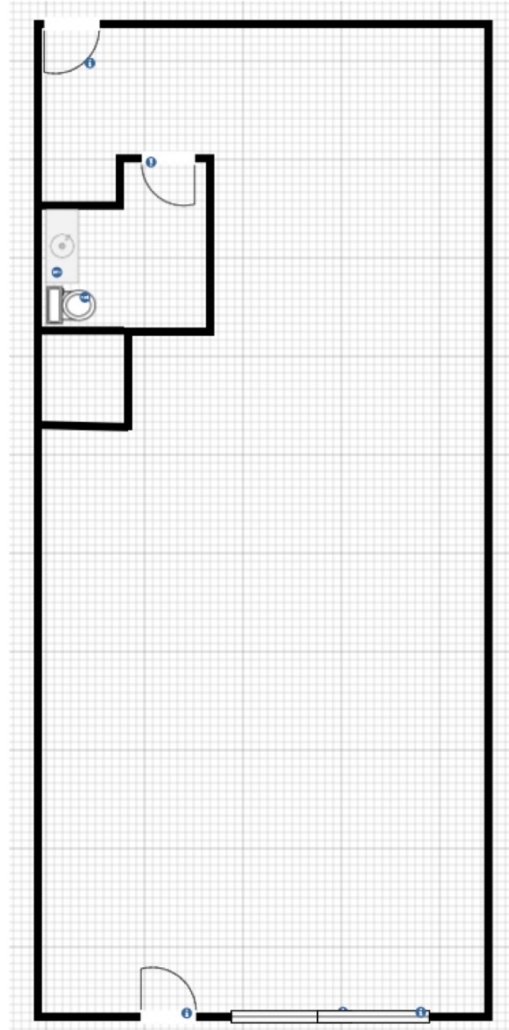
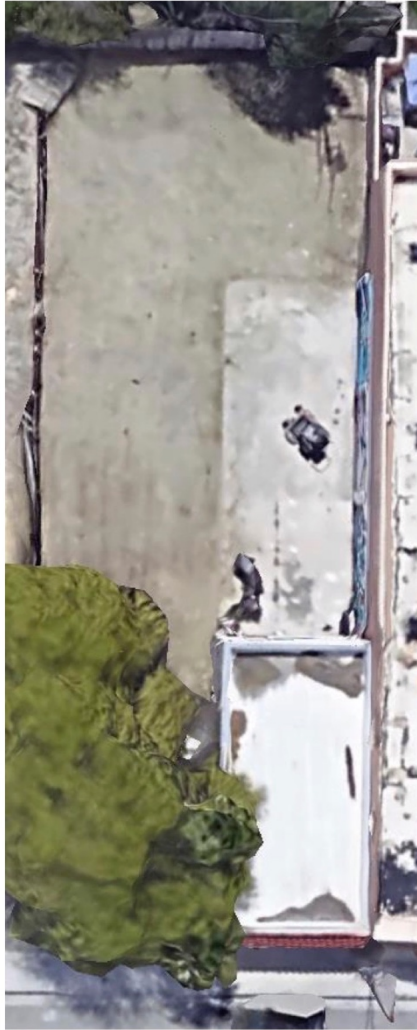
TEDDY LEE  
(347) 515-5600  
[TEDDY@CRAMGT.COM](mailto:TEDDY@CRAMGT.COM)

STEVE GARCIA  
(760) 609-7481  
[SIXTHSTREETCOFFEE@GMAIL.COM](mailto:SIXTHSTREETCOFFEE@GMAIL.COM)

EXHIBIT A  
EXISTING SITE MAP

Exhibit "A"

Site Map



**EXHIBIT B**  
**EXISTING SITE PICTURES**

**Exhibit "B"**

**Site Pictures**

Outside:

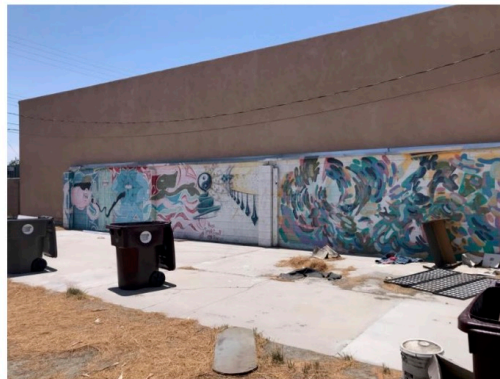
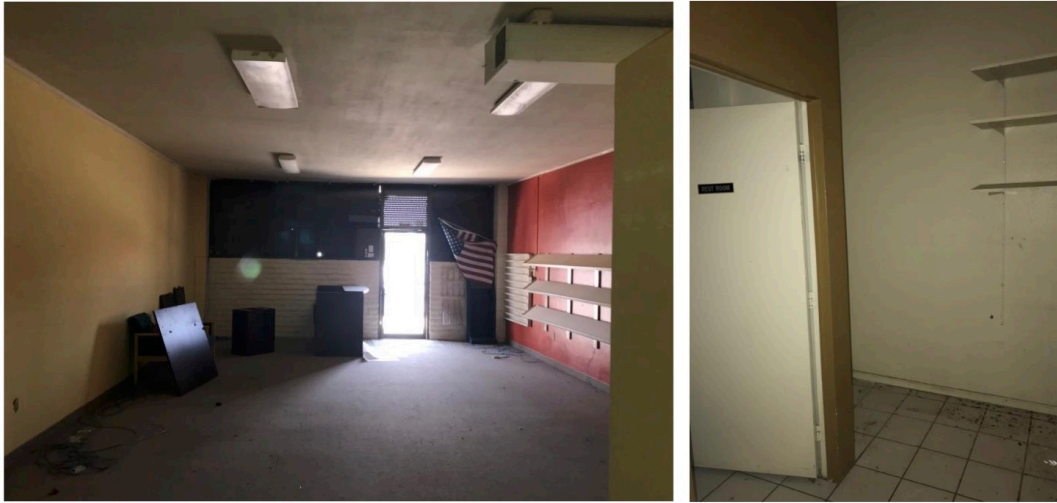


EXHIBIT B  
EXISTING INTERIOR PHOTOS

Inside:



12

## EXHIBIT C PROPOSAL

### **Executive Summary**

Coachella General will be a thriving business in Coachella, California. Coachella General will be a multi-purpose space, utilizing both its indoor and outdoor spaces. Firstly, Coachella General will serve as a tap room, serving wine, beer, and small bites, as well as housing a coffee roastery. Coachella General will be the first public coffee roaster in Coachella. Secondly, Coachella General will host various activities in its large rear yard. Such activities include food truck vendors, farmers' markets, dry goods markets, and a place for eating, drinking, and gathering for the community.

Coachella General will help with the revitalization of the Downtown Pueblo Viejo District by providing a social space for members of the local community as well as a destination for visiting patrons. With an ode to the agricultural and Latino community, Coachella General aims to incorporate local craft beer and wine, vendors, and events that celebrate Coachella's rich history. Coachella General will implement various promotions and marketing strategies to bring new patrons and talent to the downtown area. The overall strategy is to create a strong long-term customer base that desires local beer and wine in a completely unique setting. Such special offerings will include beer and wine tastings and seasonal pop-up markets. Not only will new pop-up events drive visitor traffic, but being the only tap room on Sixth Street, Coachella General will be a uniquely local hangout.

The founders of Coachella General are Teddy Lee and Steve Garcia. Teddy Lee is the owner of CRA Management, a real estate development and hospitality company. Teddy and his family have projects in San Francisco, Los Angeles, and Palm Springs. They are current co-owners of AsiaSF, a 25,000 sq.ft. cabaret restaurant, and the Sonoran, a 1-acre event space in Palm Springs. Additionally, they are currently redeveloping a hotel, restaurant, and bar in Downtown Palm Springs, as well as a secondary bar, rooftop event space, and coffee shop in South Palm Springs. Teddy, with a degree in architecture, has extensive experience in acquisition, design, construction, permitting, and business operations and development. Having worked in New York and California, he is well educated on building codes and current safety practices. Steve Garcia is the current co-owner of the highly successful Sixth Street Coffee. Over the past three years he has owned and operated Sixth Street Coffee in the city of Coachella. Sixth Street Coffee has expanded its offerings to include an in-demand brunch menu, as well as implemented a highly popular online ordering system. He has over 14 years' experience in the restaurant industry and is highly skilled in sales, delegation, and system building aspects of the restaurant business.

### **The Company**

Coachella General will be the premier tap room for Coachella, serving high-quality local craft beer and wine. Additionally, the other side of its operations will be roasting quality coffee beans that will be sold to surrounding cities, and eventually nationally. Coachella General will offer a safe and clean outdoor environment ideal for food truck service, dry good vendors, farmers' markets, and general gathering for the community. This space will showcase local and emerging small businesses, as well as attract new patrons into the community. Our goal is to create employment opportunities, as well as help grow other small businesses with partnerships and collaborative events.

### **Concept**

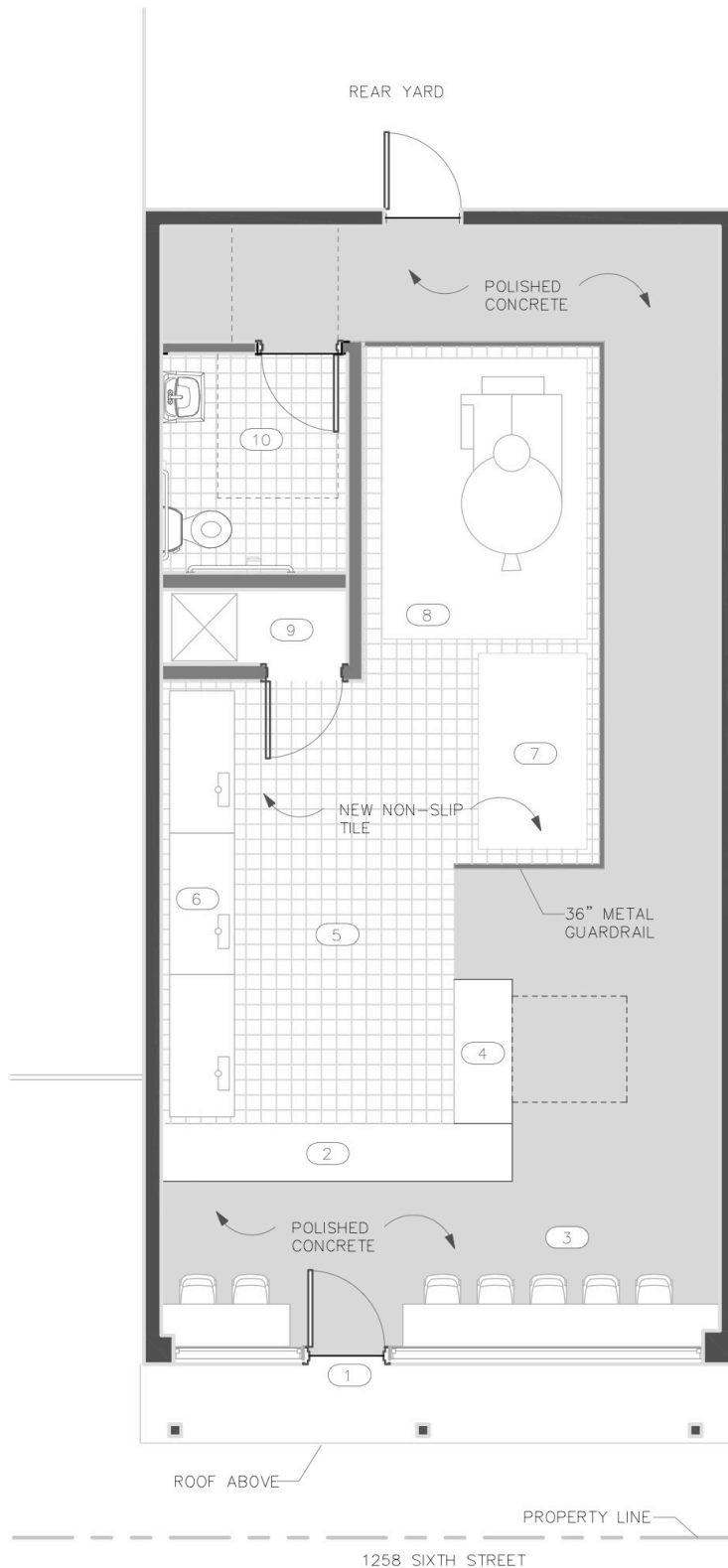
At Coachella General we strive to be a first-of-its-kind concept, combining both craft beer and wine, within a coffee roasting facility. The products, branding, and vendors will pay homage to Coachella's Latino roots with a modern twist. Our unique concept will be industrious and minimal. The atmosphere will reflect a relaxed, modern, and clean vibe, where the focus is on the patrons and the goods served and locally created. Additionally, we will be the first to offer an outdoor space incorporating food trucks, dry goods markets, farmers' markets, outdoor games, and a gathering space. We want our patrons to feel like they are part of our process and, in turn, part of the community.

CONITNUED ON NEXT PAGE...

**RENDERING OF PROPOSED STOREFRONT**



## PROPOSED FLOOR PLAN



### SCOPE OF WORK

REMOVE EXISTING INTERIOR PARTITIONS. RELOCATE EXISTING SINK TO ACCOMMODATE NEW ADA ACCESSIBLE RESTROOM. ADD NEW MECHANICAL AND STORAGE CLOSET. REMOVE EXISTING FLOORING. ADD NON-SLIP HEALTH DEPARTMENT APPROVED TILE IN BAR AND COFFEE ROASTING AREAS. ADD POLISHED CONCRETE IN WALKWAYS AND SEATING AREAS. REMOVE EXISTING REAR DOOR AND INFILL. ADD NEW CODE COMPLIANT EXIT DOOR TO REAR YARD. PAINT INTERIOR AND EXTERIOR. ALL NEW LIGHTING. ADD REQUIRED VENTING FOR COFFEE ROASTER.

### LEGEND

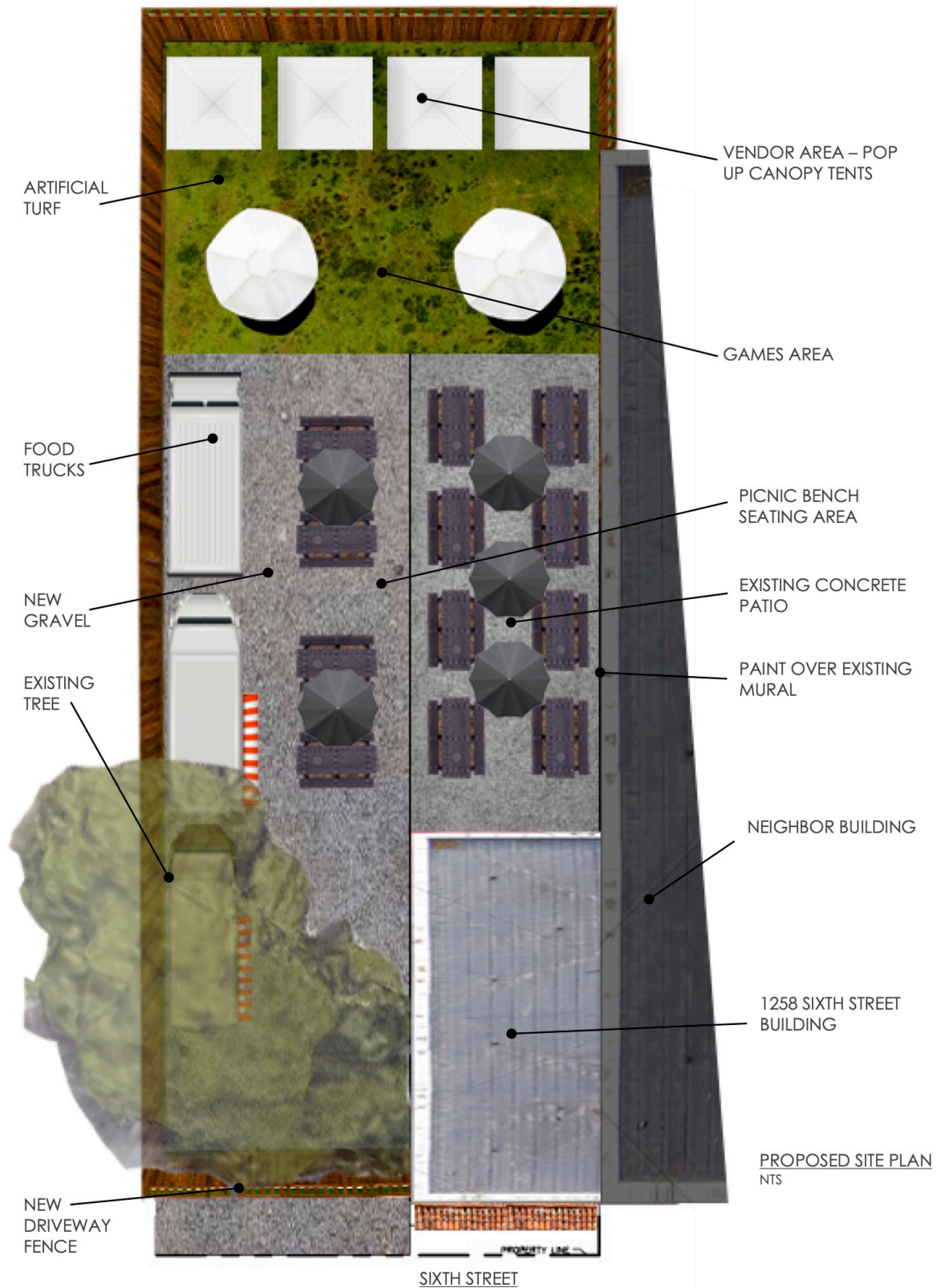
1. ENTRANCE
2. BAR (BEER & WINE ONLY)
3. SEATING
4. ACCESSIBLE SEATING
5. BACK BAR
6. KEG REFRIGERATORS
7. COFFEE STORAGE
8. COFFEE ROASTER
9. STORAGE / HVAC CLOSET
10. ALL GENDER ACCESSIBLE RESTROOM



PROPOSED FLOOR PLAN  
 NTS



# **PROPOSED SITE PLAN**



## PROPOSED EXTERIOR DESIGN CONCEPT



## **SAMPLE MENU**

### **CERVEZA**

#### **ALL HOUSE BEER 8**

##### **LAS PALMAS | 'Table' Petite Saison**

4.1% is a crushable farmhouse ale fermented with Voss Kveik. Notes of citrus and straw.

##### **LAS PALMAS | 'Fifty-Four' French Saison**

5.7% is our house saison and fan favorite. Hopped with Wakatu, fifty-four has a great yeasty fruitiness & a tropical bitterness.

##### **LAS PALMAS | 'Bloom' Unfiltered IPA**

6.1% is a solera IPA that gives off a radiant orange glow. Cloudy yet crisp, Bloom is citrusy and floral on the nose, with a long grapefruit finish.

##### **LA QUINTA | HEATWAVE DESERT ALE**

5.9% Alcohol by Volume / 32 IBUs  
 Gold - 2017 Best of Craft Beer Awards  
 Toasty malt character with a hint of caramel, this beer is slightly darker than your typical amber ale. Generous amounts of Warrior hops provide the bitterness while Centennial and Chinook hops provide aroma.

##### **LA QUINTA | DESERTFEST**

(Autumn Seasonal) 5.9% Alcohol by Volume / 25 IBUs  
 with a malty flavor and a clean finish, this traditional German Style Märzen Bier is the perfect thirst quencher for those warm days and cool autumn nights in the desert.

##### **LA QUINTA | POOLSIDE BLONDE**

4.8% Alcohol by Volume / 26 IBUs. Gold-2018 Los Angeles Int'l Beer Comp. Poolside Blonde has a light maltiness provided by the Pilsner and Vienna malts. Light straw in color, it has a moderately bitter finish. A true palate cleansing ale.

##### **LA QUINTA | KOFFI PORTER**

6.3% ABV / 20 IBUs. Gold-2018 Los Angeles Int'l Beer Comp. Our Koffi Porter is brewed with dark roasted, chocolate and crystal malts. After fermentation, we add locally roasted coffee beans from "Koffi" in nearby Rancho Mirage. If you enjoy coffee, you'll love this beer!

### **VINO NATURAL**

#### **BY THE GLASS 13**

##### **AKASH | 2019 Estate Cabernet Sauvignon**

Wild blackberries, warm from the sun + sweet spice and violet

##### **AKASH | 2016 Cabernet Sauvignon**

Deep wild raspberry and pomegranate notes with classic Cab Sauv spice on the back palate.

##### **AKASH | 2020 Blended Rose**

You'll find all the weight and complexity of a red wine in this bright, fresh rosé.

##### **BOTTAIA | 2017 Cartuccia White**

Medium Body + Well Balanced Acid, Clean, Floral, Rich

### **TAPAS**

##### **Guac and salsa flight 8**

A flight of salsas and guac served with house made chips

##### **Chips and salsa 6**

House made salsa and chips

##### **Hummus with crudites 6**

##### **Crostini With Ricotta 8**

Honey and Lemon Zest ricotta with a sprinkle of zingy lemon zest and honey

##### **Stuffed Avocado 7**

Stuffed quinoa and black bean salad.

##### **Lox and toast 7**

Thinly sliced lox served with sourdough toast

##### **Frijoles Negro 6**

Small Bowl of black beans served with multi grain corn tortillas and cheese

##### **Ceviche and tostada 6**

##### **Esquite 5**

Chopped corn salad

### **Vision**

Coachella General's focus is to prove the viability and success of this concept. Its goals would be to eventually expand throughout the Coachella Valley and beyond. We aim to be the hub of local artisans of beer, wine, foods, and crafts. Not only will there be an extensive vetting process for our vendors, but we also aim to employ like-minded team members who will assist the team and vendors in accomplishing the goals of the owners and the company. We believe that our company's success will be directly proportionate to our team members' work ethic, honesty, commitment, customer service and attitude. Because Coachella General will provide the space for new and exciting vendor showcasing, Coachella General offerings will constantly be evolving and growing, which in turn will attract new traffic and maintain returning traffic.

### **Management Philosophy**

Coachella General believes that next to our customers, business systems are our most important asset. Transparent communication and the seamless transfer of information between management and staff is key to running a successful business. We will meet regularly to review operations and discuss ways to improve the quality of our services, our products, and how to partner with new and exciting vendors. Additionally, we will continually discuss ways to improve our business practices to attract customers, maintain high employee retention, ensure a positive impact on the local community; and we aim to accomplish all of this while reducing costs and increasing profits.

### **Advertising and Promotion**

We will have a grand opening party to promote the opening of the tap room and roastery. We will do a direct mailing of 1,000 names, addresses, and e-mails that Steve Garcia has collected from Sixth Street Coffee and will also contact local businesses and offices. The grand opening will consist of an open house where people will be invited to visit the business, meet the owners/operators. During this event, samples of beer and wine will be served, along with food provided by local food trucks. We hope to utilize the City of Coachella's channels of marketing to get the word out to the local community and beyond.

### **Customer Service**

We believe that our information-driven operation will result in the following benefits of the company;

- A feeling of pride and ownership in Coachella General from its employees
- Independent decision-making for employees requiring minimum supervision
- Highly involved and motivated employees = minimum staff turnover
- Maximum productivity and cost efficiency
- High customer loyalty
- Consistent customer experience, with a high-level of employee training
- Complete customer satisfaction = customer retention
- Maximum profitability

# Sample Customer Retention Programs:

- Customer reward programs
- Private party events
- Wine and coffee tastings
- Customer demos and classes
- Free Wi-Fi
- Seasonal drink & menu offerings
- Discounts to members of public service and seniors
- Free access to tables for working and gathering

## **Sample Business Hours**

### Roaster (Coffee Roasting)

Monday-Friday: 8:00am to 5:00pm

### Tap Room

Wednesday-Friday: 3:00 pm to 10:00 pm  
Saturday: 11:00 am to 12:00 am  
Sunday: 11:00 am to 9:00 pm

### Food Trucks

Monday-Friday: 11:00 am to 3:00 pm  
Saturday: 5:00 pm to 10:00 pm  
Sunday: 11:00 am to 7:00 pm

### Farmers Market / Vendor Markets (Seasonal)

Saturday: 7:00 am to 11:00 am  
Sunday: 1:00 am to 4:00 pm

CONITNUED ON NEXT PAGE...

## **CAPITAL INVESTMENT**

Based on historical data from bar sales at AsiaSF Palm Springs and traffic data from Sixth Street Coffee, Teddy and Steve are confident Coachella General will be a success. As the operator, Steve will put in the necessary hours to ensure the success of the business and will take his successful business practices from Sixth Street Coffee and implement them at Coachella General. The business will require no loans. CRA Management, owned by Teddy, will provide the funds for design, entitlements, construction, equipment, startup costs, and operating costs. CRA Management will tap into their professional resources, as needed, to ensure Coachella General is code-compliant, safe, and set up for success. As this is a large revitalization project for CRA Management in a new market, we will work with the City of Coachella to help us offset some costs for building improvements and aid in the local community's support. We estimate the cost of the improvements and startup costs to be approximately \$128,000.

### **Estimated Costs**

|                     |                     |
|---------------------|---------------------|
| Design / Permitting | \$7,000.00          |
| Construction        | \$20,000.00         |
| Landscaping         | \$8,000.00          |
| Equipment           | \$50,000.00         |
| Supplies            | \$8,000.00          |
| Inventory           | \$5,000.00          |
| Startup Costs       | \$30,000.00         |
| <b>Total</b>        | <b>\$128,000.00</b> |



**STAFF REPORT**  
**1/26/2022**

**TO:** Honorable Mayor and City Council Members

**FROM:** Maritza Martinez, Public Works Director

**SUBJECT:** Authorize City Manager to execute a letter agreement with Zambelli Fireworks for a special event pyrotechnic program for the City's 2022 Fourth of July program, in the amount not to exceed \$43,000.

**STAFF RECOMMENDATION:**

Authorize the City Manager to:

- 1) Execute a letter agreement with Zambelli Fireworks for special event pyrotechnic program for the City's 2022 Fourth of July program, in the amount not to exceed \$43,000;
- 2) Confirm the Fourth of July program date and pyrotechnic program run time; and
- 3) Authorize appropriation of \$35,000 or \$43,000 from undesignated general fund reserves for the proposed Fourth of July pyrotechnic program.

**EXECUTIVE SUMMARY:**

Staff solicited bids for a fifteen-minute and twenty-minute pyrotechnic special event program for a 2022 Fourth of July Program. Staff is recommending the event date be **July 1, 2022 (Friday)**; last year the event was held on Friday, July 2<sup>nd</sup>). Please see the below responses received.

| Vendor             | 15-minute Show | 20-minute Show | Number of Shells |
|--------------------|----------------|----------------|------------------|
| Zambelli Fireworks | \$35,000       | \$43,000       | 14,478 / 9,518   |
| Fireworks America  | \$27,000       | \$30,000       | 1,300 / 1,425    |
| Pyro Spectacular   | \$40,000       | \$40,000       | 4,388            |

Staff is recommending authorization to award the 2022 Fourth of July pyrotechnic program to Zambelli Fireworks based on the significant higher number of shells that will be included in the proposed show; over 8,000 more shells than other respondents. Staff is requesting direction on award of a 15-minute or 20-minute show on July 1, 2022.

**FISCAL IMPACT:**

The recommended action will require an appropriation from unallocated general fund reserves totaling either \$35,000 (15-minute show) or \$43,000 (20-minute show).

Attachment: Proposed Letter Agreement



January 20, 2022

Zambelli Fireworks Manufacturing Co.  
120 Marshall Drive, Warrendale, PA 15086

Re: Letter of Agreement for 2022 Fourth of July Event

Dear Mr. Hagan:

This letter shall be our Agreement regarding the July 1, 2022 Fireworks Display described below ("Services") to be provided by Zambelli Fireworks Manufacturing Co., a corporation, ("Contractor") as an independent contractor to the City of Coachella for the City's 2022 Fourth of July Event ("Project").

The Services to be provided include the following: fifteen/twenty minute fireworks display on July 1, 2022 at Bagdouma Park. The Services to be provided are more particularly described in the Scope of Services attached hereto as Exhibit "A" and incorporated herein by reference.

Contractor shall perform all Services under this Letter of Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California, and consistent with all applicable laws. Contractor represents that it, its employees and subcontractors have all licenses, permits, qualifications, and approvals of whatever nature that are legally required to perform the Services, including a City Business License, and that such licenses and approvals shall be maintained throughout the term of this Agreement. Compensation for the above services shall not exceed Forty Three Thousand Dollars and No Cents (\$43,000.00).

Contractor is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 1600, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. City shall provide Contractor with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Contractor shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Contractor's principal place of business and at the project site. Contractor shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

Contractor shall provide proof of commercial general liability and automobile insurance to the City in amounts and with policies, endorsements and conditions required by the City for the Services. If Contractor is an employer or otherwise hires one or more employees during the term of this Project, Contractor shall also provide proof of workers' compensation coverage for such employees which meets all requirements of state law.

Invoices shall be submitted to the City as performance of the Services progresses. City shall review and pay the approved charges on such invoices in a timely manner. Services on the Project shall be completed on July 1, 2022. The City may terminate this Letter of Agreement at any time with or without cause. If the City finds it necessary to terminate this Letter of Agreement without cause before Project completion, Contractor shall be entitled to be paid in full for those Services adequately completed prior to the notification of termination. Contractor may terminate this Letter of Agreement for cause only.

Contractor shall defend, indemnify and hold the City, its officials, officers, employees, agents, and volunteers free and harmless from any and all claims, demands, causes of action, expenses, liabilities, losses, damages, and injuries to property or persons, including wrongful death, in any manner arising out of or incident to any alleged negligent acts, omissions or willful misconduct of Contractor, its officials, officers, employees, agents, consultants, and contractors arising out of or in connection with the performance of the Services or this Agreement, including, without limitation, the payment of all consequential damages, attorneys fees and other related costs and expenses. To the fullest extent permitted by law, Contractor shall defend, indemnify and hold the City, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or relating to any negligence, errors or omissions, recklessness, or willful misconduct of Contractor, its officials, officers, employees, agents, consultants, and contractors arising out of or in connection with the performance of the Contractor's Services, including without limitation the payment of all consequential damages, expert witness fees, and attorneys fees and other related costs and expenses. Contractor shall defend, at Contractor's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against City, its directors, officials, officers, employees, agents, or volunteers. Contractor shall pay and satisfy any judgment, award or decree that may be rendered against City or its directors, officials, officers, employees, agents, or volunteers, in any such suit, action or other legal proceeding. Contractor shall reimburse City and its directors, officials, officers, employees, agents, and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the City, its directors, officials officers, employees, agents, or volunteers.

If you agree with the terms of this Letter of Agreement, please indicate by signing and dating where indicated below. An original, executed copy of this Letter of Agreement is enclosed for your records.

#### **CITY OF COACHELLA**

*Approved by:*

\_\_\_\_\_  
Dr. Gabriel D. M  
City Manager

#### **CONTRACTOR**

*Reviewed and Accepted by Contractor:*

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

EXHIBIT 'A'

# **Zambelli**

**FIREWORKS**

Item 31.

## **City of Coachella Independence Day 2022 15 Minute Fireworks Celebration**



### **Zambelli Fireworks**

**John Hagan**

**800-322-7142**

**502-220-7944**

**[jhagan@zambellifireworks.com](mailto:jhagan@zambellifireworks.com)**

**Shafter, CA**

# Zambelli

## FIREWORKS

Item 31.

### FIREWORKS PROPOSAL

## City of Coachella Bagdouma Park 2022 July Fireworks Celebration

**Show Date Options:** Friday July 1, Saturday July 2, Sunday July 3, Monday July 4

**Show Budget:** 15 minute display (an all-inclusive show budget).

**\$35,000** If fully executed agreement received by January 31 2022.

**\$36,000** If fully executed agreement received by February 28 2022.

**\$36,500** If fully executed agreement received by March 31 2022.

**Insurance Liability Coverage:** \$10 Million dollars per incident clause to cover the Fireworks Display. Zambelli uses the highest insurance premium in the industry, only offered to "AAA" rated companies.

**State, Local and Federal Permits:** Zambelli Fireworks will secure all necessary state, local and federal permits / required licenses.

**Transportation Liability Coverage:** \$5 Million dollars as required by United States Department of Transportation. (DOT)

**Workers Compensation:** Pyrotechnicians will meet all of the requirements of the Workers Compensation Laws of California

**Site Security and Fire Protection:** Customer will assist in providing site security and make arrangements with the Authorities Having Jurisdiction.

**Transportation:** Fireworks and equipment will be delivered by qualified CDL drivers with Haz-Mat endorsed licenses as required by US DOT.

**Personnel:** Zambelli Certified Pyrotechnicians and Trained Assistants; no subcontractors used.

**Safety Procedures:** Zambelli Fireworks adheres to all safety regulations. NFPA 1123 code will be strictly enforced.

# Zambelli

## FIREWORKS

Item 31.

### 2022 CITY OF COACHELLA JULY FIREWORKS

### SYNOPSIS FOR A FIFTEEN MINUTE DISPLAY

| =====  |             |
|--|-------------|
| DEVICE DESCRIPTION   | QUANTITY    |
| =====  | =====       |
| <b>ZAMBELLI MULTI SHOT DEVICES (CAKES)</b>                       |             |
| <b>QUANTITY TWO EACH:</b>  |             |
| 35 Shot Rainbow Dahlias w/Assorted Colored Tails                 | 70          |
| 35 Shot Variegated Moons w/Titanium Reports and Tail             | 70          |
| 35 Shot Gold Brocade Waterfalls w/Gold Tails                     | 70          |
| 35 Shot Green and Purple Moon Fan Box w/Green Tail               | 70          |
| 35 Shot Rainbow Crossettes w/Assorted Color Tails Fan Box        | 70          |
| <b>QUANTITY FOUR EACH:</b>                                       |             |
| 36 Shot Super Brocade w/Gold Tails Fan Box                       | 144         |
| 36 Shot Rainbow Crossettes w/Assorted Color Tails Fan Box        | 144         |
| 36 Shot Variegated Chrysanthemum w/Palm and Silver Tails Fan Box | 144         |
| 36 Shot Thunder Tourbillions w/Red and Blue Mines Fan Box        | 144         |
| 36 Shot Gold Brocade Waterfalls w/Gold Tails Fan Box             | 144         |
| <b>QUANTITY FOUR EACH:</b>                                       |             |
| 100 Shot Variegated Chrysanthemum w/Palm and Silver Tails        | 400         |
| 100 Shot Red Crackling and Green Glittering w/Purple Mines       | 400         |
| 100 Shot Silver Crackling Flowers w/Silver Tails                 | 400         |
| 100 Shot Brocade Crown w/Brocade Tail                            | 400         |
| 100 Shot Silver Bees   | 400         |
| <b>QUANTITY SIX EACH:</b>  |             |
| 400 Shot V -Shaped Special Effect Multi Shot Repeater            | 2400        |
| 408 Shot Z -Shaped Special Effect Multi Shot Repeater            | 2448        |
| <b>TOTAL NUMBER OF MULTI EFFECT SHOTS</b>                        | <b>7918</b> |
| <b>TWO AND A HALF INCH DIAMETER SHELLS</b>                       |             |
| Two and Half Inch Zambelli Specialty Shells                      | 150         |
| Two and Half Inch Palm Shells                                    | 150         |
| Two and Half Inch Tourbillion Shells                             | 150         |
| Two and Half Inch Dahlia Shells                                  | 150         |
| Two and Half Inch Chrysanthemum Shells                           | 150         |
| Two and Half Inch Serpent Effect Shells                          | 150         |
| Two and Half Inch Multi-Effect Shells                            | 150         |
| Two and Half inch Zambelli Salute Shells                         | 150         |
| <b>TOTAL NUMBER OF TWO AND HALF INCH DIAMETER SHELLS BODY</b>    | <b>1200</b> |
| <b>ZAMBELLI GRAND FINALE</b>                                     |             |
| Two and Half Inch Assorted Color Finale Display Shells           | 100         |
| Two and Half Inch Titanium Salute Report Shells                  | 200         |
| Two and Half Inch Assorted Color Finale Display Shells           | 100         |
| <b>TOTAL NUMBER OF GRAND FINALE SHELLS</b>                       | <b>400</b>  |

**TOTAL NUMBER OF SHOTS/ SHELLS IN THE DISPLAY 9518**

# **Zambelli**

**FIREWORKS**

Item 31.

## **City of Coachella Independence Day 2022 20 Minute Fireworks Celebration**



### **Zambelli Fireworks**

**John Hagan**

**800-322-7142**

**502-220-7944**

**[jhagan@zambellifireworks.com](mailto:jhagan@zambellifireworks.com)**

**Shafter, CA**

# Zambelli

## FIREWORKS

Item 31.

### FIREWORKS PROPOSAL

## City of Coachella Bagdouma Park 2022 July Fireworks Celebration

**Show Date Options:** Friday July 1, Saturday July 2, Sunday July 3, Monday July 4

**Show Budget:** 20 minute display (an all-inclusive show budget).

**\$43,000** If fully executed agreement received by January 31 2022.

**\$44,000** If fully executed agreement received by February 28 2022.

**\$44,500** If fully executed agreement received by March 31 2022.

**Insurance Liability Coverage:** \$10 Million dollars per incident clause to cover the Fireworks Display. Zambelli uses the highest insurance premium in the industry, only offered to "AAA" rated companies.

**State, Local and Federal Permits:** Zambelli Fireworks will secure all necessary state, local and federal permits / required licenses.

**Transportation Liability Coverage:** \$5 Million dollars as required by United States Department of Transportation. (DOT)

**Workers Compensation:** Pyrotechnicians will meet all of the requirements of the Workers Compensation Laws of California

**Site Security and Fire Protection:** Customer will assist in providing site security and make arrangements with the Authorities Having Jurisdiction.

**Transportation:** Fireworks and equipment will be delivered by qualified CDL drivers with Haz-Mat endorsed licenses as required by US DOT.

**Personnel:** Zambelli Certified Pyrotechnicians and Trained Assistants; no subcontractors used.

**Safety Procedures:** Zambelli Fireworks adheres to all safety regulations. NFPA 1123 code will be strictly enforced.

# Zambelli

## FIREWORKS

### 2022 CITY OF COACHELLA JULY FIREWORKS

#### SYNOPSIS FOR A TWENTY MINUTE DISPLAY

| =====              | =====    |
|--------------------|----------|
| DEVICE DESCRIPTION | QUANTITY |
| =====              | =====    |

#### ZAMBELLI MULTI SHOT DEVICES (CAKES)

##### QUANTITY TWO EACH:

|   |    |
|---|----|
| 35 Shot Rainbow Dahlias w/Assorted Colored Tails          | 70 |
| 35 Shot Variegated Moons w/Titanium Reports and Tail      | 70 |
| 35 Shot Gold Brocade Waterfalls w/Gold Tails              | 70 |
| 35 Shot Green and Purple Moon Fan Box w/Green Tail        | 70 |
| 35 Shot Rainbow Crossettes w/Assorted Color Tails Fan Box | 70 |
| 35 Shot Colorful Pears w/Reports                          | 70 |
| 35 Shot Screaming Silver Dervish                          | 70 |

##### QUANTITY FOUR EACH:

|  |     |
|--|-----|
| 36 Shot Super Brocade w/Gold Tails Fan Box                       | 144 |
| 36 Shot Rainbow Crossettes w/Assorted Color Tails Fan Box        | 144 |
| 36 Shot Variegated Chrysanthemum w/Palm and Silver Tails Fan Box | 144 |
| 36 Shot Thunder Tourbillions w/Red and Blue Mines Fan Box        | 144 |
| 36 Shot Gold Brocade Waterfalls w/Gold Tails Fan Box             | 144 |
| 36 Shot Falling Leaves to Cracking Willow                        | 144 |
| 36 Shot Crackling Coconut Palm with Color Pistil                 | 144 |

##### QUANTITY FOUR EACH:

|  |     |
|--|-----|
| 100 Shot Variegated Chrysanthemum w/Palm and Silver Tails  | 400 |
| 100 Shot Red Crackling and Green Glittering w/Purple Mines | 400 |
| 100 Shot Silver Crackling Flowers w/Silver Tails           | 400 |
| 100 Shot Brocade Crown w/Brocade Tail                      | 400 |
| 100 Shot Silver Bees                                       | 400 |
| 100 Shot Variegated Chrysanthemum w/Palm and Silver Tails  | 400 |
| 100 Shot Red Crackling and Green Glittering w/Purple Mines | 400 |

##### QUANTITY TEN EACH:

|   |      |
|---|------|
| 400 Shot V -Shaped Special Effect Multi Shot Repeater | 4000 |
| 408 Shot Z -Shaped Special Effect Multi Shot Repeater | 4080 |

|   |               |
|---|---------------|
| <b>TOTAL NUMBER OF MULTI EFFECT SHOTS</b> | <b>12,378</b> |
|---|---------------|

#### TWO AND A HALF INCH DIAMETER SHELLS

|   |     |
|---|-----|
| Two and Half Inch Zambelli Specialty Shells | 200 |
| Two and Half Inch Palm Shells               | 200 |
| Two and Half Inch Tourbillion Shells        | 200 |
| Two and Half Inch Dahlia Shells             | 200 |
| Two and Half Inch Chrysanthemum Shells      | 200 |
| Two and Half Inch Serpent Effect Shells     | 200 |
| Two and Half Inch Multi-Effect Shells       | 200 |
| Two and Half Inch Zambelli Salute Shells    | 200 |

|   |             |
|---|-------------|
| <b>TOTAL NUMBER OF TWO AND HALF INCH DIAMETER SHELLS BODY</b> | <b>1600</b> |
|---|-------------|

#### ZAMBELLI GRAND FINALE

|  |            |
|--|------------|
| Two and Half Inch Assorted Color Finale Display Shells     | 200        |
| Two and Half Inch Titanium Salute Report Shells            | 200        |
| Two and Half Inch Zambelli Specialty Finale Display Shells | 100        |
| <b>TOTAL NUMBER OF GRAND FINALE SHELLS</b>                 | <b>500</b> |

|   |               |
|---|---------------|
| <b>TOTAL NUMBER OF SHOTS/ SHELLS IN THE DISPLAY</b> | <b>14,478</b> |
|---|---------------|

# Zambelli

## FIREWORKS

Item 31.



### CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

|   |   |                             |
|---|---|-----------------------------|
| PRODUCER<br>Allied Specialty Insurance, Inc.<br>10451 Gulf Blvd<br>Treasure Island, FL 33706-4814 | CONTACT NAME: Michelle Kugler               |                             |
|   | PHONE (A/C, No, Ext): 727-547-3070          | FAX (A/C, No): 727-367-5695 |
|   | E-MAIL ADDRESS: mkugler@alliedspecialty.com |                             |
| INSURED<br>ZAMBELLI FIREWORKS MFG CO, INC., ETAL<br>120 Marshall Drive,<br>Warrendale, PA 15086   | INSURER(S) AFFORDING COVERAGE               |                             |
|   | INSURER A: T.H.E. Insurance Company         |                             |
|   | INSURER B:                                  |                             |
|   | INSURER C:                                  |                             |
|   | INSURER D:                                  |                             |
|   | INSURER E:                                  |                             |
|   | INSURER F:                                  |                             |

#### COVERAGES

#### CERTIFICATE NUMBER:

#### REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | TYPE OF INSURANCE   | ADDL INSD | SUBR WVD | POLICY NUMBER                            | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS   |
|----------|---|-----------|----------|--|-------------------------|-------------------------|--|
| A        | <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY<br><input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR<br><br>GEN'L AGGREGATE LIMIT APPLIES PER:<br><input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC<br>OTHER: |           |          | CPP0103167-05                            | 02/01/2018              | 02/01/2019              | EACH OCCURRENCE \$ 1,000,000<br>DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000<br>MED EXP (Any one person) \$ N/A<br>PERSONAL & ADV INJURY \$ 1,000,000<br>GENERAL AGGREGATE \$ 10,000,000<br>PRODUCTS - COMP/OP AGG \$ 2,000,000<br>Protection & Indemnity \$ 1,000,000 |
| A        | <input checked="" type="checkbox"/> AUTOMOBILE LIABILITY<br><input type="checkbox"/> ANY AUTO<br><input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS<br><input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY                          |           |          | CPP0103167-05                            | 02/01/2018              | 02/01/2019              | COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000<br>BODILY INJURY (Per person) \$<br>BODILY INJURY (Per accident) \$<br>PROPERTY DAMAGE (Per accident) \$<br>\$  |
| A        | <input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR<br><input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE<br>DED \$ RETENTION \$  |           |          | ELP0011081-05<br>Excess P & I Included   | 02/01/2018              | 02/01/2019              | EACH OCCURRENCE \$ 9,000,000<br>AGGREGATE \$ 9,000,000<br>\$   |
|          | <b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b><br>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)<br>If yes, describe under DESCRIPTION OF OPERATIONS below   | Y/N       | N/A      | Coverage is afforded in the State(s) of: |                         |                         | PER STATUTE OTH-ER<br>E.L. EACH ACCIDENT \$<br>E.L. DISEASE - EA EMPLOYEE \$<br>E.L. DISEASE - POLICY LIMIT \$   |
| A        | Inland Marine / Hull  |           |          | CPP0103167-05                            | 02/01/2018              | 02/01/2019              | Hull Limit \$900,000<br>Show Limit \$1,500,000   |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Display Date:

Rain Date:

Location:

RE: General Liability, the following are named as additional insured in respects to the negligence of the named insured, excess is follow form:

#### CERTIFICATE HOLDER

#### CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

*Carol A. Serra*



**STAFF REPORT**  
**1/26/2022**

**TO:** Honorable Mayor and City Council Members

**FROM:** Gabriel Perez, Development Services Director

**SUBJECT:** Fountainhead Plaza

**SPECIFICS:** Tentative Parcel Map 37940 (Revision), CUP 321 (modification), and AR 20-03 (modification) to develop 3.1 acres of an 8.25 acre property for a 2,028 sq. ft. standalone Starbucks drive thru building at the northeast corner of Cesar Chavez Street and First Street (APN# 778-020-007 and 778-010-017). Applicant: Coachella Retail Realty Associates, LP.

**EXECUTIVE SUMMARY:**

Coachella Retail Realty Associates, LP requests Planning Commission approval of modifications to site plan and architectural approvals for a standalone 2,028 Starbucks drive thru building. The applicant also requests approval of a revision to Tentative Parcel Map 37940 to accommodate parking for the Aldi supermarket on 1.94 acres located at the northeast corner of Cesar Chavez Street and First Street.

**BACKGROUND:**

The subject site is a vacant portion of an existing commercial development, Fountainhead Plaza, originally approved by the Planning Commission on May 7, 2008 as Conditional Use Permit (CUP) No. 233 and Architectural Review (AR) 07-20 for Walgreens, located on the east side of Cesar Chavez between Avenue 50 and First Street as a phased development. Taco Bell drive-thru restaurant was approved by the Planning Commission on July 15, 2015, as CUP 261 and AR 15-06. The developed portion of the commercial center consists of a Walgreens drug store and two drive thru restaurants (Taco Bell and McDonalds).

Tentative Parcel Map No. 37940 was approved by the City Council on October 14, 2020 to subdivide the remaining 8.26 acres into 7 commercial lots. Additionally, the Council approved AR No. 20-03 and CUP No. 321 to develop Phase II of the commercial center to include a 7-Eleven convenience store with 12 pump fueling stations and a drive-thru for a coffee shop. CUP No. 322 was approved to allow alcohol sales (Type 20, Off-Sale Beer and Wine) within the convenience store.

On December 15, 2021 and January 5, 2022 the Planning Commission considered Tentative Parcel Map 37940 (Revision), CUP 346, CUP 347, CUP 321 (modification), AR 21-12, and AR 20-03

(modification) to develop 5.06 acres of an 8.25 acre property to include a 2,028 sq. ft. Starbucks drive thru building, a 2,600 sq. ft. Panda Express drive thru restaurant and a 20,442 sq. ft. Aldi supermarket with Type 20 Alcohol Sales (Off-Sale Beer and Wine). The Planning Commission approved the Panda Express and Aldi supermarket on January 5, 2022 and recommended that the City Council approve the modification of the approved multi-tenant retail drive thru building into a standalone Starbucks drive thru building and revision to Tentative Parcel Map 37940.

### **DISCUSSION/ANALYSIS**

The proposed development is a new phase of CUP No. 233 and Architectural Review 07-20. The surrounding land uses and zoning designations are as follows:

- North:** Existing commercial development, America's Tire (C-G, General Commercial).
- South:** Existing single family residences across First St. (R-S, Single Family Residential).
- East:** Foster-Gardner agricultural products (nonconforming) industrial site (C-G, General Commercial).
- West:** Existing commercial development across Harrison Street (C-G, General Commercial).

### **Tentative Parcel Map 37940**

Tentative Parcel Map (TPM) No. 37940 was approved to subdivide the southern and eastern portions of the Walgreen's development (8.25 acres) into seven (7) parcels. The applicant proposes a revision to TPM No. 37940 where parcels 1, 2, and 3 would develop with the Starbucks drive-thru, Aldi supermarket, and convenience store with fuel service station respectively. Parcels 4, 5, 6 will be developed with a Panda Express drive thru restaurant (Parcel 4) and future commercial development. Parcel 7 contains the existing common-area retention basin that provides storm-water drainage needs of the developed properties (Walgreens, Taco Bell and McDonalds).

The information below is the proposed parcel (lot size) area breakdown and an exhibit of the proposed subdivision showing the new building areas and the "future" development areas.

**Table 1 – Tentative Parcel Map 37940 Revision**

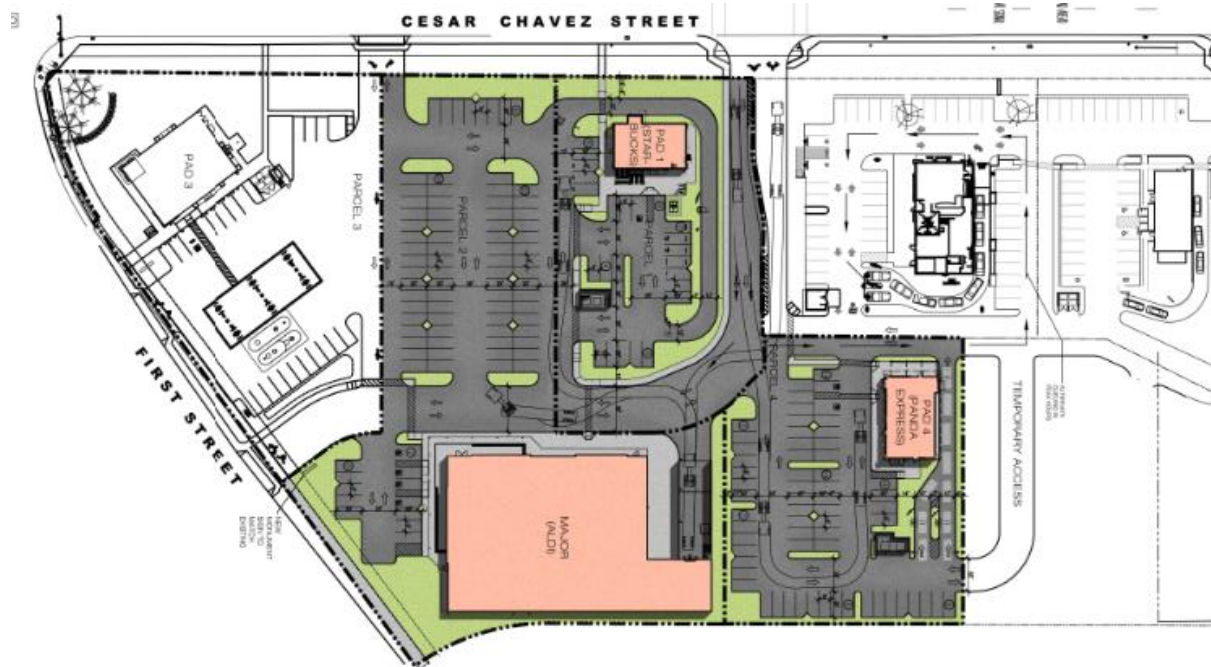
| <b>Parcel #</b> | <b>Approved</b>                       | <b>Proposed Revision</b>                  |
|-----------------|---------------------------------------|---|
| Parcel 1        | 39,041 sf. (Starbucks)                | 41,247 sq. ft. (Starbucks)                |
| Parcel 2        | 39,149 sf. (Retail)                   | 84,462 sq. ft. (Aldi)                     |
| Parcel 3        | 55,467 sf. (Fuel Station)             | 54,924 sq. ft. (Fuel Station)             |
| Parcel 4        | 52,664 sf. (Future development)       | 39,782 sq. ft. (Panda Express)            |
| Parcel 5        | 79,102 sf. (Future development)       | 45,007 sq. ft. (Future development)       |
| Parcel 6        | 32,403 sf. (Future development)       | 32,403 sq. ft. (Future development)       |
| Parcel 7        | 61,747 sf. (Existing Retention Basin) | 61,747 sq. ft. (Existing Retention Basin) |

## **Site Plan**

### *Starbucks (Pad 1)*

The applicant proposes a modification to the approved Starbucks site plan by eliminating the 4,500 sq. ft. multi-tenant retail suites, which was originally proposed as one building with a 2,000 sq. ft. Starbucks coffee shop. The applicant proposes to maintain the Starbucks drive-thru coffee shop as a standalone 2,028 sq. ft. building. The applicant proposes the Starbucks building and drive thru lane in the same location and configuration as AR No. 20-03. An outdoor covered patio seating area of 270 sq. ft. is proposed. The drive-thru lane will accommodate the stacking of 12 vehicles consistent with the original site plan, which is more than the minimum required stacking of eight vehicles of the City's Zoning Ordinance. The approved parking lot plan has been reconfigured due to the elimination of the multi-tenant retail suite and the accommodation of the Aldi supermarket.

**Figure 1 – Proposed Site plan (Starbucks, Aldi and Panda Express)**



## **Architectural Design**

The overall architectural design of the Starbucks incorporates modern architectural design with distinct material and color patterns for each buildings that differ from the original architectural conceptual design of Fountainhead Plaza as characterized by the Spanish Colonial revival appearance of the Walgreens drug store building. The departure from the original architectural design concept occurred with the commercial center's incremental development based on tenant interests to pursue building design with prototypical architecture as demonstrated by the McDonald's and Taco Bell restaurant buildings. The design for the corner fuel station would continue to retain the Spanish Colonial Revival architectural design features under AR No. 20-03.

### *Starbucks (Pad 1)*

The Starbucks drive-thru building retains the same architectural style as approved under AR 20-03, with the exception the original multi-tenant building footprint has been reduced to remove two commercial tenant spaces. The building has maximum height of 23 feet and includes a modern design with a combination of stucco and hardee panel exterior surfaces. The main entrance is along the East elevation with an overhead metal canopy and an open trellis above an outdoor dining area. The West elevation facing Cesar Chavez Street includes a drive-thru window with overhead metal canopy. Two living fence and trellis systems are provided along the exterior wall. Rooftop mechanical equipment is screened by exterior walls and decorative cornice trim is provided at the top of all parapet walls.

**Figure 2 – Comparison of Approved Multi-tenant Retail Building to Proposed Standalone Starbucks Building (East Elevation)**



### **Landscape Design**

The plant palette shows a variety of trees including “Chilean Mesquite” “Desert Willow/Amethyst” and “Thornless Palo Verde” within the perimeter plantings and interior parking lot planters. The planters will include water-efficient plantings including “Red Bird of Paradise”, “Bush Morning Glory”, “Toothless Desert Spoon”, “Mexican Evening Primrose”, and Agave “Century Plant” succulents. The landscape plan includes a line of “Mexican Fan Palm” trees along the project frontage similar to the existing planting pattern in front of the Walgreens, Taco Bell, and McDonalds buildings. A cluster of palm trees is also provided at the corner of Cesar Chavez Street and First Street along with other landscape materials design to make the future public art location a focal point. The main entry driveway from Cesar Chavez Street will be fully improved with a landscape median consisting of Mexican Fan Palm trees, agave succulents and a decorative stone surface. The Planning Commission approved a condition of approval to revise the landscape plan to include date palms and ensure compatibility between the new and existing landscape areas.

## CONSISTENCY WITH THE GENERAL PLAN

The proposed project is within the Downtown Center land use designation of the General Plan 2035 Land Use and Community Character Element. The Downtown Center is intended to bring the entire community together in a one-of-a-kind Coachella Center which allows for commercial uses with the exception of drive-thru establishments even though the General Commercial zone permits drive-thru establishments with approval of a CUP. The City Council previously made a General Plan consistency finding in support of the Starbucks drive-thru under Resolution No, 2020-55 for AR 20-03, CUP 321 and CUP 322 stating that the drive-thru and 7-Eleven service station are in harmony with the immediate vicinity of the proposed site and identified that any future proposed development on the vacant portion of the site must be in strict compliance with Coachella General Plan 2035. Should the City Council act to approve the proposed project, the Commission should find that the project would be in harmony with the immediate vicinity of the proposed site.

## CONSISTENCY WITH ZONING

The subject site is zoned C-G (General Commercial) zone, which allows for retail and restaurant establishments. The project complies with the development standards of the Zoning Ordinance for parking, lot requirements, height, landscaping and drive through stacking.

**Table 2 – Development Standards**

|                   | <b>Zoning Ordinance</b>   | <b>Proposed</b>  | <b>Complies with Code</b>  |
|-------------------|---|--|--|
| Parking (Minimum) | Restaurants: Starbucks- 23 spaces required.   | Starbucks – 25 spaces  | Yes  |
| Lot Requirements  | Minimum Lot width 50'   | All proposed parcels (TPM 37940) greater than 100' width   | Yes  |
| Height (max)      | 35'   | Starbucks – 23'  | Yes  |
| Landscaping       | <ul style="list-style-type: none"> <li>• Parking area or driveway abutting a street requires a 10 foot setback fully landscaped.</li> <li>• Internal landscaping equal to a minimum of 5% of the parking and driveway area.</li> <li>• One 15 gallon tree for every 10 parking spaces.</li> <li>• All landscape planter beds in interior parking areas shall be not less than five feet in width</li> </ul> | <ul style="list-style-type: none"> <li>• All areas exceed 10' fully landscaped setback</li> <li>• Internal landscaping % not identified but required by condition of approval.</li> <li>• One 15 gallon tree is provided for every 10 parking spaces.</li> <li>• The rear property line planter to the rear of Panda Express is less than 5'.</li> </ul> | Substantially in compliance. Project conditioned to comply with all landscape standards. |
| Drive-through     | Minimum stacking for 8 vehicles at 20' per vehicle.   | Starbucks accommodates stacking for 12 vehicles.   | Yes  |

## ENVIRONMENTAL IMPACT CONSIDERATION

The Planning Commission adopted a Mitigated Negative Declaration as part of Environmental Initial Study (EIS 07-16) on May 7, 2008 for the Fountainhead Plaza for all phases of the project. Staff determined that the proposed development and modifications will not result in any new environmental effects that were not previously analyzed as part of the original project. As such, no additional environmental review or further mitigation is required for this request.

### **ALTERNATIVES:**

- 1) Adopt **a)** Resolution No. 2022-10 for approval of modifications to CUP No. 321 (Starbucks drive-thru) and Architectural Review No. 20-03 (Starbucks and 7-Eleven); and **b)** Resolution No. 2022-11 for approval of a revision to Tentative Parcel Map 39740 with the findings and conditions as recommended by Staff.
- 2) Deny the proposed project.
- 3) Continue this item and provide staff and the applicant with direction.

### **RECOMMENDED ALTERNATIVE(S):**

Staff recommends alternative #1.

#### Attachments:

1. Resolution No. 2022-10 for AR 20-03 and CUP 321 Amendment  
Exhibit A – Conditions for Approval for AR 20-03 and CUP 321 Amendment
2. Resolution No. 2022-11 for TPM 37940 (Revision)  
Exhibit A –Revised TPM 37940 exhibit
3. Vicinity Map
4. Project Description - Applicant
5. Site Plan
6. Preliminary Civil Plan
7. Landscape Plan
8. Architectural Plans – Starbucks (AR No. 20-03)
9. Architectural Plans – Panda Express (AR No. 21-12 – For Reference)
10. Architectural Plans – Aldi Supermarket (AR No. 21-12 – For Reference)
11. Planning Commission meeting minutes of December 15, 2021
12. Planning Commission meeting minutes of January 5, 2022.
13. Approved Council Resolution No. 2020-55 CUP 321 CUP 322 AR 20-03
14. Approved Council Resolution No. 2020-56 TPM 37940
15. Approved Planning Commission Resolution No. 2021-25 CUP 346 CUP 347 AR  
21-12 Aldi and Panda Express

## RESOLUTION NO. 2022-10

**A RESOLUTION OF THE CITY OF COACHELLA CITY COUNCIL APPROVING AMENDMENTS TO ARCHITECTURAL REVIEW 20-03 AND CONDITIONAL USE PERMIT 321 TO ALLOW THE CONSTRUCTION OF A 2,028 SQ. FT. DRIVE-THRU COFFEE SHOP AND A 4,088 SQ. FT. MINI-MARKET WITH ALCOHOL SALES AND 24 HOUR OPERATION ON 3.1 ACRES OF A 5.9 ACRES OF VACANT LAND LOCATED AT THE NORTHEAST CORNER OF FIRST STREET AND CESAR CHAVEZ STREET. (APN 778-020-007 AND 778-010-017) COACHELLA RETAIL REALTY ASSOCIATES, LP (APPLICANT).**

**WHEREAS**, Coachella Retail Realty Associates, LP filed an application for Conditional Use Permit (CUP 346), CUP 347, Architectural Review (AR) 21-12 and amendments to CUP 321, AR 20-03, and Tentative Parcel Map (TPM) 37940 to allow the construction of a 2,028 sq. ft. drive-thru coffee shop, 2,600 sq. ft. drive-thru restaurant, and a 20,422 sq. ft. supermarket located at the northeast corner of First Street and Cesar Chavez Street (APN 778-020-007 and 778-010-017); and

**WHEREAS**, on October 14, 2020, the City Council of the City of Coachella held a duly noticed and published Public Hearing and considered the Architectural Review 20-03 and Conditional Use Permit 321 as presented by the applicant, adopting Resolution 2020-55 with the findings, conditions, and staff recommendations; and

**WHEREAS** on December 15, 2021 and January 5, 2022, the Planning Commission of the City of Coachella held a duly noticed public hearing on the subject application, considered written and oral comments, and facts and evidence presented by the applicant, City staff, and other interested parties; and

**WHEREAS** on January 26, 2022, the City Council of the City of Coachella held a duly noticed public hearing on the subject application, considered written and oral comments, and facts and evidence presented by the applicant, City staff, and other interested parties; and

**WHEREAS** the proposed use is necessary or desirable for the development of the community, is consistent with the objectives of the City's General Plan, and is not detrimental to the existing uses or the uses specifically permitted in the zone in which the proposed use is to be located; and,

**WHEREAS** the proposed site is adequate in size and shape to accommodate the proposed development; and,

**WHEREAS**, the Planning Division completed an initial environmental assessment of the above matter and in accordance with the California Environmental Quality Act (CEQA) recommends the City Council determine the project will not result in any new environmental effects that were not previously analyzed as part of the original project under Environmental Initial Study 07-16 on May 7, 2008 for Fountainhead Plaza for all phases of the project.

**WHEREAS**, the proposed change could not adversely affect the general health, safety and welfare of the community.

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Coachella, California hereby resolve as follows:

**Section 1.**      Incorporation of Recitals

The City Council hereby finds that all of the facts in the Recitals are true and correct and are incorporated and adopted as findings of the City Council as fully set forth in this resolution.

**Section 2.**      CEQA Findings

Based upon its review of the entire record, including the Staff Report, any public comments or testimony presented to the City Council and the facts outlined below, the City Council hereby finds and determines that the proposed project will not result in any new environmental effects that were not previously analyzed as part of the original project under Environmental Initial Study 07-16 on May 7, 2008 for Fountainhead Plaza for all phases of the project.

**Section 3.**      Conditional Use Permit and Architectural Review Findings

With respect to the modifications to Conditional Use Permit 321 and Architectural Review 21-03, the City Council finds as follows for the proposed for the 2,028 sq. ft. drive-thru coffee shop:

1.      The proposed use will not be in conflict with, but will be in harmony with and in accordance with the objectives of the Coachella General Plan 2035, except as recognized that the project has vested rights as to the number of drive-thru restaurants and service stations previously vested under CUP No. 233 and AR No. 07-20. Staff requested direction from the Planning Commission at the June 3, 2015, Planning Commission hearing through a policy discussion item on the agenda. The site has a Downtown Center land use designation that allows for a range of retail uses. The proposed uses on the site are in keeping with the policies of the Downtown Center land use classification and the Project is internally consistent with other General Plan policies for this type of development.

2.      The proposed uses will be located, designed, constructed, operated and maintained so as to be compatible with the existing or intended character of the general vicinity and shall not change the essential character of the same area. The proposed project is in compliance with the applicable development standards of the City's Zoning Code. The applicant proposes to amend the approved site plan by eliminating two tenant spaces (4,500 sq. ft). of a multi-tenant retail building and instead retain a 2,028 sq. ft. drive-thru Coffee Shop and a 12-fueling position Canopy for Service Station and a 3,010 sq. ft. mini-market with alcohol sales and 24 hour operations on 3.1 acres of vacant land, in accordance with section 17.74.010 of the Coachella Municipal Code.

3. Consideration is given to harmony in scale, bulk, coverage and density, to the availability of public facilities and utilities, to harmful effect, if any, upon desirable neighborhood character, to the generation of traffic and the capacity of surrounding streets, and to any other relevant impact of the development. The proposed development consists of an amended site plan and architectural elevations that proposes to eliminate two tenant spaces (4,500 sq. ft). of a multi-tenant retail building and instead retain a 2,028 sq. ft. drive-thru Coffee Shop and a 12-fueling position Canopy for Service Station and a 3,010 sq. ft. mini-market with alcohol sales and 24 hour operations on 3.1 acres of vacant land, in accordance with section 17.74.010 of the Coachella Municipal Code. The proposal which will provide City residents and regional residents with an alternative food service and an additional service station with a convenience store which will provide convenience to motorist within the region. The proposed use is compatible with existing adjacent uses, which include similar land uses and large commercial development sites.

4. Where the proposed use may be potentially hazardous or disturbing to existing or reasonably expected neighboring uses, it must be justified by the common public interest as a benefit to the community as a whole. The proposed development will be compatible with the neighboring properties with respect to land development patterns and application of architectural treatments. The plans submitted for this project propose a building with similar architectural features to the adjoining existing architectural theme of the commercial center as well as adjoining commercial development within the immediate vicinity of the proposed site. The surrounding properties to the south and to the east are vacant and can provide for similar commercial development. As such, the proposed buildings will be in keeping with the scale, massing, and aesthetic appeal of the existing neighborhood and future development.

5. The proposed use will include three new vehicular approaches to the property designed to improve off-site and on-site vehicular circulation for existing traffic on surrounding public streets or roads. Evidence of this is reflected in the provided site plan design. The three new proposed drive isles and internal circulation have been reviewed and approved by the Fire Department and the Engineering Department.

#### **Section 4.** City Council Approval

Based on the foregoing recitals and findings above, and the written and oral comments, facts and evidence presented, the City of Coachella City Council approves modification to Conditional Use Permit 321 Architectural Review 20-03 for the Fountainhead Plaza Phase II development and subject to the Conditions of Approval as set forth in Resolution No. 2020-55 and as modified by the Conditions of Approval as set forth in "Exhibit A"

**PASSED, APPROVED and ADOPTED** this 26<sup>th</sup> day of January 2021.

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Steven A. Hernandez  
Mayor

Resolution No. 2022-10  
Page 3

**ATTEST:**

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Angela M. Zepeda  
City Clerk

**APPROVED AS TO FORM:**

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Carlos Campos  
City Attorney

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

**I HEREBY CERTIFY** that the foregoing Resolution No. 2022-10 was duly adopted by the City Council of the City of Coachella at a regular meeting thereof, held on the 26<sup>th</sup> day of January 2022, by the following vote of Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Andrea J. Carranza, MMC  
Deputy City Clerk

**CONDITIONS OF APPROVAL  
CONDITION USE PERMIT 321 (modification) AND ARCHITECTURAL REVIEW 20-03 (modification) FOUNTAINHEAD PLAZA (STARBUCKS AND 7-ELEVEN)**

**CONDITIONS OF APPROVAL FOR AR 20-03:**

\*Modified conditions are in “Bold” and deleted text is in “strike-out.”

45. ~~Temporary Certificates of occupancy may be issued to allow businesses to open, prior to,~~  
**Prior to issuance of certificate of occupancy** all public improvements, including landscaping and lighting of the retention basins, and landscaped areas along the exterior streets, shall be completed to the satisfaction of the City Engineer. An engineering final inspection is required. "As-built" plans shall be submitted to and approved by the City Engineer. Prior to acceptance of the improvements by the City, such plans, once approved, shall be given to the city on compact disk in AutoCad format. All off-site and on-site improvements shall be completed to the satisfaction of the City Engineer prior to acceptance of improvements for maintenance by the City. **A Temporary Certificate of Occupancy may be issued prior to completion of aforementioned improvements.**
81. A minimum of 10 date palm trees ~~California or Mexican Fan palms~~ of a minimum 10 to 15 foot brown trunk height shall be planted at the intersection of First Street and Cesar Chavez Street.
90. **The Conditions of Approval of Resolution No. PC 2021-25 (CUP 346 and CUP 347 and AR No, 21-12) Exhibit A are incorporated herein as conditions of approval for Conditional Use Permit 321 and Architectural Review No. 20-03 by reference.**

## RESOLUTION NO. 2022-11

**A RESOLUTION OF THE CITY OF COACHELLA CITY COUNCIL APPROVING A REVISION TO TENTATIVE PARCEL MAP NO. 37940 TO SUBDIVIDE 8.25 ACRES (APN 778-020-007 & 778-010-017) INTO SEVEN PARCELS FOR FINANCING AND DEVELOPMENT PHASING PURPOSES ON PROPERTY LOCATED ON THE NORTHEAST CORNER OF FIRST STREET AND CESAR CHAVEZ STREET. COACHELLA RETAIL REALTY ASSOCIATES, LP (APPLICANT).**

**WHEREAS**, Coachella Retail Realty Associates, LP filed an application to revise Tentative Parcel Map No. 37940 to subdivide approximately 8.255 acres into seven (7) parcels, located on the northeast corner of First Street and Cesar Chavez Street, more particularly described in Exhibit “A” attached hereto and made a part hereof; and

**WHEREAS**, on July 15, 2020, the Planning Commission of the City of Coachella held a duly noticed and published Public Hearing and considered the Tentative Parcel Map as presented by the applicant, adopting PC Resolution 2020-07 with the finding, conditions, and staff recommendations; and

**WHEREAS**, the City Council adopted Resolution 2020-56, approving Tentative Parcel Map 37940, at a public hearing on October 14, 2020; and

**WHEREAS**, the City has processed the application to revise the Tentative Parcel Map 37940 pursuant to the Subdivision Map Act (commencing with Section 64600, Title 7 of the Government Code and the California Environmental Quality Act of 1970) as amended; and

**WHEREAS**, on December 15, 2021 and January 5, 2022, the Planning Commission of the City of Coachella held a duly noticed and published Public Hearing and considered the revision to Tentative Parcel Map as presented by the applicant, adopting the finding, conditions, and staff recommendations; and

**WHEREAS**, the Planning Commission does recommend the approval to the City Council of the revision to Tentative Parcel Map No. 37940, subject to the recommended findings and conditions of approval contained in the staff report and contained herein; and,

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Coachella, California hereby resolve as follows:

**Section 1.**      Incorporation of Recitals

The City Council hereby finds that all of the facts in the Recitals are true and correct and are incorporated and adopted as findings of the City Council as fully set forth in this resolution.

**Section 2.**      CEQA Findings

Based upon its review of the entire record, including the Staff Report, any public comments or testimony presented to the City Council, and the facts outlined below, the City Council hereby finds and determines that the proposed project will not result in any new environmental effects that were not previously analyzed as part of the original project under Environmental Initial Study 07-16 on May 7, 2008 for Fountainhead Plaza for all phases of the project.

### **Section 3.** Tentative Parcel Map Findings

With respect to Tentative Parcel Map 37490, the City Council finds as follows for the proposed

1. The proposed tentative map revision is consistent with the General Plan and the City of Coachella Official Zoning Map. The proposed subdivision is within a land use designation of Downtown Center according to the General Plan 2035 Land Use Element which allows for the proposed commercial uses. The subdivision is consistent with the development standards permitted by the Downtown Center, with the exception of the auto related uses for which the Planning Commission found to be approved uses under the original entitlement of the subject site (CUP No. 233 and AR No. 07-20). Tentative Parcel Map 37940, including the revision to the map, is in compliance with the standards of the Zoning Ordinance with respect to the G-C (General Commercial) including minimum lot size, minimum lot depth, and minimum lot width. Additionally, this subdivision will accommodate for a variety of commercial uses and is consistent with the City's vision for this area to be developed with commercial uses to serve the adjacent urban residential uses by providing close proximity to commercial amenities.

2. The site is physically suitable for the future commercial development and density. The proposed subdivision will provide adequate sized lots for a phased commercial development. The seven (7) proposed lots will have adequate dimensions, and ingress and egress to accommodate future development by access drives and internal circulation for ingress and egress and reciprocal access on the existing driveways.

3. The design of the subdivision and type of improvements are not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat. There are no sensitive habitats or bodies of water in the immediate vicinity of the site. For future development proposed on the site, all drainage from increased impervious material on the site will be contained on site for a 100-year storm event, as required by City regulations. As such there would be no impact to the Coachella Valley Whitewater Channel which is more than one mile away from the site.

4. The design of the subdivision and type of improvements are not likely to cause any serious public health problems. The proposed subdivision would allow for future development of commercial uses intended and identified in the General Plan and the zoning code. All future development would be reviewed for compliance with applicable California Building Code regulations prior to issuance of any building permits.

5. The design of the subdivision and type of improvements will not conflict with easements, acquired by the public at large, for access through or use of, property within the proposed subdivision. The proposed subdivision would create seven (4) additional lots for future commercial development with adequate street access, and utility connections to all lots.

6. Based upon its review of the entire record, including the Staff Report, any public comments or testimony presented to the City Council, and the facts outlined below, the City Council hereby finds and determines that the proposed project will not result in any new environmental effects that were not previously analyzed as part of the original project under Environmental Initial Study 07-16 on May 7, 2008 for Fountainhead Plaza for all phases of the project.

**Section 5.** City Council Approval

Based on the foregoing recitals and findings above, and the written and oral comments, facts and evidence presented, the City of Coachella City Council hereby approves Tentative Parcel Map 37940 as set forth in “Exhibit A” for the Fountainhead Plaza Phase III development, subject to the Conditions of Approval of Council Resolution 2020-56.

**PASSED, APPROVED and ADOPTED** this 26<sup>th</sup> day of January 2021.

---

Steven A. Hernandez

Mayor

**ATTEST:**

---

Angela M. Zepeda

City Clerk

**APPROVED AS TO FORM:**

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Carlos Campos

City Attorney

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

**I HEREBY CERTIFY** that the foregoing Resolution No. 2022-11 was duly adopted by the City Council of the City of Coachella at a regular meeting thereof, held on the 26<sup>th</sup> day of January 2022, by the following vote of Council:

AYES:

NOES:

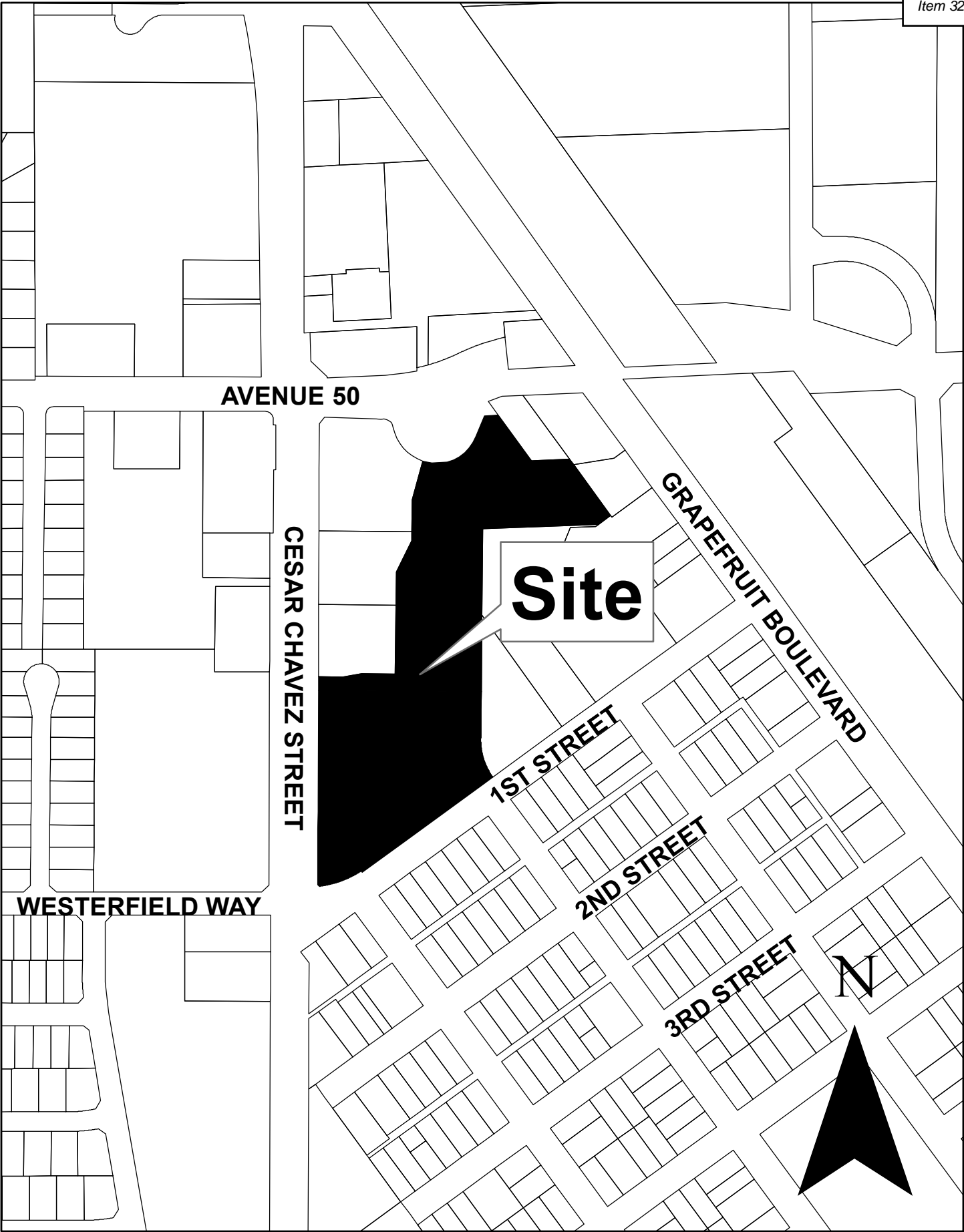
ABSENT:

ABSTAIN:

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Andrea J. Carranza, MMC  
Deputy City Clerk





October 18, 2021

Development Service Department  
53-990 Enterprise Way  
Coachella, CA 92236  
Ph: (760) 398-3102

Re: CUP & Architectural Review Application  
ALDI Super Market with Type 20 Alcohol Sale  
Panda Express Drive-Thru Restaurant  
NEC of Cesar Chavez Street & 1st Street

## **PROJECT DESCRIPTION**

### **Existing Condition:**

Zoning: General Commercial (CG)

Land Use: Site is in "Downtown Center" under City's General Plan 2035 Land Use and Community Character Element, within the "Pueblo Viejo Revitalization Plan" design guideline area

Assessor Parcel Numbers: 778-020-007 & 778-010-017

The original 12.14 commercial development is located along Cesar Chavez Street frontage between Avenue 50 and 1<sup>st</sup> Street. The project was approved in 2008 for up to 82,000 square feet of retail commercial space, and gasoline pump stations. The project was segmented into phases with Phase I being the existing Walgreens, McDonald's, and Taco Bell consisting of +/- 3.88 acres. Phase II of the project consisting of 3.07 acres with a Starbucks, Retail shop, and Fuel Station with convenience store was approved in October 14, 2020. The remaining 5.19 acres are proposed to be split into 4 parcels for this proposed development.

### **Adjacent Zoning/Use:**

East: Industrial Use- Foster-Gardner, Inc. Fertilizer supplier

South (across 1<sup>st</sup> Street): Residential - single Family homes

West (across Cesar Chavez St): Commercial/Retail - +/-85,000 sf retail structure with 99 Cents Only store, Health Clinic, WSS Shoes, Planet Fitness, and Dental office with surface parking.

North: Commercial/Retail – McDonald's Restaurant, Taco Bell, and Walgreens and associated parking

### **PROPOSED DEVELOPMENT:**

The proposed project is on the Phase III development area in the shopping center. The proposed project area is approximately 2.83 acres including a 20,442 sf ALDI Super Market, and a 2,600 sf Panda Express Drive-thru restaurant with outdoor seating. The project requires modification to the 10/04/2020 approved project to remove the proposed multi-tenant shops adjacent to Starbucks and change area to parking for ALDI Market, as well as change to the Tentative Parcel map to incorporate the previous multi-tenant shop parcel into the ALDI parcel.

Project request amendment to Resolution No 2020-55 and 2020-56 to modify the 2,000 sf Starbucks elevations and site plan due to the removal of the 4,500 sf multi-tenant structure immediately south of Starbucks and revision to the Tentative Parcel Map to incorporate the previous multi-tenant parcel with the ALDI Super Market parcel, and Panda Express parcel. There will be no change to the C-Store/Fuel Station.

The project will be provided with 196 parking stalls on site. Project access is via a full movement driveway on 1<sup>st</sup> Street, Right In/Out on 1<sup>st</sup> Street, and Right In/Out on Cesar Chavez Street previously approved on 10/14/2020. Existing site access includes signalized full movement driveway on Cesar Chavez Street south of McDonald's restaurant, Right In/Out driveway between Walgreen and Taco Bell, and from Avenue 50 and Grapefruit Blvd via Leoco Lane on the north. An additional monument sign consistent with the existing center sign program design is proposed on 1<sup>st</sup> Street entry near ALDI.

ALDI Market will have approximately 25 employees and with between 6 to 9 employees working per shift. Truck delivery occurs during store hours but typically in early morning and received only from ALDI's Moreno Valley distribution center.

Panda Express has approximately 30 employees and with between 7 to 12 employees working per shift. Deliveries occur occasionally mid-day or overnight between 2 to 3 times a week.

Project request includes:

1. Amendment to Resolution No. 2020-55 to remove 4,500 s.f. multi-tenants shop adjacent south of Starbucks, Starbucks elevations, and parking modification.
2. Amendment to Resolution No. 2020-56 Tentative Parcel Map to adjust parcel lines for the ALDI Super Market and Panda Express parcels.
3. Operation hours from 8AM-11PM 7 days a week, may vary as needed.
4. Outdoor seating area for Panda Restaurant
5. Outside shopping cart storage for ALDI
6. PCN for Type 20 Alcohol Sales for ALDI Super Market (Public Convenience or Necessity approval)
7. One monument sign on 1<sup>st</sup> Street full access entry to match existing signage design.

PROJECT INFORMATION

JURISDICTION: CITY OF COACHELLA, CA  
EXISTING ZONING: CG (GENERAL COMMERCIAL)

SITE INFORMATION

SITE AREA: PARCEL 1: ±0.94 AC (± 41,248 SF)  
PARCEL 2: ±1.94 AC (± 84,462 SF)  
PARCEL 3: ±1.26 AC (± 54,924 SF)  
PARCEL 4: ±0.91 AC (± 39,782 SF)  
TOTAL: ±5.06 AC (±220,416 SF)

BUILDING AREA: PAD 1: ±2,050 SF  
MAJOR: ±20,442 SF  
PAD 3: ±4,088 SF  
PAD 4: ±2,600 SF  
TOTAL: ±29,180 SF  
(NOT INC. UTILITY AREAS)

SITE COVERAGE: PAD 1: ±4.71% (±2,165F/AC)  
MAJOR: ±24.20% (±10,543 SF/AC)  
PAD 3: ±7.44 (±3,242 /AC)  
PAD 4: ±6.54% (±2,847 SF/AC)  
TOTAL: ±13.24% (±5,767SF/AC)  
(NOT INC. UTILITY AREAS)

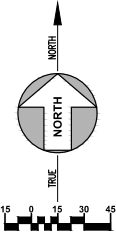
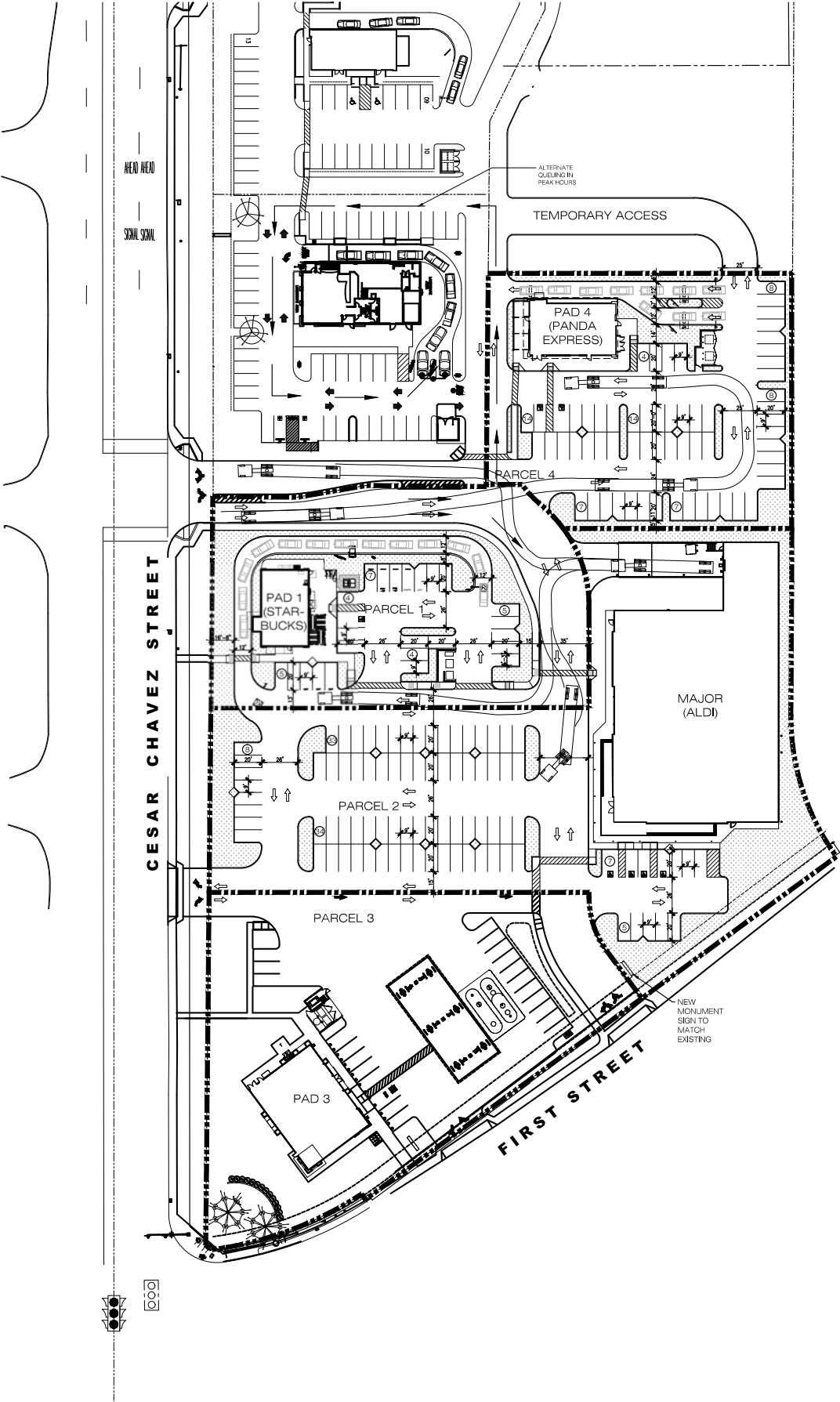
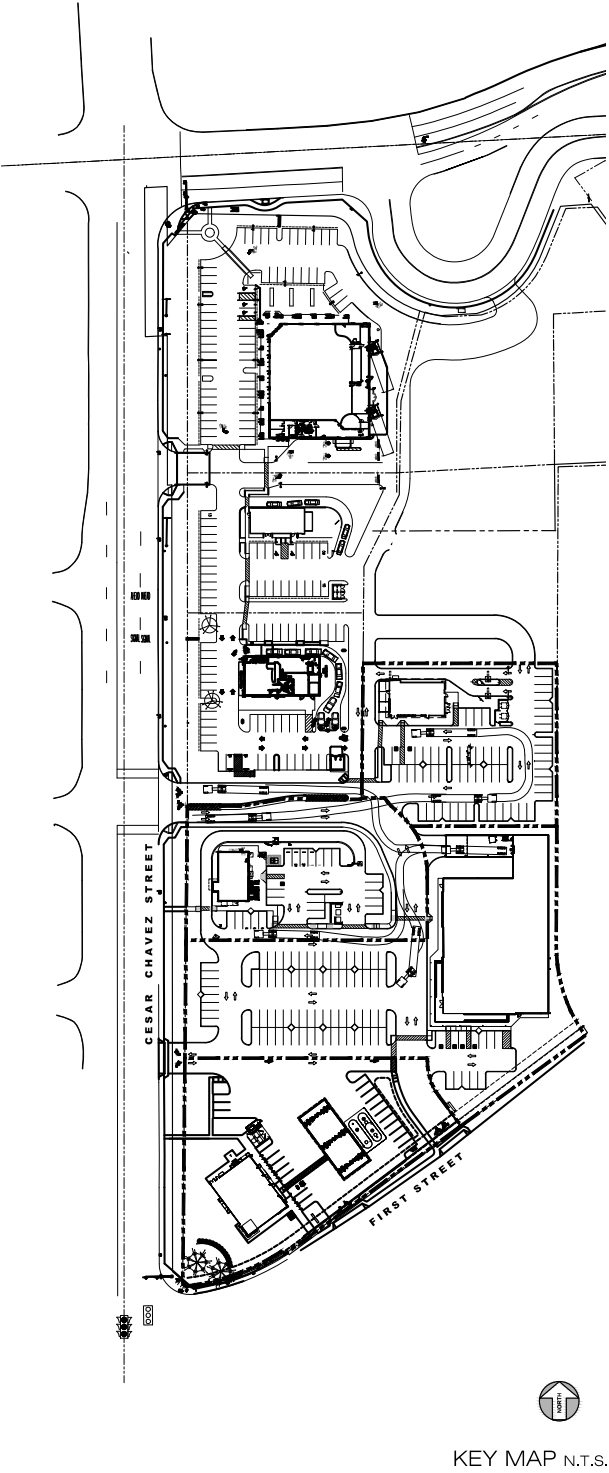
PARKING INFORMATION

PARKING REQUIREMENT:  
  
RESTAURANT: 1/45 SF OF CUSTOMER AREA +  
1/200 SF OF NON-CUSTOMER AREA  
  
GENERAL COMMERCIAL: 1/250 SF

STALLS REQUIRED:  
  
PAD 1: ±2,050 SF x 35% = ±720 SF CUSTOMER AREA  
±2,050 SF x 65% = ±1,130 SF NON-CUSTOMER AREA  
±720 SF @ 1/45 SF = 16 STALLS REQUIRED  
±1,130 SF @ 1/200 SF = 7 STALLS REQUIRED  
TOTAL: 23 STALLS REQUIRED  
  
MAJOR: ±20,442 SF@ 1/250 SF = 82 STALLS REQUIRED  
PAD 3 : ±4,088 SF@ 1/250 SF = 17 STALLS REQUIRED  
PAD 4 : ±2,600 SF x 50% = ±1,300 SF CUSTOMER AREA  
±2,600 SF x 50% = ±1,300 SF NON-CUSTOMER AREA  
±1,300 SF @ 1/45 SF = 29 STALLS REQUIRED  
±1,300 SF @ 1/200 SF = 7 STALLS REQUIRED  
TOTAL: 36 STALLS REQUIRED  
  
TOTAL: 193 STALLS REQUIRED

STALLS PROVIDED:  
  
PAD 1: 25 STALLS PROVIDED  
MAJOR: 87 STALLS PROVIDED  
PAD 3: 22 STALLS PROVIDED  
PAD 4: 62 STALLS PROVIDED  
TOTAL: 196 STALLS PROVIDED

PARKING RATIO:  
  
PAD 1: ±12.20/1,000 SF  
MAJOR: ±4.26/1,000 SF  
PAD 3: ±6.38/1,000 SF  
PAD 4: ±23.85/1,000 SF  
TOTAL: ±6.86/1,000 SF



MULTI-TENANT  
NEC CESAR CHAVEZ STREET & FIRST STREET  
COACHELLA, CALIFORNIA

SITE PLAN

Scale: 1" = 50'

December 28, 2021

P:\19\19683 - Coachella, First & Harrison ALDI + Panda Express  
Entitlements\Design\Site\19683 - Site Plan.dwg

The plans, sheets, arrangements and designs indicated or represented by this drawing are owned by, and are the property of BICKEL GROUP, and were created and developed solely for use on, and in connection with the specific project, and shall not be used, in whole or in part, for any purpose for which they were not originally intended without written permission from BICKEL GROUP © 2015.

PROJECT INFORMATION  
JURISDICTION: CITY OF COACHELLA, CA  
EXISTING ZONING: CG (GENERAL COMMERCIAL)

SITE INFORMATION  
SITE AREA: PARCEL 1: ±0.94 AC (± 41,248 SF)  
PARCEL 2: ±1.94 AC (± 84,462 SF)  
PARCEL 3: ±1.26 AC (± 54,924 SF)  
PARCEL 4: ±0.91 AC (± 39,782 SF)  
TOTAL: ±5.06 AC (±220,416 SF)

BUILDING AREA: PAD 1: ±2,050 SF  
MAJOR: ±20,442 SF  
PAD 3: ±4,088 SF  
PAD 4: ±2,600 SF  
TOTAL: ±29,180 SF  
(NOT INC. UTILITY AREAS)

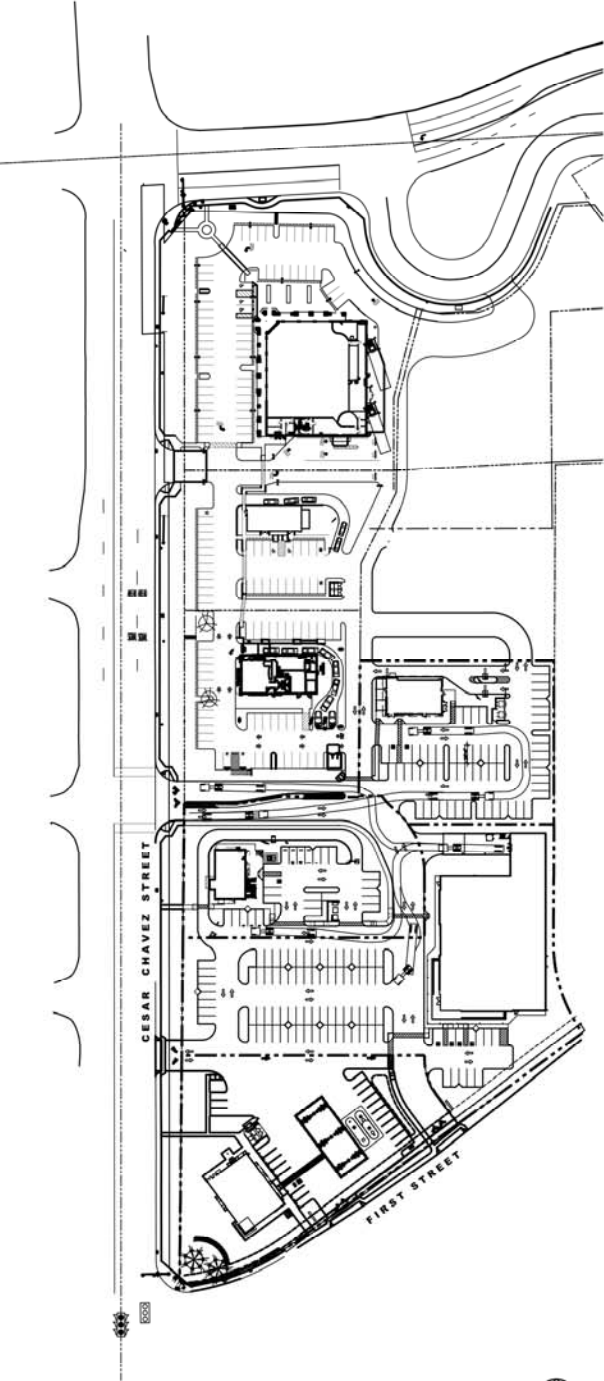
SITE COVERAGE: PAD 1: ±4.71% (±2,165F/AC)  
MAJOR: ±24.20% (±10,543 SF/AC)  
PAD 3: ±7.44 (±3,242 /AC)  
PAD 4: ±6.54% (±2,847 SF/AC)  
TOTAL: ±13.24% (±5,767SF/AC)  
(NOT INC. UTILITY AREAS)

PARKING INFORMATION  
PARKING REQUIREMENT:  
RESTAURANT: 1/45 SF OF CUSTOMER AREA +  
1/200 SF OF NON-CUSTOMER AREA  
GENERAL COMMERCIAL: 1/250 SF

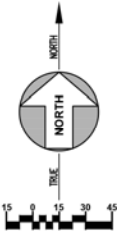
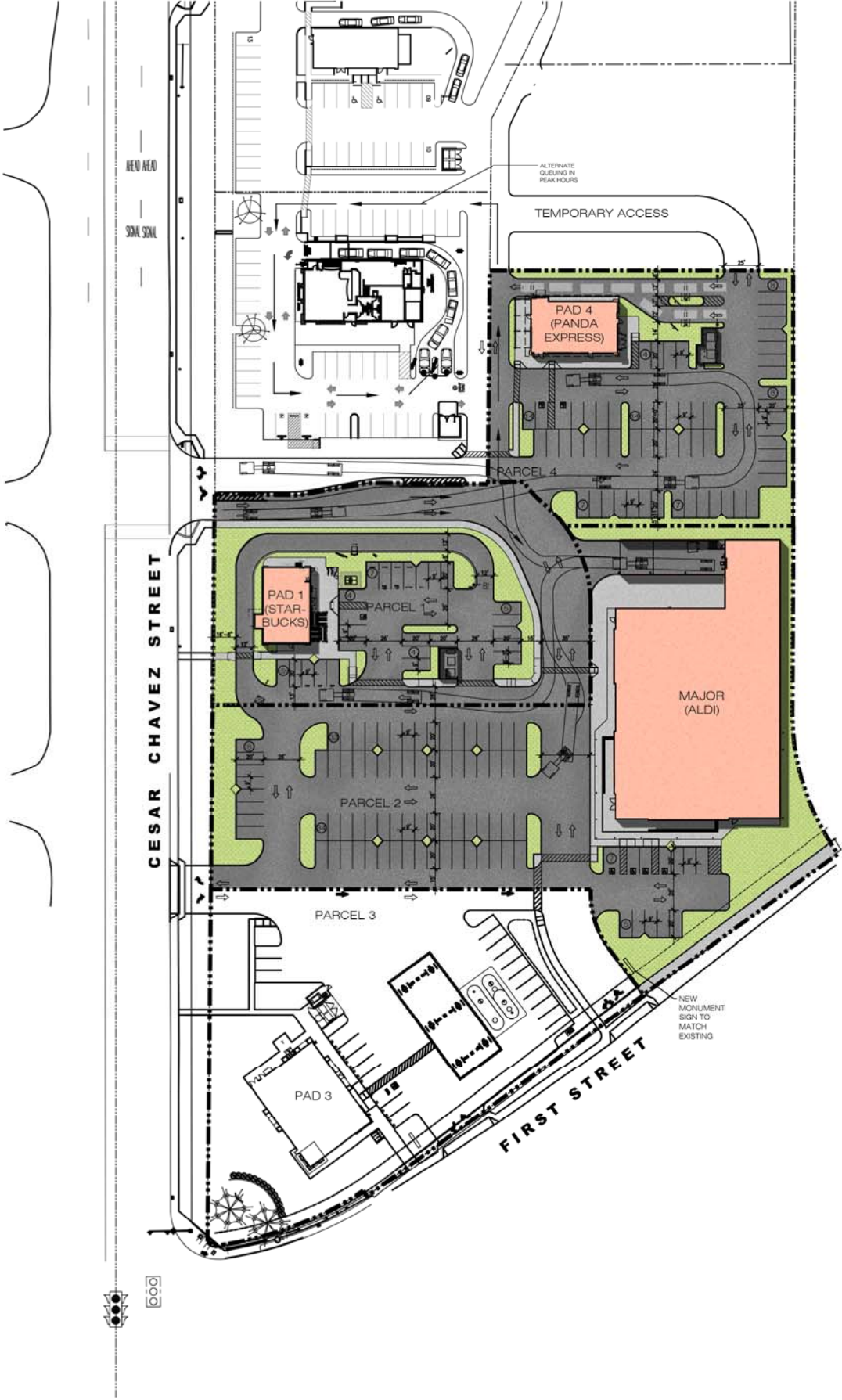
STALLS REQUIRED:  
PAD 1: ±2,050 SF x 35% = ±720 SF CUSTOMER AREA  
±2,050 SF x 65% = ±1,130 SF NON-CUSTOMER AREA  
±720 SF @ 1/45 SF = 16 STALLS REQUIRED  
±1,130 SF @ 1/200 SF = 7 STALLS REQUIRED  
TOTAL: 23 STALLS REQUIRED  
MAJOR: ±20,442 SF @ 1/250 SF = 82 STALLS REQUIRED  
PAD 3 : ±4,088 SF @ 1/250 SF = 17 STALLS REQUIRED  
PAD 4 : ±2,600 SF x 50% = ±1,300 SF CUSTOMER AREA  
±2,600 SF x 50% = ±1,300 SF NON-CUSTOMER AREA  
±1,300 SF @ 1/45 SF = 29 STALLS REQUIRED  
±1,300 SF @ 1/200 SF = 7 STALLS REQUIRED  
TOTAL: 36 STALLS REQUIRED  
TOTAL: 193 STALLS REQUIRED

STALLS PROVIDED:  
PAD 1: 25 STALLS PROVIDED  
MAJOR: 87 STALLS PROVIDED  
PAD 3: 22 STALLS PROVIDED  
PAD 4: 62 STALLS PROVIDED  
TOTAL: 196 STALLS PROVIDED

PARKING RATIO:  
PAD 1: ±12.20/1,000 SF  
MAJOR: ±4.26/1,000 SF  
PAD 3: ±5.38/1,000 SF  
PAD 4: ±23.85/1,000 SF  
TOTAL: ±6.86/1,000 SF



KEY MAP N.T.S.



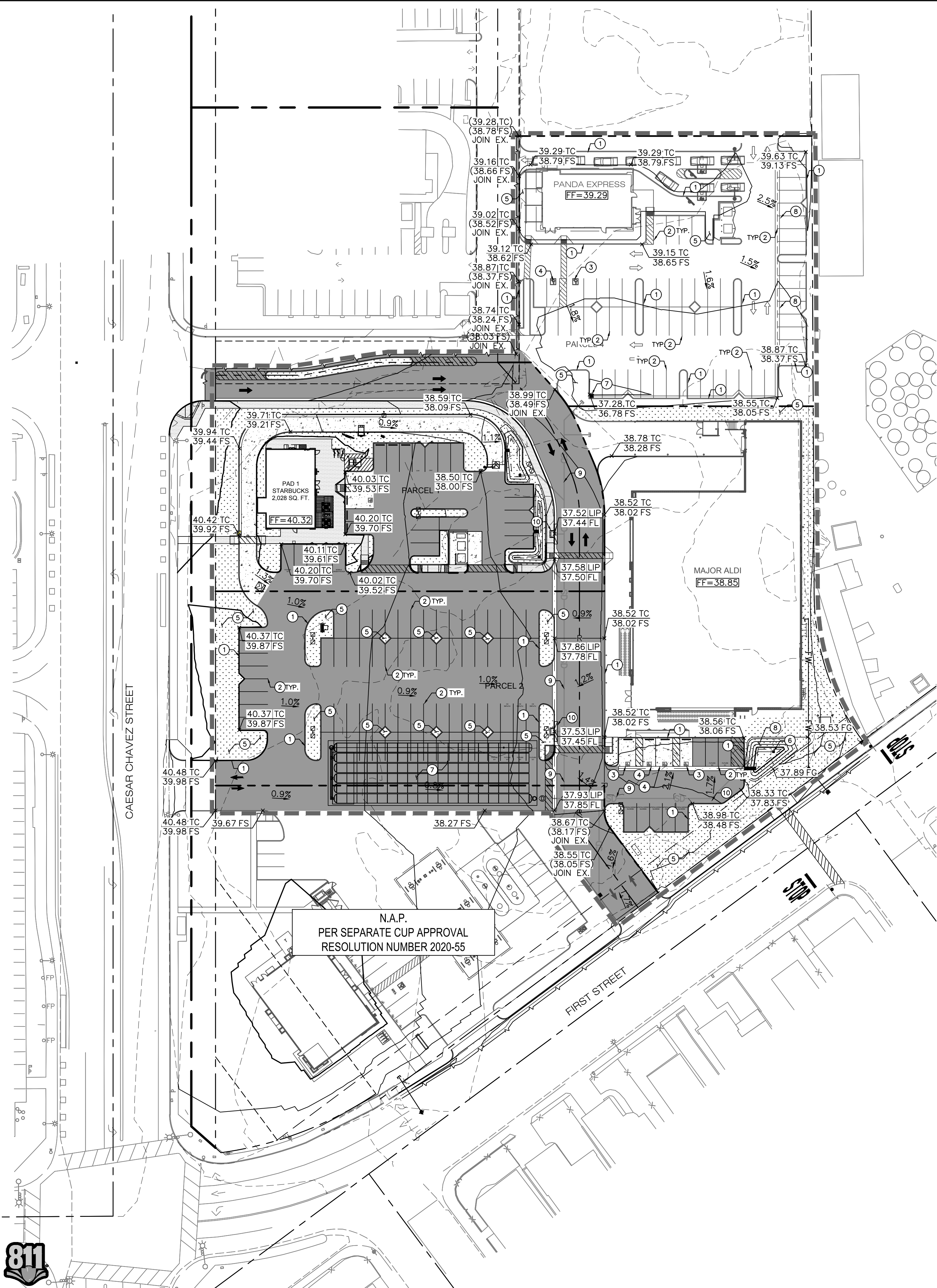
MULTI-TENANT  
NEC CESAR CHAVEZ STREET & FIRST STREET  
COACHELLA, CALIFORNIA

SITE PLAN  
Scale: 1" = 50'  
December 28, 2021

P:\19\19683 - Coachella, First & Harrison ALDI + Panda Express  
Entitlements\Design\Site\19683 - Site Plan.dwg

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Plotted By: Smith, Hannah Sheet Set: KHA Layout: PRELIMINARY UTILITY PLAN October 27, 2021 03:38:46pm K:\ORA\_LOEV\194256001 - Fountainhead Plaza Preliminary Grading Plan\_ALDI Panda\_2.dwg  
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Attachment 6

LEGEND

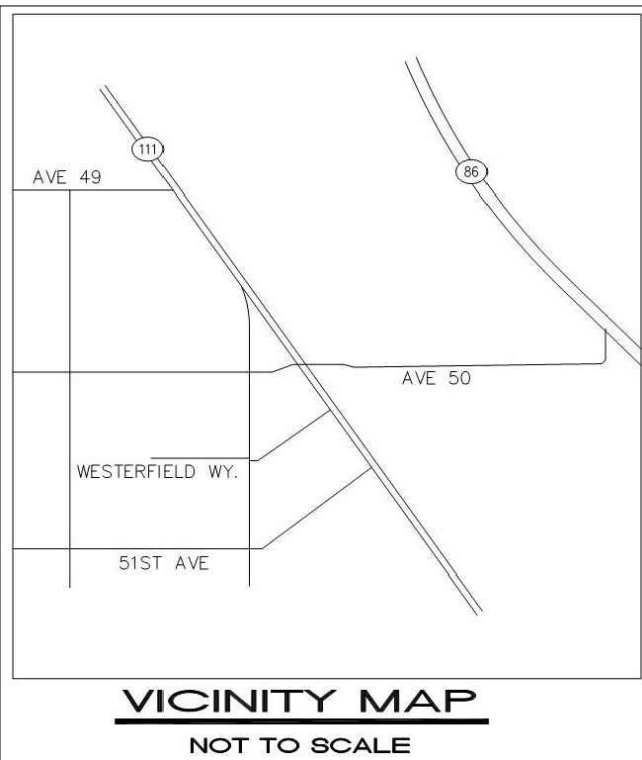
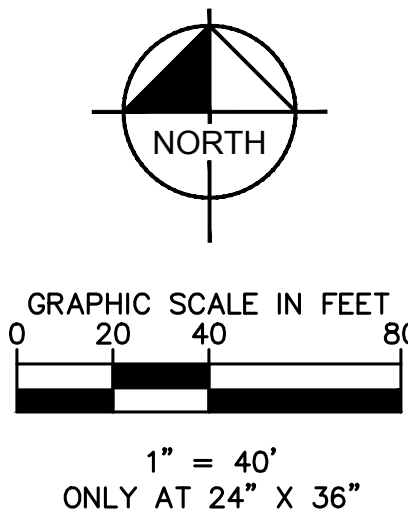
- CENTER LINE
- PROPERTY LINE
- EASEMENT LINE
- CIVIL LIMIT OF WORK LINE
- GRADE BREAK LINE
- RIDGE LINE
- FLOW LINE
- PROPOSED SPOT GRADE
- EXISTING SPOT GRADE
- PROPOSED FLOW (DIRECTION AND SLOPE)
- LANDSCAPE/PLANTER AREA
- SIDEWALK CONCRETE PAVEMENT
- ASPHALT PAVEMENT
- TRUNCATED DOMES

SITE CONSTRUCTION NOTES

- 1. CONSTRUCT CONCRETE CURB./CURB AND GUTTER
- 2. INSTALL 90° PARKING STALL
- 3. INSTALL VAN ACCESSIBLE PARKING STALL
- 4. INSTALL ACCESSIBLE CURB RAMP
- 5. LANDSCAPE/PLANTER AREA. REFER TO LANDSCAPE PLANS FOR MORE INFORMATION.
- 6. 18" OVERFLOW CATCH BASIN
- 7. PROPOSED STORM DRAIN TO INFILTRATION SYSTEM
- 8. PROPOSED ABOVE GROUND INFILTRATION BASIN
- 9. PROPOSED STORM DRAIN LINE
- 10. CONCRETE CURB INLET CATCH BASIN

NOTE

ALL PROPOSED ELEVATIONS SHOWN ON THIS PLAN ARE +100.00 FT



Item 32

B

DATE

REVISIONS

No.

Kimley»Horn

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765 THE CITY DRIVE, SUITE 200, ORANGE, CA 92668  
PHONE: 714-939-1030 FAX: 714-938-9488  
WWW.KIMLEY-HORN.COM

LICENSED PROFESSIONAL

NO. 101910

ALLEY

REGISTERED PROFESSIONAL

REGISTERED PROFESSIONAL

KHA PROJECT

194256001

DATE

10/05/2021

SCALE

AS SHOWN

DESIGNED BY

HS

DRAWN BY

MH

CHECKED BY

HS

FOUNTAINHEAD PLAZA

PREPARED FOR

FOUNTAINHEAD DEVELOPMENT

CITY OF COACHHELLA

PRELIMINARY GRADING

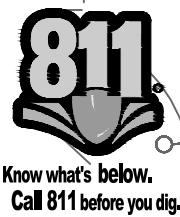
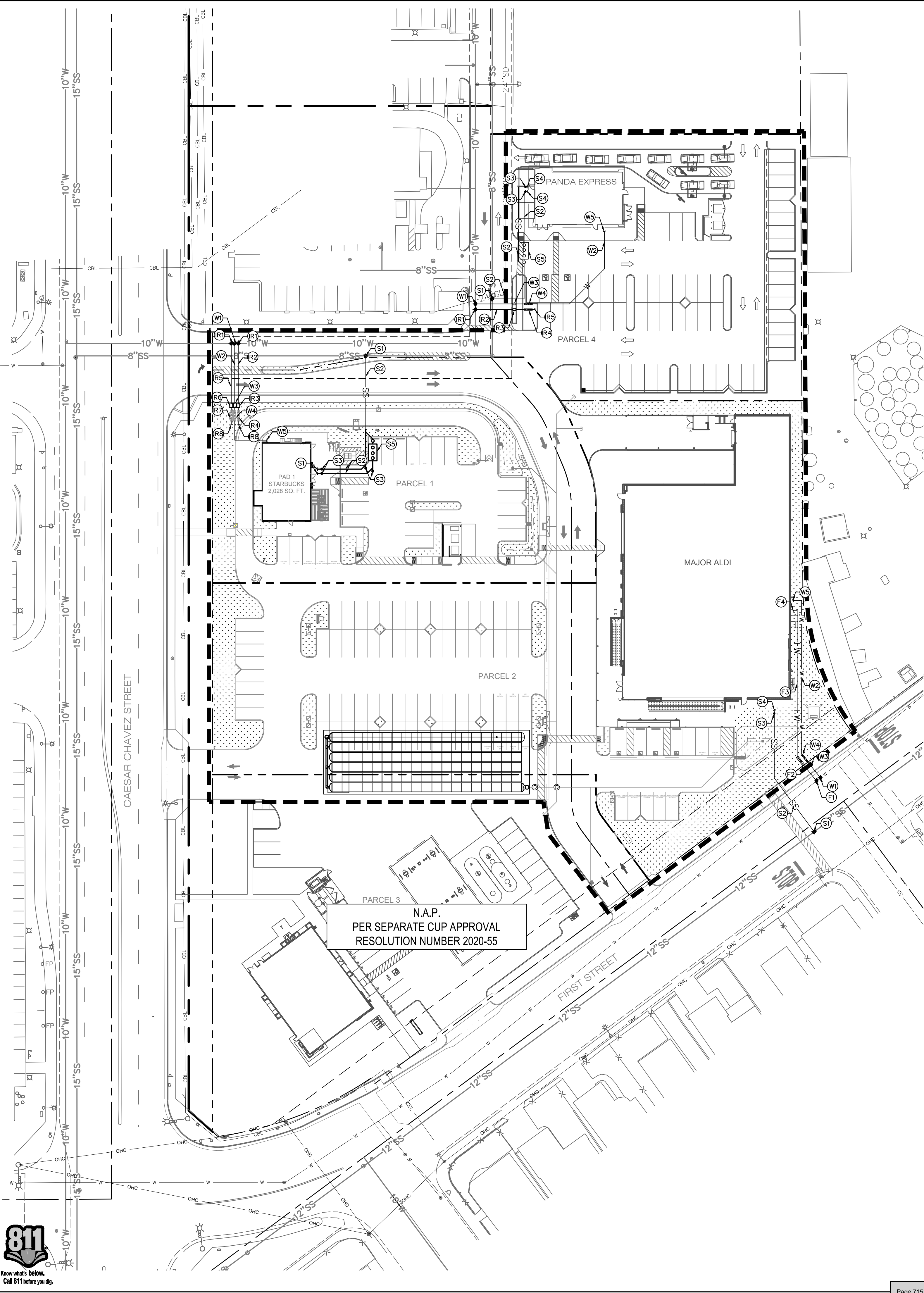
AND DRAINAGE PLAN

SHEET NUMBER

1 OF 2

Plotted By: Smith, Hannah Sheet Set: Kto Layout: PRELIMINARY GRADING AND DRAINAGE PLAN October 27, 2021 03:38:59pm K:\ORA\_LDEV\194256001 - Fountainhead coachella CADD\Exhibits\ALDI Panda Entitlements\ Preliminary Utility Plan-ALDI Panda\_2.dwg

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LEGEND

|  |  |
|--|--|
|  | CENTER LINE  |
|  | PROPERTY LINE  |
|  | LIMIT OF WORK LINE                                   |
|  | PROPOSED SANITARY SEWER PIPE                         |
|  | PROPOSED DOMESTIC WATER PIPE                         |
|  | PROPOSED FIRE WATER LINE                             |
|  | PROPOSED GAS LINE                                    |
|  | POINT OF CONNECTION (© BLDG)                         |
|  | POINT OF CONNECTION (TO EXISTING)                    |
|  | PROPOSED SEWER CLEANOUT                              |
|  | LANDSCAPE/PLANTER AREA                               |
|  | PROPOSED REDUCED PRESSURE DETECTOR BACKFLOW ASSEMBLY |
|  | WATER APPURTENANCES                                  |
|  | METER  |
|  | FIRE DEPARTMENT CONNECTION (FDC)                     |
|  | POST INDICATOR VALVE (PIV)                           |

DOMESTIC WATER

- (W1) HOT TAP EXISTING WATER MAIN. COORDINATE TAP WITH COACHELLA WATER AUTHORITY
- (W2) INSTALL 2" PVC SCH-80 DOMESTIC WATER PIPE.
- (W3) INSTALL 2" DOMESTIC WATER METER.
- (W4) INSTALL 2" DOMESTIC WATER REDUCED PRESSURE BACKFLOW PREVENTOR, OR APPROVED EQUAL
- (W5) BUILDING POINT OF CONNECTION (5'-FT FROM BUILDING FACE).

IRRIGATION

- (R1) HOT TAP EXISTING WATER MAIN. COORDINATE TAP WITH COACHELLA WATER AUTHORITY.
- (R2) INSTALL 1½" PVC SCH-80 IRRIGATION LINE.
- (R3) INSTALL 1½" IRRIGATION WATER METER
- (R4) INSTALL 1½" IRRIGATION REDUCED PRESSURE BACKFLOW PREVENTOR
- (R5) INSTALL 2" PVC SCH-80 IRRIGATION LINE.
- (R6) INSTALL 2" IRRIGATION WATER METER
- (R7) INSTALL 2" IRRIGATION REDUCED PRESSURE BACKFLOW PREVENTOR
- (R8) IRRIGATION POINT OF CONNECTION. REFER TO LANDSCAPE IRRIGATION PLANS FOR CONTINUATION.

FIRE WATER

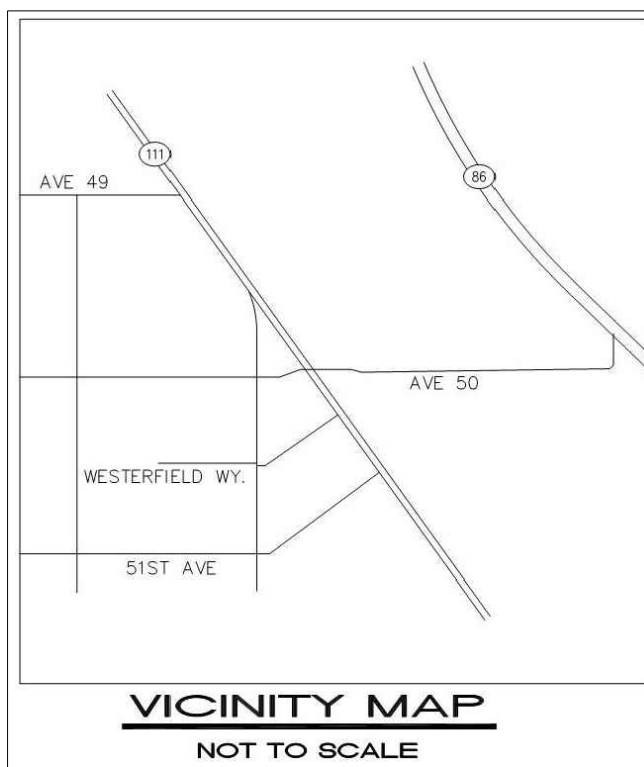
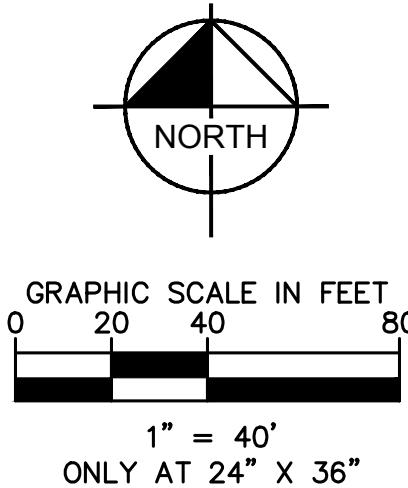
- (F1) HOT TAP TO EXISTING WATER MAIN. COORDINATE WITH COACHELLA WATER AUTHORITY.
- (F2) INSTALL 6" FEBCO 826YD REDUCED PRESSURE ASSEMBLY, OR APPROVED EQUAL.
- (F3) INSTALL 6" PVC C-900, CLASS 150, FIRE WATER LINE.
- (F4) BUILDING POINT OF CONNECTION (5'-FT FROM BUILDING FACE).

SEWER CONSTRUCTION NOTES

- (S1) CONNECT TO EXISTING SEWER MAIN PER CITY OF COACHELLA STANDARD PLANS.
- (S2) INSTALL 6" SDR-35 SANITARY SEWER PIPE. TRENCH PER CITY OF COACHELLA STANDARD PLANS.
- (S3) INSTALL SANITARY SEWER CLEANOUTS PER CITY OF COACHELLA STANDARD PLANS.
- (S4) SANITARY SEWER BUILDING POINT OF CONNECTION. REFER TO PLUMBING PLANS FOR CONTINUATION.
- (S5) GREASE INTERCEPTOR

GENERAL NOTE

THE EXISTING UTILITIES SHOWN ON THE PLAN ARE BASED ON AVAILABLE RECORDS. THE CONTRACTOR MUST FIELD DETERMINE THE LOCATION AND DEPTH OF ALL UTILITIES PRIOR TO ANY CONSTRUCTION. REPORT DISCREPANCIES AND POTENTIAL CONFLICTS WITH PROPOSED UTILITIES TO ENGINEER PRIOR TO INSTALLATION OF ANY PIPING



|   |                             |                        |    |     |           |      |          |
|---|-----------------------------|------------------------|----|-----|-----------|------|----------|
| FOUNTAINHEAD PLAZA<br>PREPARED FOR<br>FOUNTAINHEAD DEVELOPMENT<br>CITY OF COACHELLA | PRELIMINARY UTILITY<br>PLAN | SHEET NUMBER<br>2 OF 2 | CA | No. | REVISIONS | DATE | Item 32. |
|   |                             |                        |    |     |           |      | B        |
|   |                             |                        |    |     |           |      |          |

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WWW.KIMLEY-HORN.COM

|                          |                    |                   |                   |    |            |
|--------------------------|--------------------|-------------------|-------------------|----|------------|
| KHA PROJECT<br>194256991 | DATE<br>10/05/2021 | SCALE<br>AS SHOWN | DESIGNED BY<br>HS | MH | HS         |
|                          |                    |                   | DRAWN BY          |    | CHECKED BY |

## Attachment 7

| REVISIONS  |         |
|------------|---------|
| DATE/DELTA | REMARKS |

**ALDI & PANDA EXPRESS**  
**COACHELLA RETAIL REALTY**  
NEC CESAR CHAVEZ STREET & FIRST STREET  
COACHELLA, CA 92236

**CUMMINGS CURLEY AND ASSOCIATES, INC.**  
LANDSCAPE ARCHITECTS

**CCANO**

1700 PACIFIC COAST HIGHWAY, SUITE C  
TEL. 562.424.8182 SEAL BEACH, CALIFORNIA 90740



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SHEET TITLE:

## PLANTING PLAN

SUB DATE 10/12/21

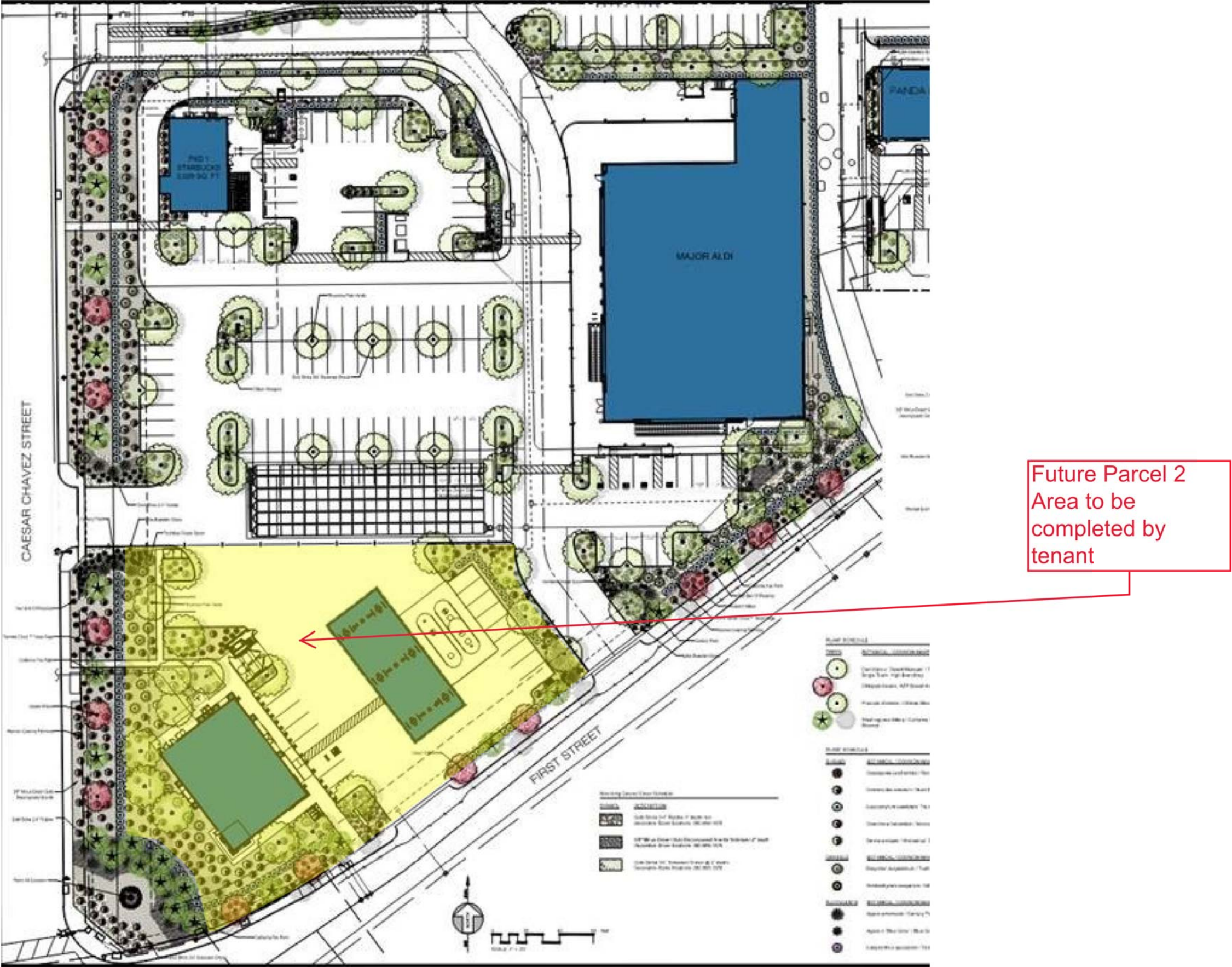
|          |  |
|----------|--|
| BID DATE |  |
|----------|--|

DATE: 10/12/21

JOB NO: 19-10154

L1.00





Previous Approved Landscape Pallette AR No. 07-20

Proposed Landscape Pallette for Phase 2 and 3

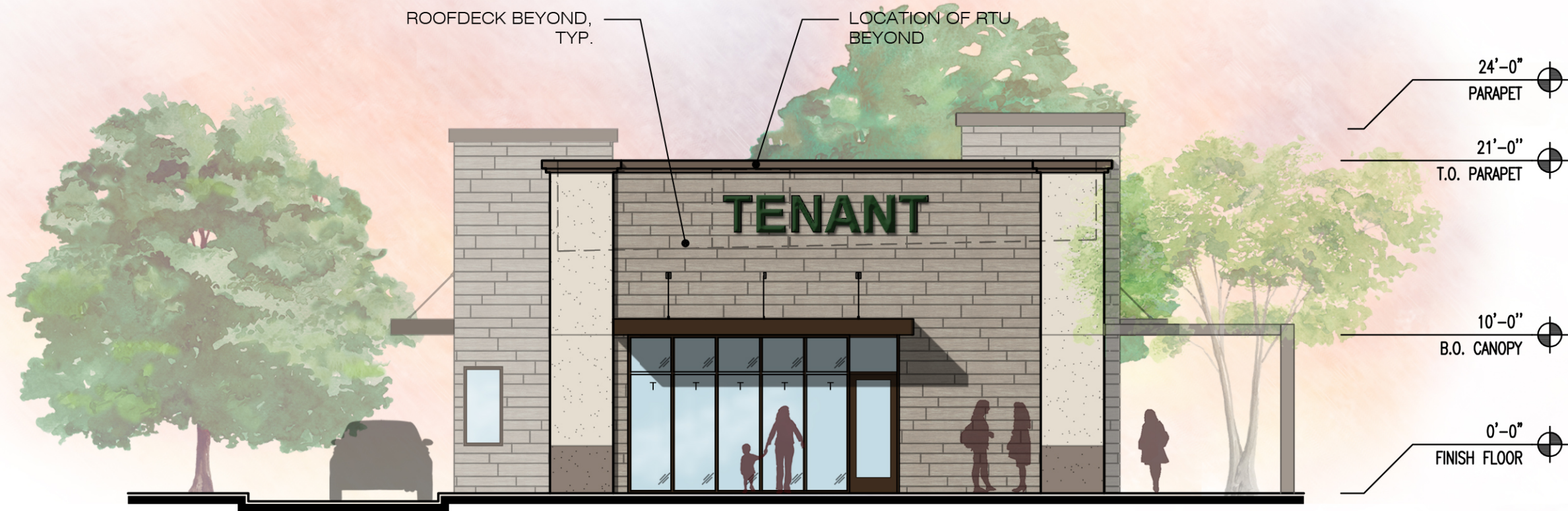
| PLANT LEGEND |   |                                    |                 |
|--------------|---|------------------------------------|-----------------|
| SYMBOL       | BOTANICAL NAME  | COMMON NAME                        | SIZE            |
| TREES        |   |                                    |                 |
|              | WASHINGTONIA FILIFERA   | CALIF. FAN PALM                    | 10' BROWN TRUNK |
|              | CHITALPA TASH.: PINK DAWN   | CHITALPA                           | 24" BOX         |
|              | WASHINGTONIA ROBUSTA<br>INSTALLATION DEFERRED TO A FUTURE DATE          | MEXICAN FAN PALM                   | 16' BROWN TRUNK |
| SHRUBS       |   |                                    |                 |
|              | LANATANA 'GOLD RUSH'  | LANTANA                            | 5 GAL.          |
|              | LANATANA MONTEVIDENSIS  | TRAILING LANTANA                   | 5 GAL.          |
|              | BOUGAINVILLEA 'LA JOLLA'  | BOUGAINVILLEA                      | 5 GAL.          |
|              | CALLIANDRA ERIOPHYLLA   | FAIRY DUSTER                       | 5 GAL.          |
|              | MUHLENBERGIA RIGENS   | DEER GRASS                         | 5 GAL.          |
|              | HESPERALOE PARVIFLORA   | RED YUCCA                          | 5 GAL.          |
|              | LEUCOPHYLLUM FRUTESCENS   | TEXAS RANGER                       | 5 GAL.          |
|              | PENSTEMON SUPERBUS  | PENSTEMON                          | 1 GAL.          |
|              | CALLISTEMON VIMINALIS<br>'LITTLE JOHN'                                  | BOTTLEBRUSH SHRUB                  | 5 GAL.          |
|              | CAESALPINIA PULCHERRIMA   | DWARF POINCIANA                    | 5 GAL.          |
|              | DASYLIRION ACROTRICHE   | GREEN DESERT SPOON                 | 5 GAL.          |
|              | DASYLIRION WHEELERI   | SOTOL                              | 5 GAL.          |
|              | BOUTELOUA GRACILIS  | BLUE GRAMA                         | 5 GAL.          |
|              | BACCHARIS STANS   | BACCHARIS                          | 5 GAL.          |
|              | ALOE SPINOSISSIMA   | ALOE                               | 5 GAL.          |
|              | SANTOLINA CHAMAECYPARISSUS  | LAVENDER COTTON                    | 5 GAL.          |
| GROUND COVER |   |                                    |                 |
|              | DECOMPOSED GRANITE<br>'CALIFORNIA GOLD' 3/8" MINUS<br>OR APPROVED EQUAL | 2" THICK LAYER<br>AFTER COMPACTION |                 |
|              | EXISTING NATIVE SOIL  | PROTECT-IN-PLACE                   |                 |

| PLANT SCHEDULE |   |                         |          |                            |
|----------------|---|-------------------------|----------|----------------------------|
| TREES          | BOTANICAL / COMMON NAME   | CONT                    | CAL      | HEIGHT & SPREAD @ PLANTING |
|                | Cercidium x 'Desert Museum' / Thornless Palo Verde<br>Single Trunk High Branching | 24" Box Standard        | 2" Cal   | 7' x 2.5'                  |
|                | Chilopsis linearis 'AZT Desert Amethyst' / Desert Willow                          | 24" Box                 | 2" Cal   | 7' x 2.5'                  |
|                | Prosopis chilensis / Chilean Mesquite   | 24" Box Standard        | 2" Cal   | 7' x 2.5'                  |
|                | Washingtonia filifera / California Fan Palm<br>Skinned                            | 15' Brown Trunk Skinned |          | 15' BT                     |
| PLANT SCHEDULE |   |                         |          |                            |
| SHRUBS         | BOTANICAL / COMMON NAME   | CONT                    | SPACING  | QTY                        |
|                | Caesalpinia pulcherrima / Red Bird Of Paradise                                    | 5 gal                   | 36" o.c. | 191                        |
|                | Convolvulus cneorum / Bush Morning Glory  | 5 gal                   | 48" o.c. | 167                        |
|                | Leucophyllum candidum 'Thunder Cloud' TM / Thunder Cloud™ Texas Sage              | 15 gal                  | 48" o.c. | 553                        |
|                | Oenothera berlandieri / Mexican Evening Primrose                                  | 5 gal                   | 48" o.c. | 258                        |
|                | Senna wislizeni / Wislizenus` Senna   | 5 gal                   | 60" o.c. | 31                         |
| GRASSES        | BOTANICAL / COMMON NAME   | CONT                    | SPACING  | QTY                        |
|                | Dasylirion longissimum / Toothless Desert Spoon                                   | 5 gal                   | 72" o.c. | 64                         |
|                | Schizachyrium scoparium / Little Bluestem Grass                                   | 1 gal                   | 24" o.c. | 326                        |
| SUCCULENTS     | BOTANICAL / COMMON NAME   | CONT                    | SPACING  | QTY                        |
|                | Agave americana / Century Plant   | 15 gal                  | 84" o.c. | 36                         |
|                | Agave x 'Blue Glow' / Blue Glow Agave   | 15 gal                  | 36" o.c. | 21                         |
|                | Lampranthus spectabilis / Trailing Ice Plant                                      | 1 gal                   | 24" o.c. | 192                        |

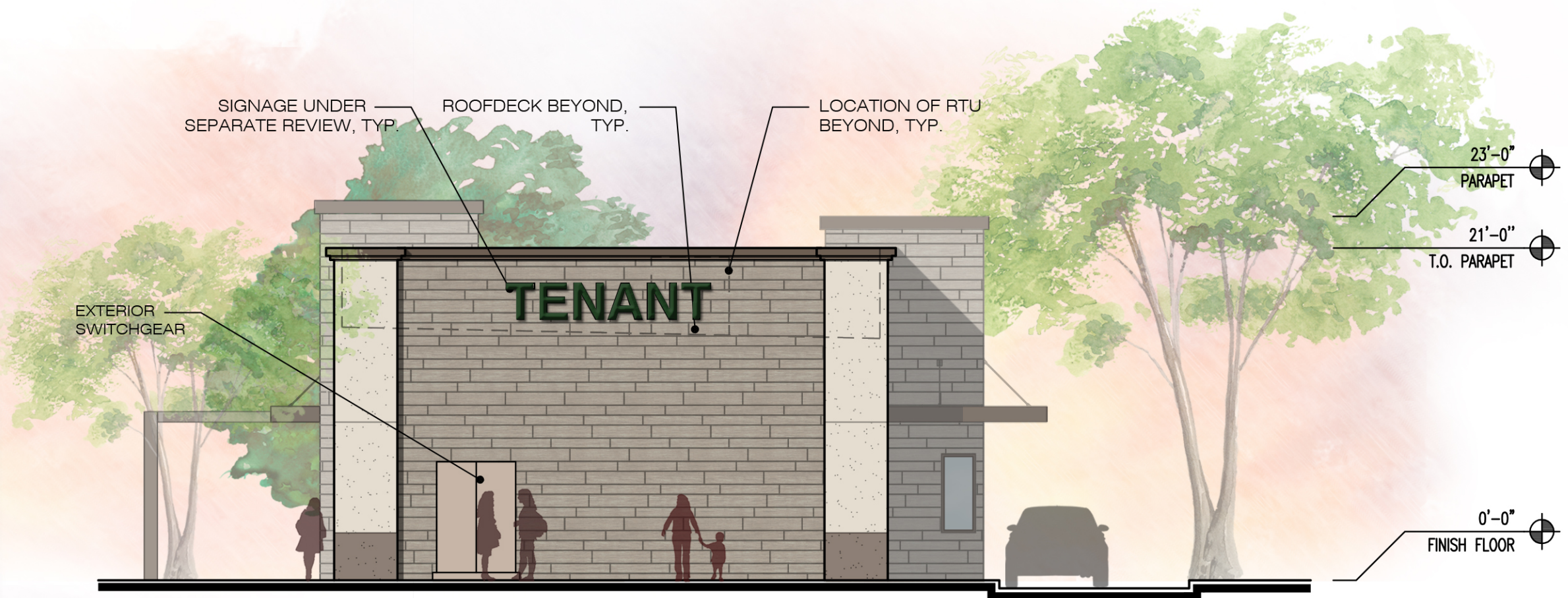
Attachment 8



EAST ELEVATION



SOUTH ELEVATION



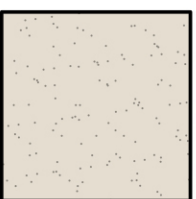
NORTH ELEVATION



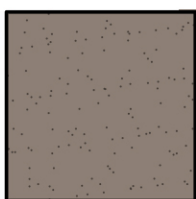
WEST ELEVATION



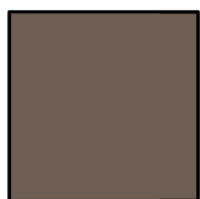
HARDIE PANEL W/PAINT  
SHERWIN WILLIAMS  
"MEGA GREIGE"  
SW7031



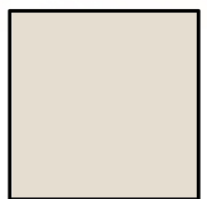
PLASTER  
SHERWIN WILLIAMS  
"PACER WHITE"  
SW6098



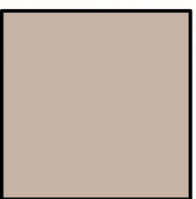
PLASTER  
SHERWIN WILLIAMS  
"SPALDING GREY"  
SW6074



CORNICE/  
PATIO TRELLIS  
SHERWIN WILLIAMS  
"HOMESTEAD BROWN"  
SW7515



METAL DOOR  
SHERWIN WILLIAMS  
"PACER WHITE"  
SW6098



METAL DOOR  
SHERWIN WILLIAMS  
"MEGA GREIGE"  
SW7031



STOREFRONT & CANOPY-  
DARK BRONZE  
ANODIZED ALUMINUM

NOTE:  
ALL COLORS/MATERIALS TO BE  
CONFIRMED WITH PHYSICAL SAMPLES  
WHEN POSSIBLE.



BICKEL GROUP  
ARCHITECTURE  
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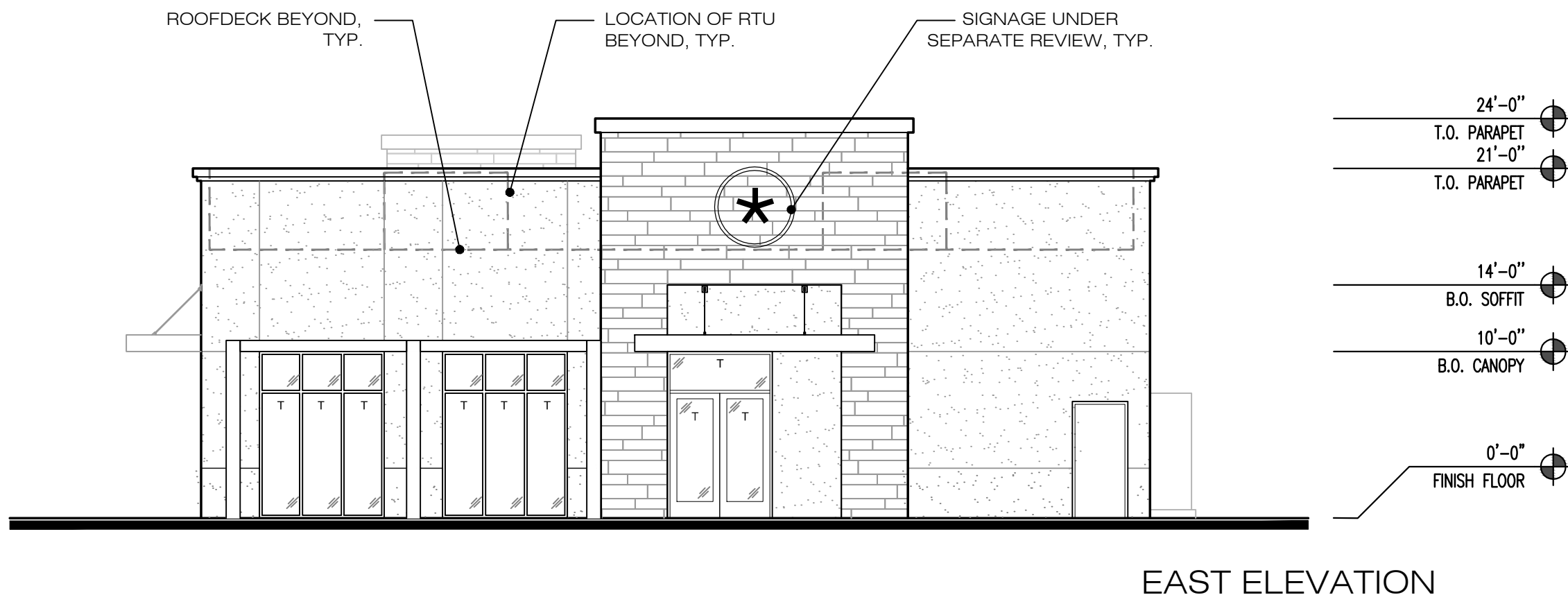
ELEVATIONS

Scale: 1/8" = 1'-0"

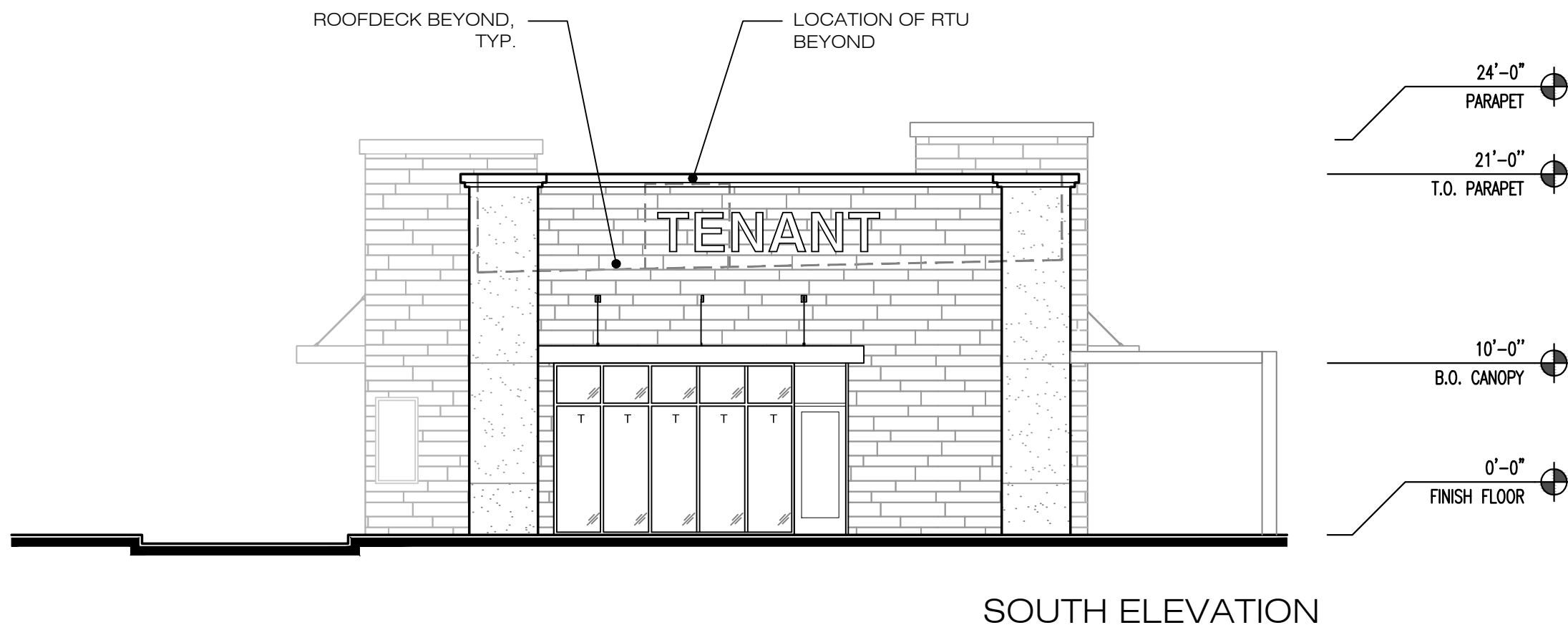
September 24, 2021

P:\19\19682 - Coachella, First & Harrison Starbucks Shell  
CD\Design\Elevations\19682 - Design Elevations.dwg  
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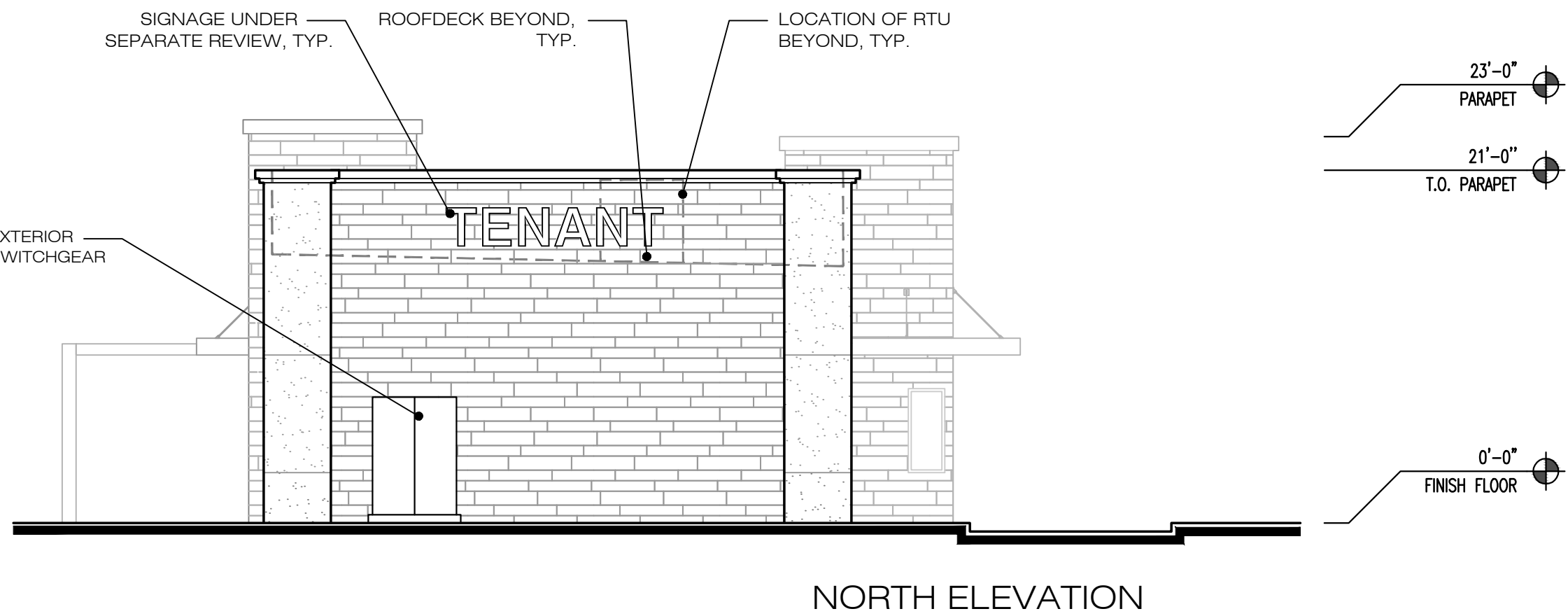
Attachment 9



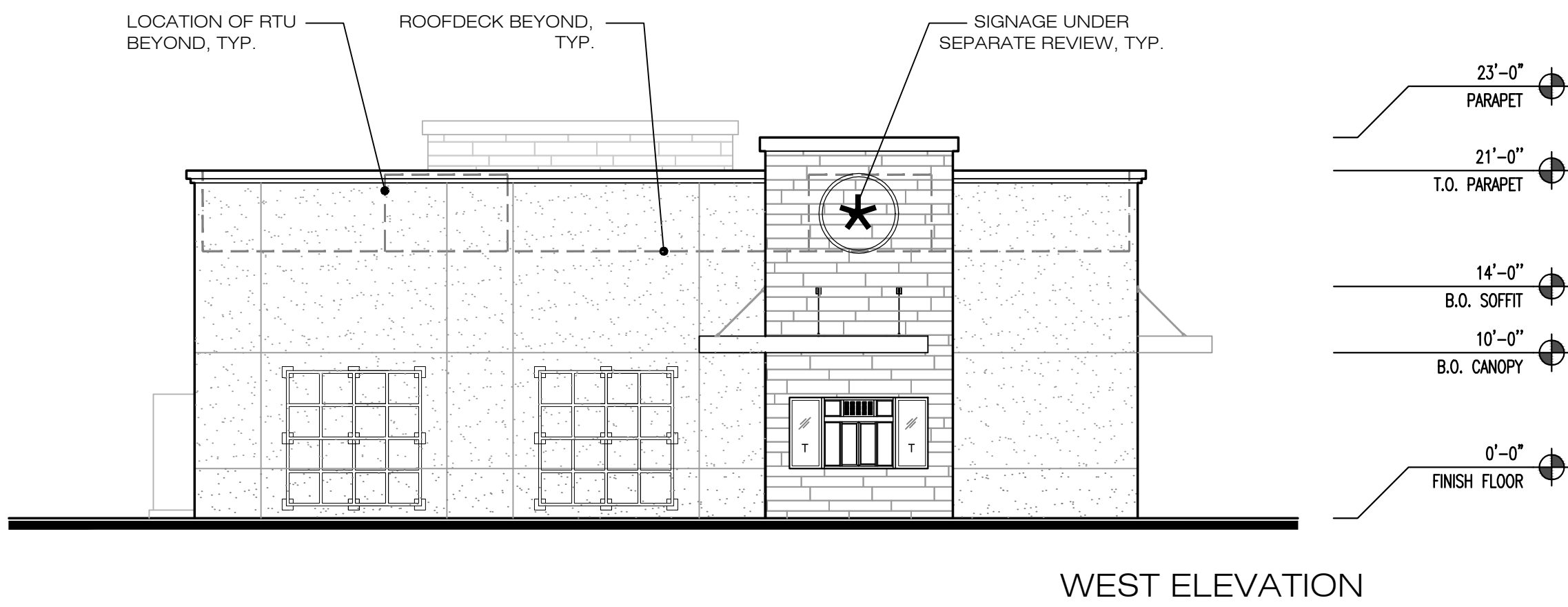
EAST ELEVATION



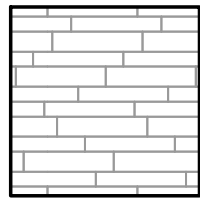
SOUTH ELEVATION



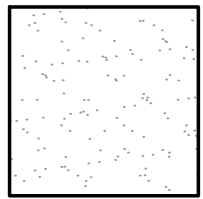
NORTH ELEVATION



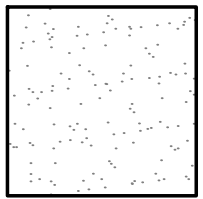
WEST ELEVATION



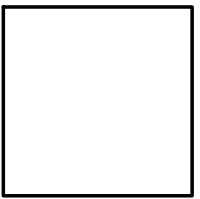
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SHERWIN WILLIAMS  
"MEGA GREIGE"  
SW7031



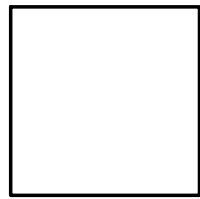
PLASTER  
SHERWIN WILLIAMS  
"PACER WHITE"  
SW6098



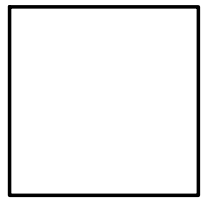
PLASTER  
SHERWIN WILLIAMS  
"SPALDING GREY"  
SW6074



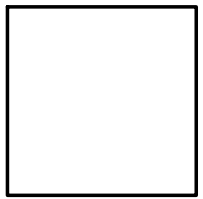
CORNICE/  
PATIO TRELLIS  
SHERWIN WILLIAMS  
"HOMESTEAD BROWN"  
SW7515



METAL DOOR  
SHERWIN WILLIAMS  
"PACER WHITE"  
SW6098

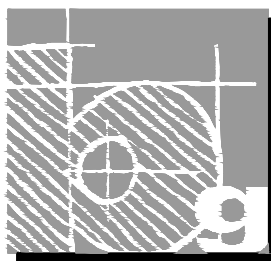


METAL DOOR  
SHERWIN WILLIAMS  
"MEGA GREIGE"  
SW7031



STOREFRONT & CANOPY-  
DARK BRONZE  
ANODIZED ALUMINUM

NOTE:  
ALL COLORS/MATERIALS TO BE  
CONFIRMED WITH PHYSICAL SAMPLES  
WHEN POSSIBLE.



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ARCHITECTURE  
BICKEL GROUP INCORPORATED  
3600 BIRCH STREET, SUITE 120  
NEWPORT BEACH, CA 92660  
P: 949.757.0411 F: 949.757.0511  
www.bickelgrp.com

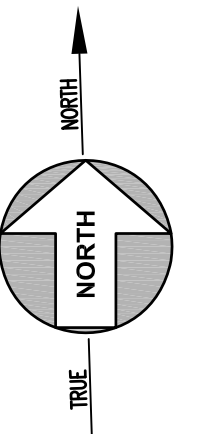
MULTI-TENANT  
NEC CESAR CHAVEZ STREET & FIRST STREET  
COACHELLA, CALIFORNIA

ELEVATIONS

Scale: 1/8" = 1'-0"

September 24, 2021

P:\19\19682 - Coachella, First & Harrison Starbucks Shell  
CDs\Design\Elevations\19682 - Design Elevations.dwg  
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## FLOOR PLAN

Scale: 1/8" = 1'-0"

November 23, 2021

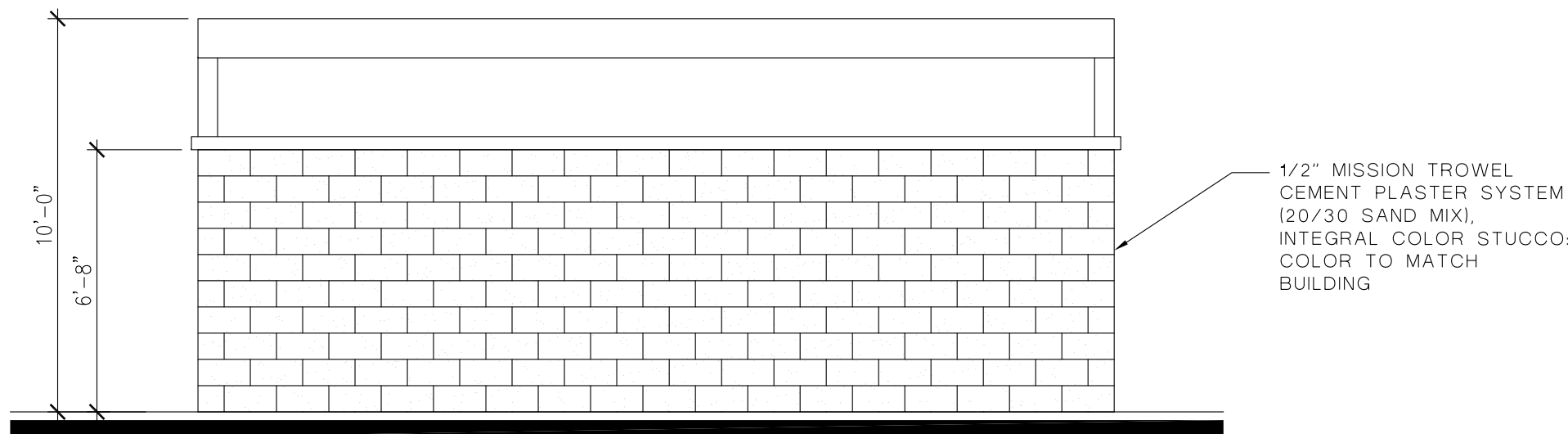
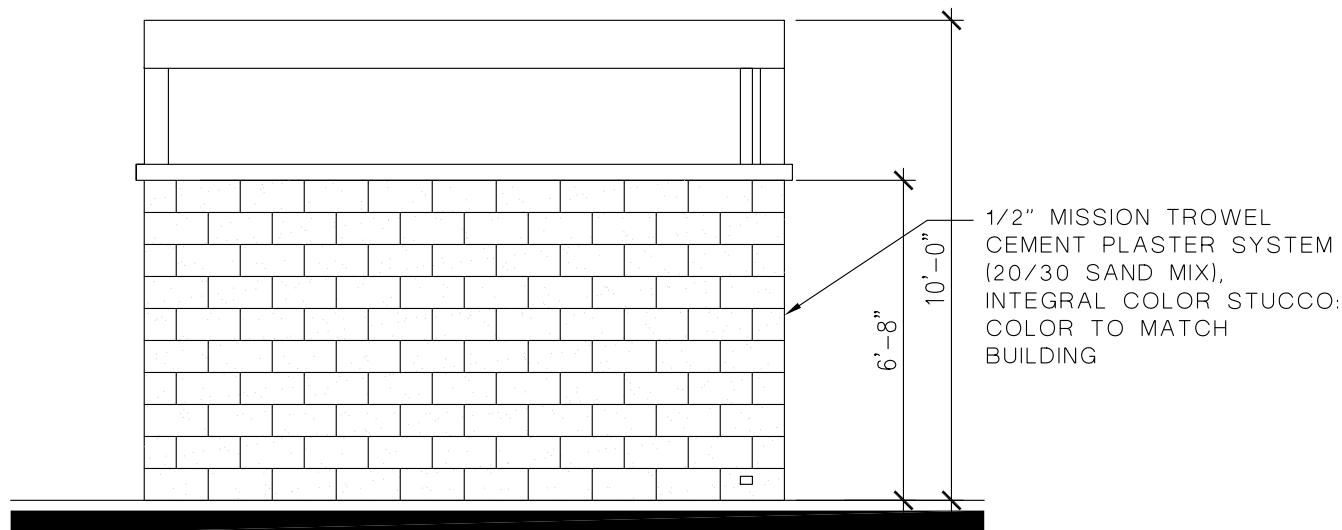
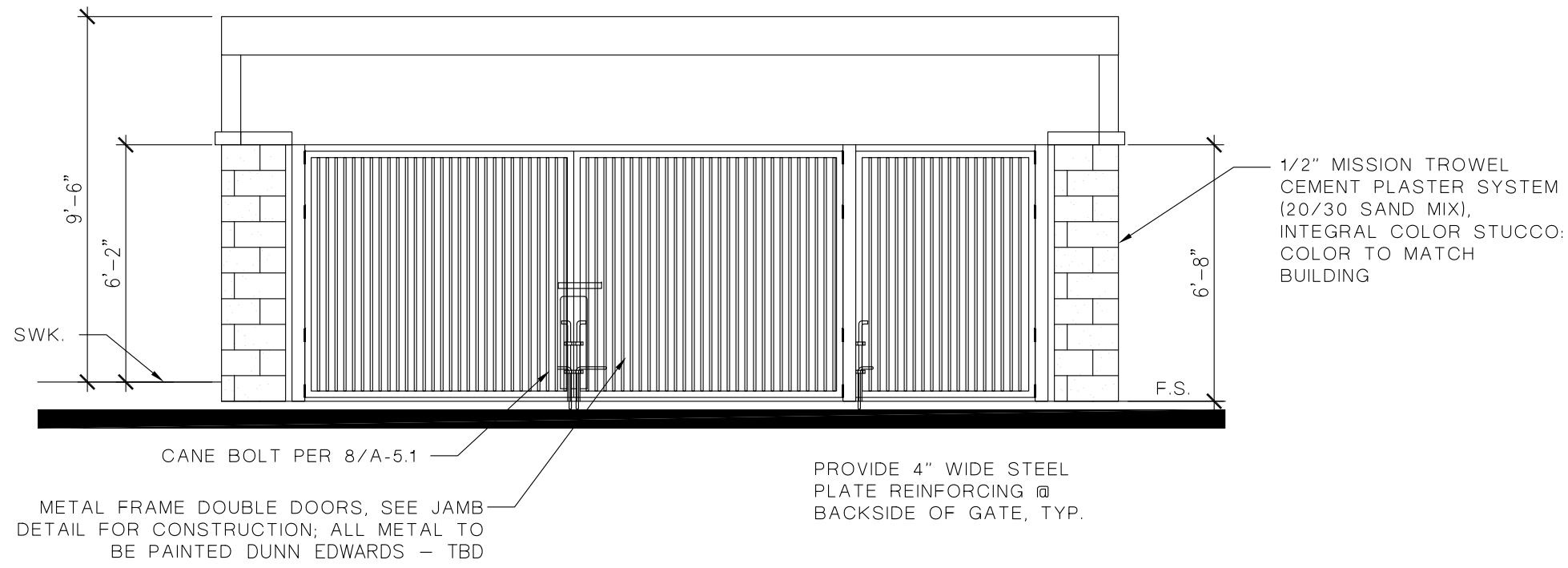
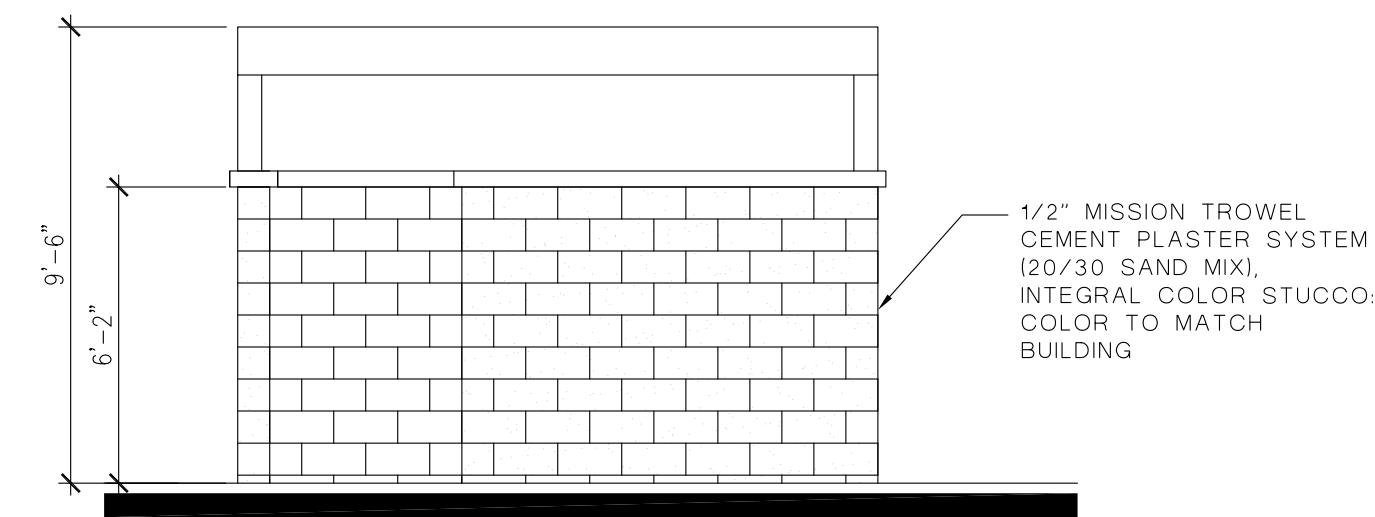
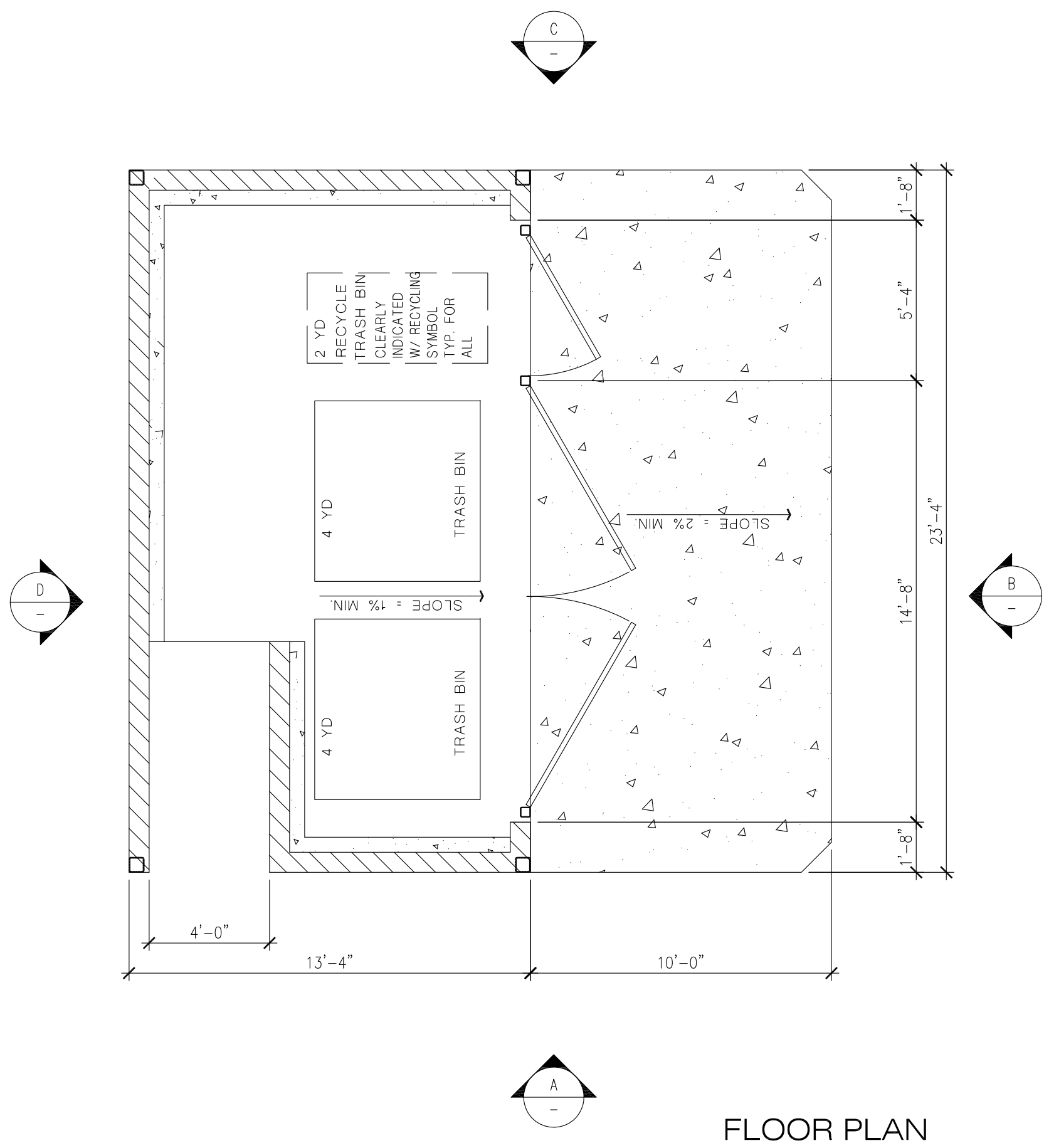
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CDs\Design\Floor Plan\19682 - Design Floor Plan.dwg

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*w w w . b i c k e l g r p . c o m*

Attachment 9



BICKEL GROUP  
ARCHITECTURE  
BICKEL GROUP INCORPORATED  
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MULTI-TENANT  
NEC CESAR CHAVEZ STREET & FIRST STREET  
COACHELLA, CALIFORNIA

TRASH ENCLOSURE  
PLANS  
Scale: 1/4" = 1'-0"  
November 23, 2021

P:\19\19682 - Coachella, First & Harrison Starbucks Shell  
CD\Design\Elevations\19682 - Design Elevations.dwg  
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STOREFRONT CANOPY  
DARK BRONZE  
ANODIZED ALUMINUM



CORNICE  
PLASTER FINISH  
SHERWIN WILLIAMS  
HOMESTEAD BROWN  
SW7515

HARDIE PANEL  
SHERWIN WILLIAMS PAINT



MEGA GREIGE  
SW7031

PLASTER  
SHERWIN WILLIAMS PAINT



SPALDING GRAY  
SW6074



COOL BEIGE  
SW9086



PACER WHITE  
SW6098



Attachment 9



RENDER 4  
Scale= N.T.S. A-202



RENDER 2  
Scale= N.T.S. A-202



RENDER 3  
Scale= N.T.S. A-202



RENDER 1  
Scale= N.T.S. A-202



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91770  
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REVISIONS:

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ISSUE DATE:

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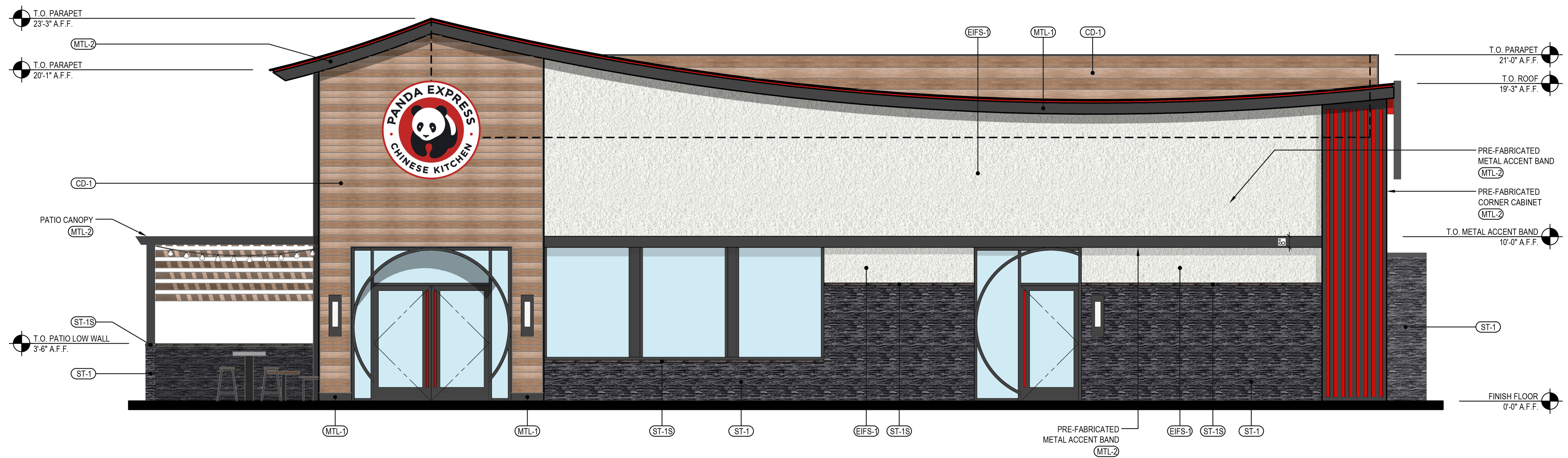
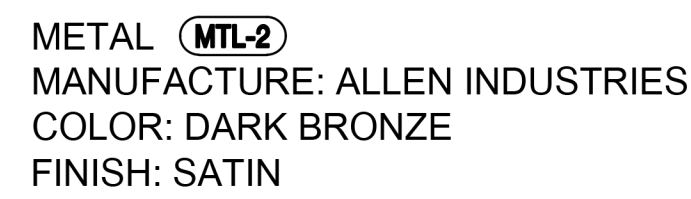
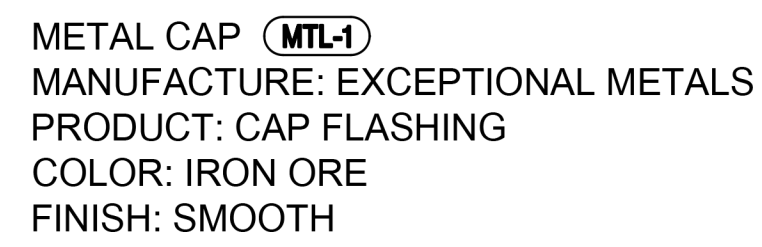
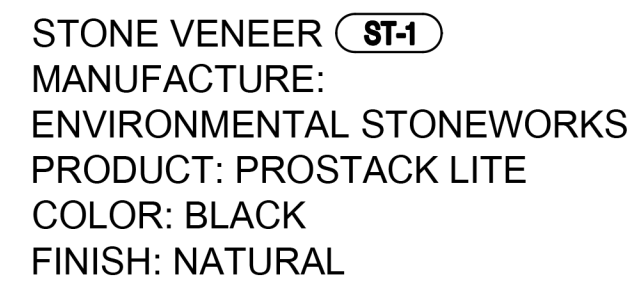
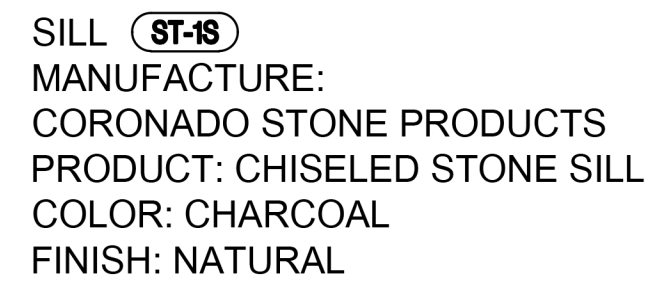
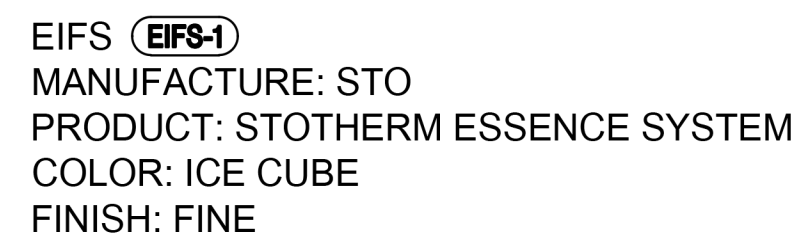
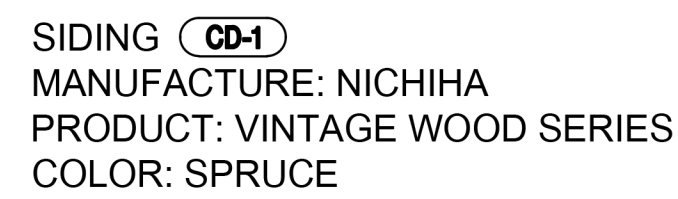
DRAWN BY: RR/CL/JL

PANDA PROJECT #: S8-22-D8226  
ARCH PROJECT #: 19-317

 **GARY WANG & ASSOCIATES, INC.**  
1000 Corporate Center Dr., Suite 550  
Monterey Park, CA 91754  
TEL: (626) 288-6898 FAX: (626) 768-7101  
<http://www.garywang.com>

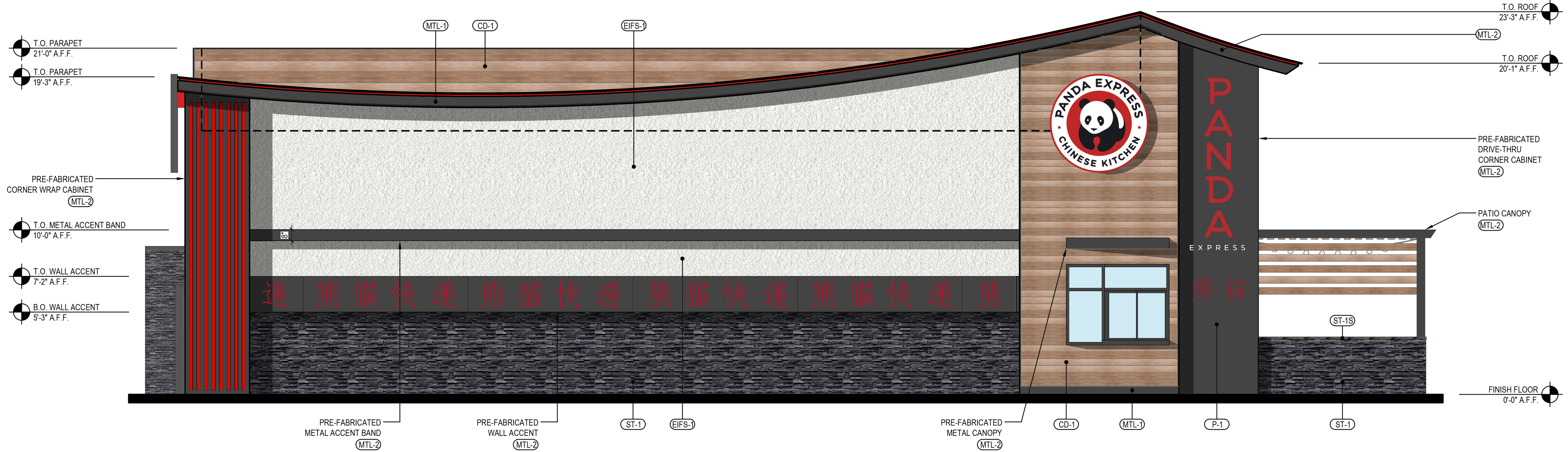
PANDA EXPRESS  
HARRISON & AVE 50  
COACHELLA, CA 92236

A-202  
EXTERIOR RENDERERS



|                 |   |
|-----------------|---|
| SOUTH ELEVATION | 2 |
|-----------------|---|

|                     |       |
|---------------------|-------|
| Scale= 1/4" = 1'-0" | A-201 |
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|                 |   |
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| NORTH ELEVATION | 1 |
|-----------------|---|

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| Scale= 1/4" = 1'-0" | A-201 |
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ARCH PROJECT #: 19-317



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# PANDA EXPRESS

HARRISON & AVE 50  
COACHELLA, CA 92236

A-201

## EXTERIOR ELEVATIONS

Attachment 11



SIDING (CD-1)  
MANUFACTURE: NICHHA  
PRODUCT: VINTAGE WOOD SERIES  
COLOR: SPRUCE



EIFS (EIFS-1)  
MANUFACTURE: STO  
PRODUCT: STOTHERM ESSENCE SYSTEM  
COLOR: ICE CUBE  
FINISH: FINE



SILL (ST-1S)  
MANUFACTURE: CORONADO STONE PRODUCTS  
PRODUCT: CHISELED STONE SILL  
COLOR: CHARCOAL  
FINISH: NATURAL



STONE VENEER (ST-1)  
MANUFACTURE: ENVIRONMENTAL STONEWORKS  
PRODUCT: PROSTACK LITE  
COLOR: BLACK  
FINISH: NATURAL



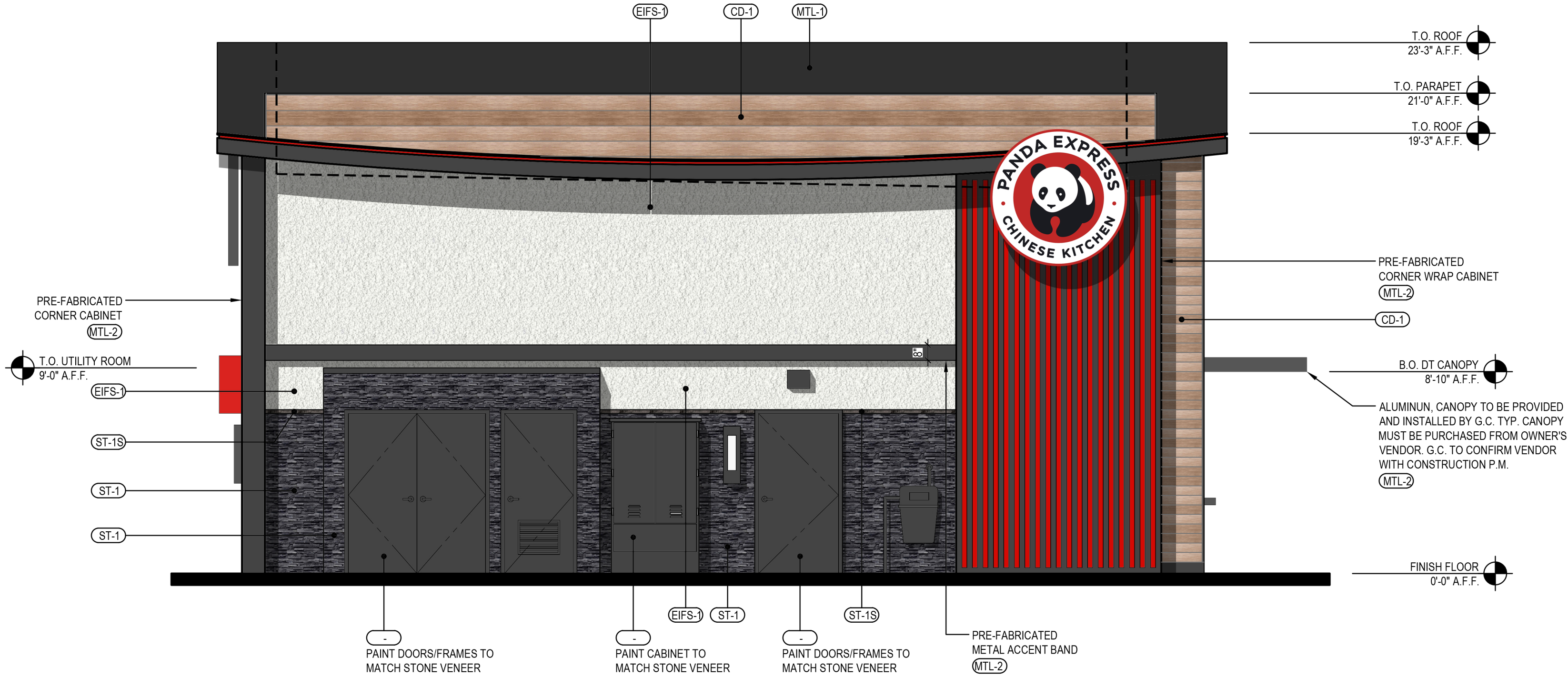
METAL CAP (MTL-1)  
MANUFACTURE: EXCEPTIONAL METALS  
PRODUCT: CAP FLASHING  
COLOR: IRON ORE  
FINISH: SMOOTH



METAL (MTL-2)  
MANUFACTURE: ALLEN INDUSTRIES  
COLOR: DARK BRONZE  
FINISH: SATIN

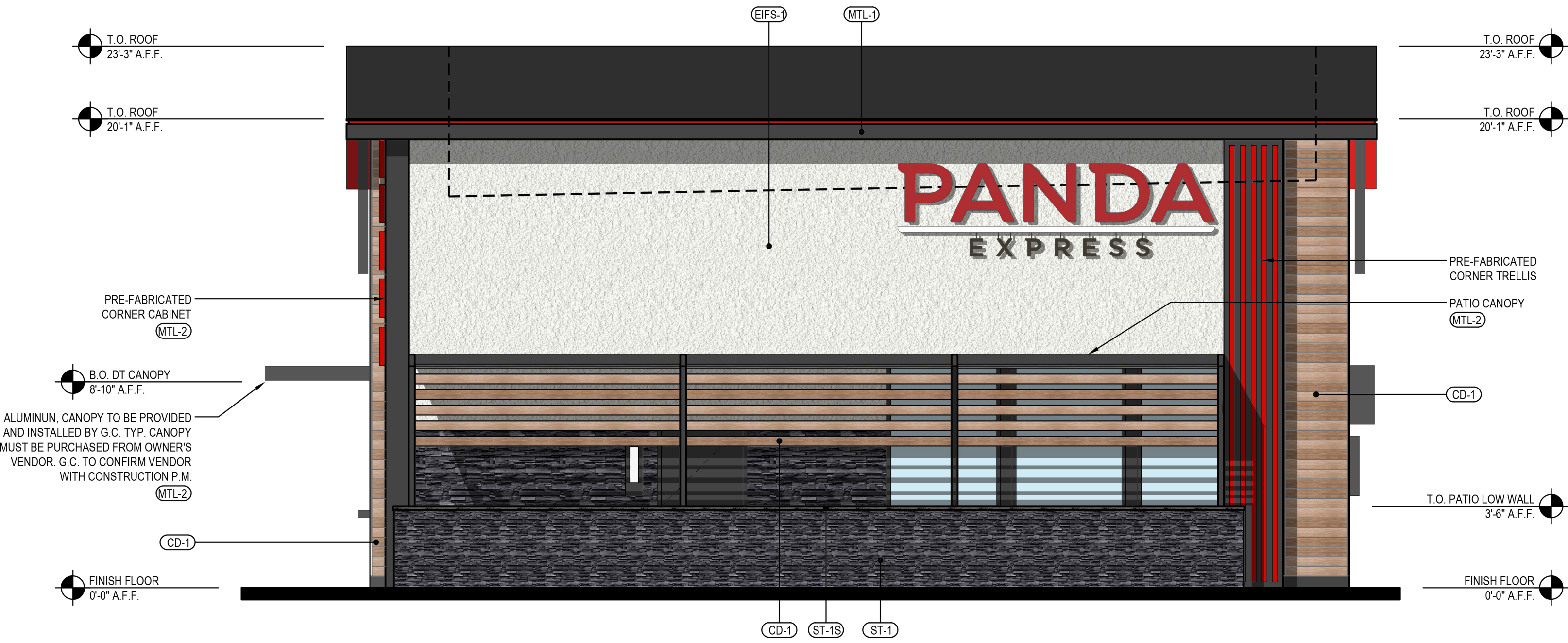


PAINT (P-1)  
MANUFACTURE: ALLEN INDUSTRIES  
COLOR: PANDA RED  
FINISH: SATIN



EAST ELEVATION 2

Scale= 1/4" = 1'-0" A-200



WEST ELEVATION 1

Scale= 1/4" = 1'-0" A-200



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ISSUE DATE:

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DRAWN BY: RR/CL/JL

PANDA PROJECT #: S8-22-D8226  
ARCH PROJECT #: 19-317



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TEL: (626) 288-6898 FAX: (626) 768-7101  
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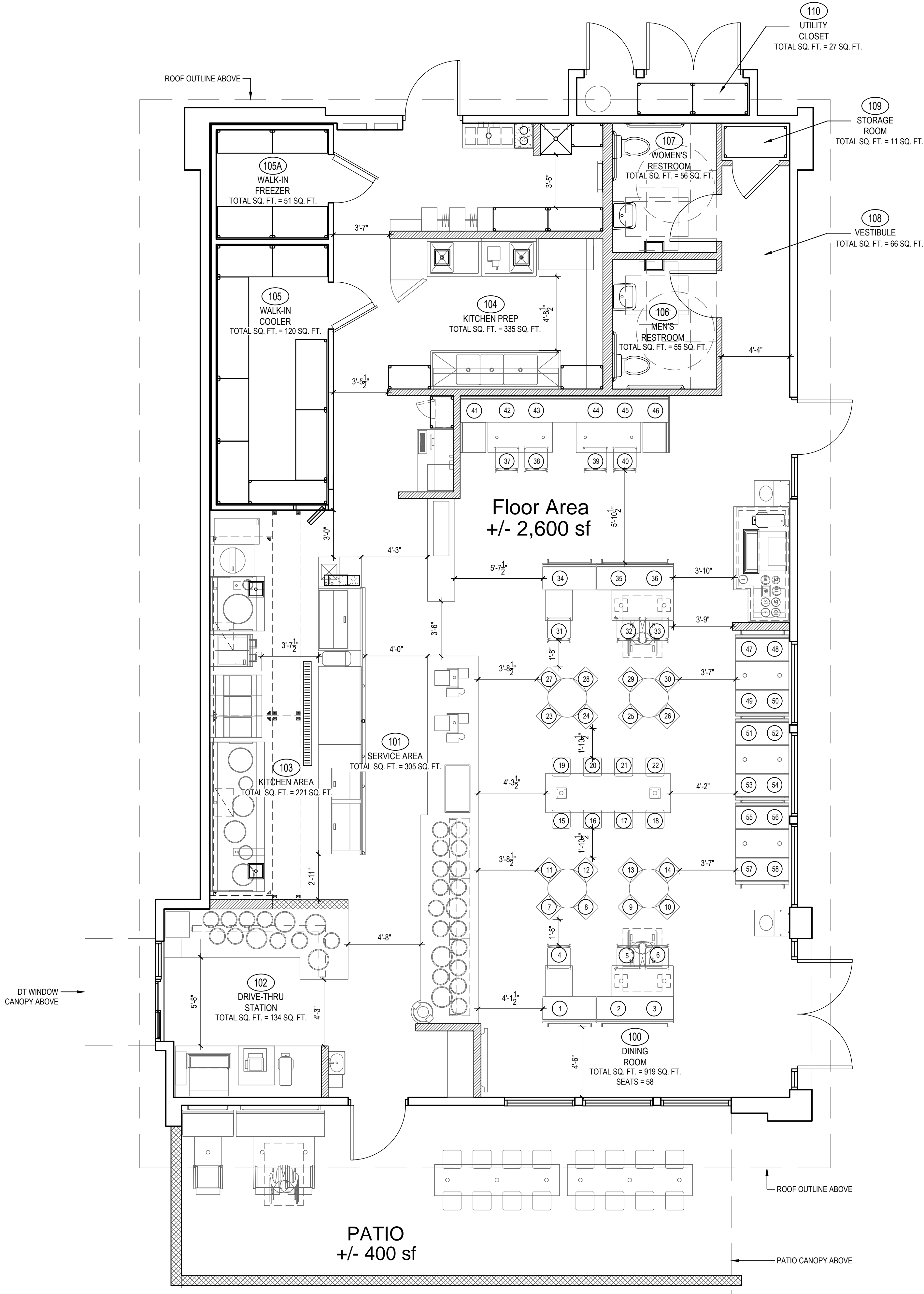
PANDA EXPRESS

HARRISON & AVE 50  
COACHELLA, CA 92236

A-200

EXTERIOR ELEVATIONS

Attachment 11



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91770  
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PANDA PROJECT #: S8-22-D8226  
ARCH PROJECT #: 19-317



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PANDA EXPRESS

HARRISON & AVE 50  
COACHELLA, CA 92236

A-101

FLOOR PLAN

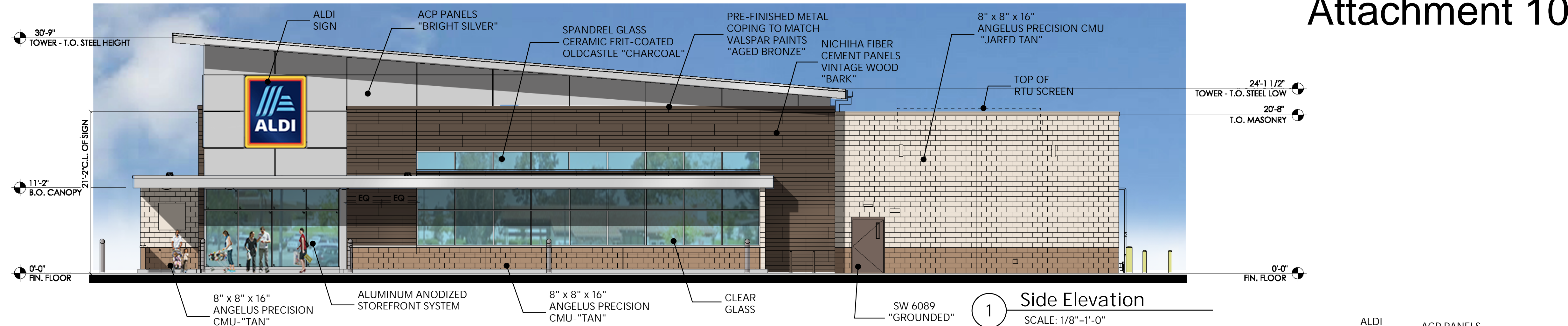
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Scale= NTS A-101

FLOOR PLAN 1  
Scale= 1/4" = 1'-0" A-101



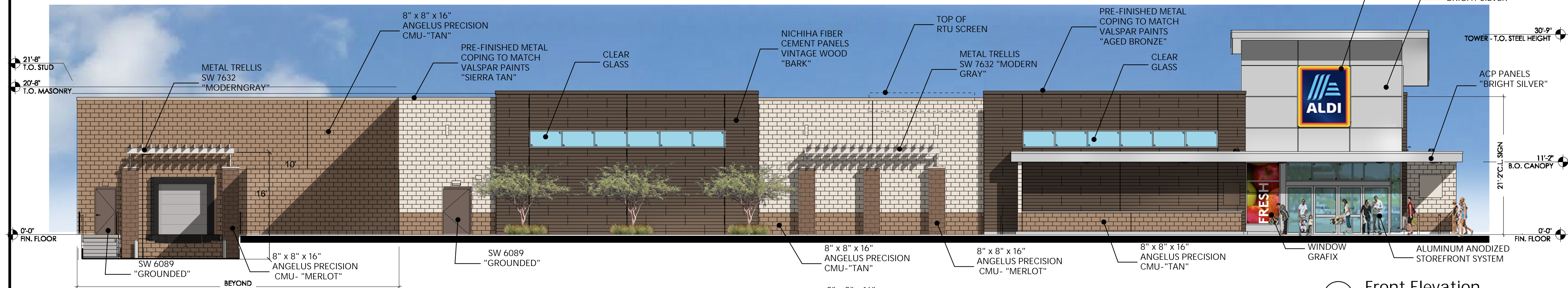
03  
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Attachment 10



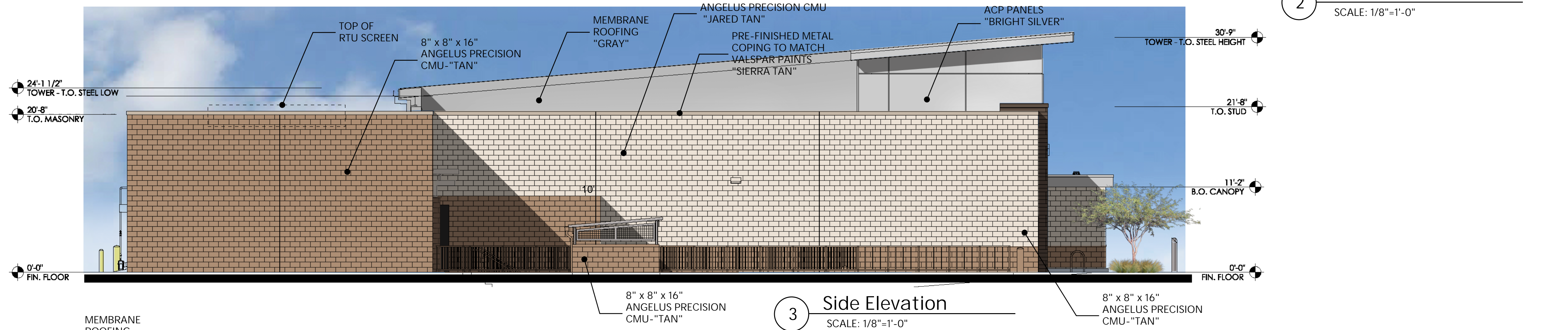
Side Elevation

SCALE: 1/8"=1'-0"



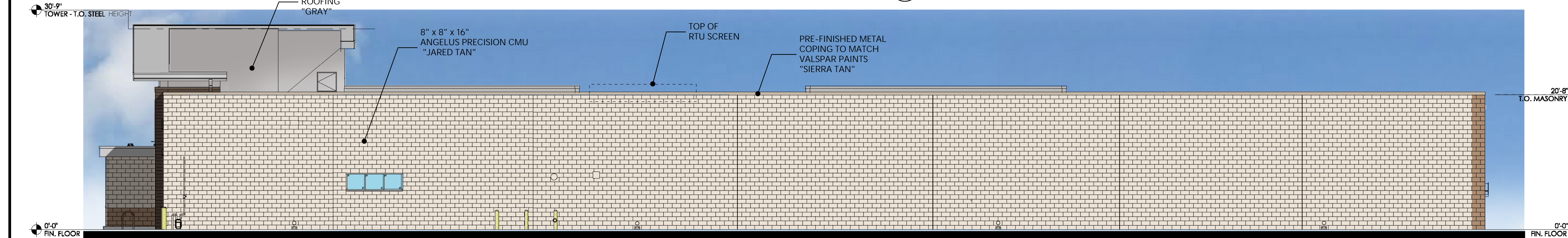
Front Elevation

SCALE: 1/8"=1'-0"



Side Elevation



SCALE: 1/8"=1'-0"



Rear Elevation


SCALE: 1/8"=1'-0"

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| Seal   | Seal        |
| Project Architect/Engineer   | Date:       |
| Architect/Engineer Name  | ##/##/##    |
| Project Lead   | Date:       |
| Lead Name  | ##/##/##    |
| Project Designer   | Date:       |
| Designer Name  | ##/##/##    |
|  |             |
| rdc.   |             |
| 245 East Third Street<br>Long Beach, Ca 90802<br>t 562.628.8000<br>rdcollaborative.com |             |
|  |             |
| ALDI Inc. Store #: ##  |             |
| Coachella  |             |
| NEC Harrison St. & Fist St.  |             |
| City of Coachella, CA,   |             |
| Riverside County   |             |
| Project Name & Location:   |             |
| Conceptual Elevations  |             |
| Drawing Name:  |             |
| Date: 12.13.21   | Project No. |
| Type: RHSDV7ER   | 20-197      |
| Drawn By: RT   | CEE-1       |
| Scale: As Noted  | Drawing No. |

| EXTERIOR FINISH SCHEDULE  |                                      |                |   |
|---|--------------------------------------|----------------|---|
| KEY   | MATERIAL / MFG.                      | COLOR / NO.    |   |
| E1  | EXIT DISCHARGE                       | FACTORY FINISH | MOUNT @ 8'-0" A.F.F.  |
| E2  | WALL SCONCE                          | FACTORY FINISH | MOUNT @ 16'-2" A.F.F.; RE: DWG. A111 FOR DIMENSIONS   |
| E3  | FUSED DISCONNECT                     | FACTORY FINISH | SEE ELECTRICAL DWGS   |
| E4  | UTILITY METERING & C.T.              | FACTORY FINISH | SEE ELECTRICAL DWGS   |
| E5  | EXTERIOR WALL PACK                   | FACTORY FINISH | MAN DOORS - MOUNT @ 9'-0" A.F.F.; LOADING DOCK - MOUNT @ 12'-0" A.F.F.  |
| E6  | EXTERIOR DUPLEX RECEPTACLE           | FACTORY FINISH | MOUNT @ 1'-6" A.F.F. IN 4" SQUARE J-BOX   |
| E7  | GENERATOR QUICK CONNECT              | FACTORY FINISH | SEE ELECTRICAL DWGS   |
| E8  | AIR SAMPLING CONTROL DETECTION PANEL | FACTORY FINISH | SEE ELECTRICAL DWGS   |
| F1  | FIRE DEPARTMENT CONNECTION           | FACTORY FINISH | SEE FIRE PROTECTION DWGS  |
| F2  | MOTOR GONG                           | FACTORY FINISH | SEE FIRE PROTECTION DWGS  |
| P1  | HOSE BIB                             | FACTORY FINISH | SEE PLUMBING DWGS AND FLOOR PLAN  |
| P2  | RPT DISCHARGE                        | FACTORY FINISH | SEE PLUMBING DWGS   |
| P3  | GAS METER                            | FACTORY FINISH | SEE PLUMBING DWGS   |
|  | GLAZING KEY                          |                | RE: DWG A602  |
|  | ALIGN KEY                            |                | A: ALIGN NICHHA PANEL JOINTS AND WINDOW MULLIONS<br>B: ALIGN ALUMINUM COMPOSITE PANEL JOINTS AND WINDOW MULLIONS<br>C: ALIGN NICHHA PANEL JOINTS, ALUMINUM COMPOSITE PANEL JOINTS & WINDOW MULLIONS |

[illegible]



|                            |          |
|----------------------------|----------|
| Project Architect/Engineer | Date:    |
| Architect/Engineer Name    | ##/##/## |
| Project Lead               | Date:    |
| Lead Name                  | ##/##/## |
| Project Designer           | Date:    |
| Designer Name              | ##/##/## |



**ALDI Inc.**  
12661 Aldi Place  
Moreno Valley, CA 92555-6703  
(951) 530-5750  
(951) 530-5775 fax

## Conceptual Exterior Elevations

|                 |  |   |
|-----------------|--|---|
| Drawing Name:   |  | Project No.<br><br>20-197<br><br><hr/> A-201<br><br>Drawing No. |
| Date:           |  |   |
| Type: RHSDV7ER  |  |   |
| Drawn By: SF    |  |   |
| Scale: As Noted |  |   |

| EXTERIOR FINISH SCHEDULE  |                                      |                |   |
|---|--------------------------------------|----------------|---|
| KEY   | MATERIAL / MFG.                      | COLOR / NO.    |   |
| E1  | EXIT DISCHARGE                       | FACTORY FINISH | MOUNT @ 8'-0" A.F.F.  |
| E2  | WALL SCONCE                          | FACTORY FINISH | MOUNT @ 16'-2" A.F.F.; RE: DWG. A111 FOR DIMENSIONS   |
| E3  | FUSED DISCONNECT                     | FACTORY FINISH | SEE ELECTRICAL DWGS   |
| E4  | UTILITY METERING & C.T.              | FACTORY FINISH | SEE ELECTRICAL DWGS   |
| E5  | EXTERIOR WALL PACK                   | FACTORY FINISH | MAN DOORS - MOUNT @ 9'-0" A.F.F.; LOADING DOCK - MOUNT @ 12'-0" A.F.F.  |
| E6  | EXTERIOR DUPLEX RECEPTACLE           | FACTORY FINISH | MOUNT @ 1'-6" A.F.F. IN 4" SQUARE J-BOX   |
| E7  | GENERATOR QUICK CONNECT              | FACTORY FINISH | SEE ELECTRICAL DWGS   |
| E8  | AIR SAMPLING CONTROL DETECTION PANEL | FACTORY FINISH | SEE ELECTRICAL DWGS   |
| F1  | FIRE DEPARTMENT CONNECTION           | FACTORY FINISH | SEE FIRE PROTECTION DWGS  |
| F2  | MOTOR GONG                           | FACTORY FINISH | SEE FIRE PROTECTION DWGS  |
| P1  | HOSE BIB                             | FACTORY FINISH | SEE PLUMBING DWGS AND FLOOR PLAN  |
| P2  | RPT DISCHARGE                        | FACTORY FINISH | SEE PLUMBING DWGS   |
| P3  | GAS METER                            | FACTORY FINISH | SEE PLUMBING DWGS   |
|  | GLAZING KEY                          |                | RE: DWG A602  |
|  | ALIGN KEY                            |                | A: ALIGN NICHHA PANEL JOINTS AND WINDOW MULLIONS<br>B: ALIGN ALUMINUM COMPOSITE PANEL JOINTS AND WINDOW MULLIONS<br>C: ALIGN NICHHA PANEL JOINTS, ALUMINUM COMPOSITE PANEL JOINTS & WINDOW MULLIONS |

[illegible]

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## Conceptual Exterior Elevations

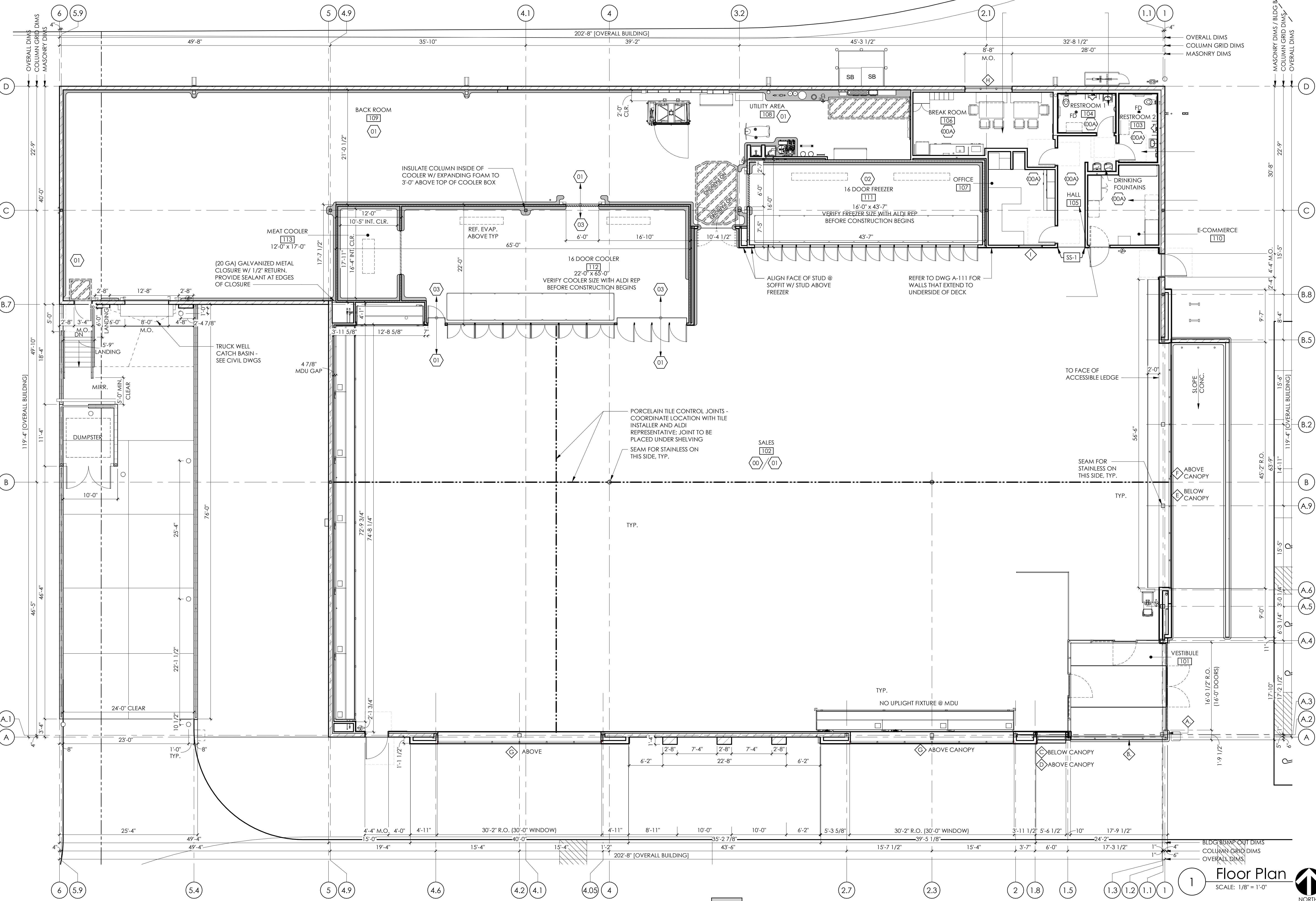
Drawing No.



Attachment 12

- NOTES:
1. SEE SHEET A-603 FOR COLOR AND FINISH MATERIAL SCHEDULES.
  2. SEE SHEET A-603 FOR INTERIOR METAL STUD INFORMATION.
  3. ALL PARTITION DIMENSIONS ARE TO FACE OF STUD UNLESS NOTED OTHERWISE (I.E. CLEAR).
  4. PROVIDE BLOCKING AS NEEDED FOR ALL WALL MOUNTED ITEMS.
  5. FLAT STEEL IS REQUIRED AT MECHANICAL FIXTURES COORDINATE LOCATION WITH ALDI REPRESENTATIVE.
  6. REFER TO SHEET A-602 FOR WINDOW / GLAZING DETAILS

| FLOOR FINISH SCHEDULE |   |
|-----------------------|---|
| KEY                   | DESCRIPTION   |
| 00                    | 2 5/8" THICK SET TILE SYSTEM - FURNISHED AND INSTALLED BY OWNER |
| 00A                   | 3/4" THIN SET TILE - FURNISHED BY OWNER AND INSTALLED BY OWNER  |
| 01                    | CONCRETE SLAB - SMOOTH FINISH                                   |
| 02                    | CONCRETE SLAB (FREEZER) - SEALED MEDIUM BROOM FINISH            |
| 03                    | CONCRETE SLAB (COOLER) - SEALED SMOOTH FINISH                   |



Issued: 09/29/21  
Planning Submittal

Revisions:

Seal

Project Architect/Engineer  
Architect/Engineer Name

Project Lead  
Lead Name

Project Designer  
Designer Name

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rdc.

245 East Third Street  
Long Beach, Ca 90802  
t 562.628.8000  
rdcollaborative.com

ALDI Inc.  
12661 Aldi Place  
Moreno Valley, CA 92555-6703  
(951) 330-5775  
(951) 330-5775 fax

ALDI Inc. Store #: ##  
Coachella  
NEC Harrison St. & First St.  
City of Coachella, CA,  
Riverside County  
Project Name & Location:

Floor Plan

Drawing Name:

Date:

Type: RHSDV7ER

Drawn By: SF

Scale: As Noted

Project No.  
20-197

A-101

Drawing No.



NICHIHA FIBER CEMENT PANELS  
"BARK"  
VINTAGE WOOD COLLECTION



SPANDREL GLASS  
GLASS COATINGS & CONCEPTS, LLC  
SX3527E808 "CHARCOAL"



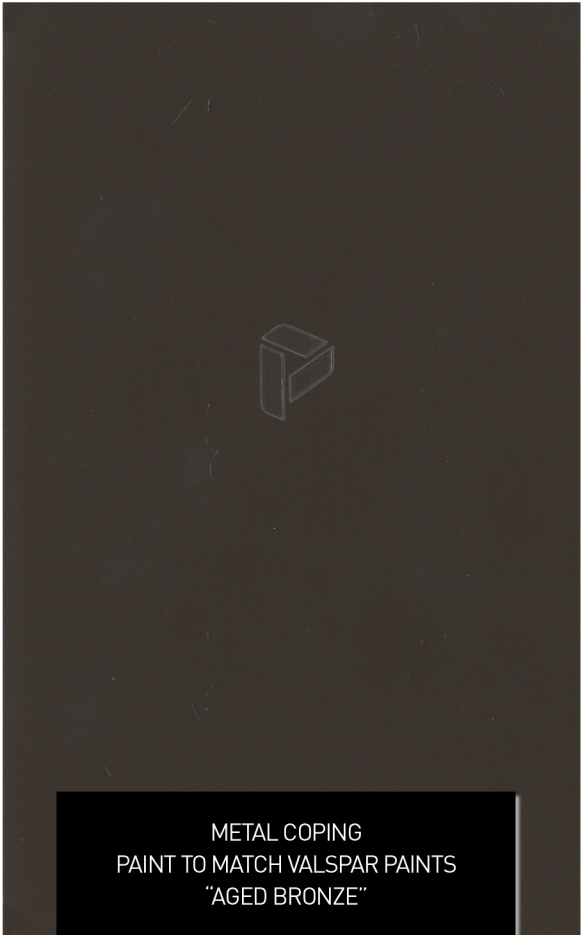
CONCRETE MASONRY UNITS  
TO MATCH ANGELUS BLOCK  
QUIKBRICK "JARED TAN"



EXTERIOR DOORS AND FRAMES TO MATCH  
SHERWIN WILLIAMS PAINTS  
SW 6089 "GROUNDED"



ALUMINUM COMPOSITE PANELS  
"BRIGHT SILVER"



METAL COPING  
PAINT TO MATCH VALSPAR PAINTS  
"AGED BRONZE"



METAL COPING  
PAINT TO MATCH VALSPAR PAINTS  
"SIERRA TAN"

MEMBRANE ROOFING  
SIKA ROOFING  
"STANDARD GRAY"



ALUMINUM STOREFRONT  
TO MATCH ARCADIA AC-2  
"CLEAR ANODIZED ALUMINUM"

| SOLARBAN® 70XL (2) Clear + Clear Glass Insulating Glass Unit |                              |                              |                              |       |      |      |
|--|------------------------------|------------------------------|------------------------------|-------|------|------|
| VLT  | Exterior<br>Reflect-<br>ance | Interior<br>Reflect-<br>ance | U-Value Imperial<br>(Winter) |       | SHGC | LSG  |
|  |                              |                              | Air                          | Argon |      |      |
| 64%  | 12%                          | 13%                          | 0.28                         | 0.24  | 0.27 | 2.37 |

STOREFRONT GLASS TO MATCH  
PPG / VITRO SOLARBAN  
70XL INSULATED GLAZING UNIT

Item 32.



Coachella Civic Center, Hearing Room  
53-462 Enterprise Way, Coachella, California  
(760) 398-3502 ♦ [www.coachella.org](http://www.coachella.org)

# MINUTES

OF A REGULAR MEETING  
OF THE  
CITY OF COACHELLA  
PLANNING COMMISSION

**December 15, 2021**  
6:00 PM

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PURSUANT ASSEMBLY BILL 361, ALONG WITH THE GOVERNOR'S STATE OF EMERGENCY DECLARATION ISSUED ON MARCH 4, 2020, THIS MEETING MAY BE CONDUCTED VIA TELECONFERENCE.

If you would like to attend the meeting via zoom, here is the link:

<https://us02web.zoom.us/j/84544257915?pwd=VTdHWitpYVdOUk1NQW8vZ1pqUm0zQT09>

Or one tap mobile :

Us: +16699006833,, 84544257915#,,, \* 380084# US

Or telephone:

Us: +1 669 900 6833

**Webinar ID: 845 4425 7915**

**Passcode: 380084**

Public comments may be received via email, telephonically, or via zoom with a limit of 250 words, or three minutes:

**In real time:**

If participating in real time via zoom or phone, during the public comment period, use the "raise hand" function on your computer, or when using a phone, participants can raise their hand by pressing \*9 on the keypad.

**In writing:**

Written comments may be submitted to the commission electronically via email to [gperez@coachella.org](mailto:gperez@coachella.org). Transmittal prior to the start of the meeting is required. All written comments received will be forwarded to the commission and entered into the record.

IF YOU WISH, YOU MAY LEAVE A MESSAGE AT (760) 398-3102, EXTENSION 122, BEFORE 4:00 P.M. ON THE DAY OF THE MEETING.

**CALL TO ORDER: 6:03 P.M.**

**PLEDGE OF ALLEGIANCE:**

**ROLL CALL:**

Commissioners Present: Commissioner Figueroa, Commissioner Gonzalez, Commissioner Leal, Vice Chair Navarrete, Chair Virgen (All Planning Commissioners participated via teleconference)

Staff Present: \*Gabriel Perez, Development Services Director  
\*Nikki Gomez, Associate Planner  
\*Rosa Montoya, Planning Technician  
\*Andrew Simmons, City Engineer  
\*Rene Rosales, Code Enforcement Manager  
\*Participated in meeting via teleconference

**APPROVAL OF AGENDA:**

“At this time the Commission may announce any items being pulled from the agenda or continued to another date or request the moving of an item on the agenda.”

IT WAS MOVED BY VICE CHAIR NAVARETTE AND SECONDED BY COMMISSIONER GONZALEZ TO APPROVE THE AGENDA.

Approved by the following roll call vote:

AYES: Vice Chair Navarrete, Chair Virgen, Commissioner Figueroa, Commissioner Gonzalez, Commissioner Leal.

NOES: None.

ABSTAIN: None.

ABSENT: None

**APPROVAL OF THE MINUTES:**

1. Draft Planning Commission Minutes – December 15, 2021

IT WAS MOVED BY COMMISSIONER FIGUEROA AND SECONDED BY CHAIR VIRGEN TO APPROVE THE AGENDA.

Approved by the following roll call vote:

AYES: Vice Chair Navarrete, Chair Virgen, Commissioner Figueroa, Commissioner Gonzalez, Commissioner Leal.

NOES: None.

ABSTAIN: None.

ABSENT: None

**WRITTEN COMMUNICATIONS:**

None.

**PUBLIC COMMENTS (NON-AGENDA ITEMS):**

“The public may address the Commission on any item of interest to the public that is not on the agenda, but is within the subject matter jurisdiction thereof. Please limit your comments to three (3) minutes.”

None.

**REPORTS AND REQUESTS:**

Gabriel Perez, Development Services Director, reported that former Alternate Commissioner Miguel Leal was appointed and approved by the City Council to complete the term of former Commissioner Sahara Huazano.

**NON-HEARING ITEMS:**

None.

**PUBLIC HEARING CALENDAR (QUASI-JUDICIAL):**

2. Fountainhead Plaza Phase II and III (Continued from December 7, 2021)

Tentative Parcel Map 37940 (Revision), Conditional Use Permit (CUP) 346, CUP 347, CUP 321 (modification), Architectural Review (AR) 21-12, and AR 20-03 (modification) to develop 5.06 acres of an 8.25 acre property to include a 2,028 sq. ft. Starbucks drive thru building, a 2,600 sq. ft. Panda Express drive thru restaurant and a 20,442 sq. ft. Aldi supermarket with Type 20 Alcohol Sales (Off-Sale Beer and Wine) at the northeast corner of Cesar Chavez Street and First Street (APN# 778-020-007 and 778-010-017). Applicant: Coachella Retail Realty Associates, LP.

Gabriel Perez, Development Services Director, narrated a PowerPoint Presentation for the item. A copy of the Presentation is on file in the Planning Division.

Chair Virgen opened the meeting for public comment at 7:00 p.m.

Francis Chu, representing Fountainhead Development, LLC, expressed concern about Condition of Approval No. 9 wording for a focused traffic analysis and requested modification from a focused traffic “memo” to “analysis.” Andrew Simmons, City Engineer, replied and stated the suggested modification is acceptable. Mr. Chu continued and stated new on-site circulation improvements would allow traffic to proceed either north or south to avoid traffic back-up issues, that the proposed fan palm trees were selected to ensure cohesive landscape plan with existing development, and that the preferred rear screening would be wrought iron fencing due to the Foster Gardener property commercial zoning. Mr. Chu also stated that the proposed Panda Express architecture relates to marketing for the business’ new image.

Vasanthi Okuma, representing Fountainhead Development, LLC, reported that there is a landscape company that maintains the site and that she was not aware of the commercial center maintenance issues expressed by Planning Commissioners.

Craig Smith, representing Fountainhead Development, LLC, stated he was unaware of the homeless and maintenance issues until they were raised by staff and that he worked to fix the issue before Thanksgiving. Mr. Smith confirmed the at-risk construction plan submittal to the City, Aldi and Panda Express will be the commercial pad owners, and construction to begin January or February with 2022 planned opening dates. He stated the need to communicate with Aldi and Panda Express ownership of the Planning Commission request for block wall fencing construction.

Lucy Gan, representing Panda Express, stated the proposed building architecture is to introduce new and creative concept with Chinese/Asian inspired design distinct from surrounding buildings similar to McDonald's and Taco Bell that have their own brand identity.

During the ensuing discussion, the Commissioners, either individually or in agreement, provided the following commentary:

- Expressed concern about on-going code enforcement case, maintenance issues, homeless encampment, landscape maintenance at improved commercial center areas, and missing landscape materials.
- Suggested a rear block wall construction to replace the existing chain link fence
- Suggested that the Seven-Eleven convenience store architectural theme remain similar to the Walgreens.
- Expressed concern if the proposed entry median may negatively affect vehicle traffic stacking into the McDonald's drive thru due to observed McDonald's vehicle stacking concerns.
- Suggested a redesign of the Panda Express as the proposed architectural design is distinct from the commercial center's buildings and due to the location as an entrance to the Pueblo Viejo area.
- Suggested modifying proposed fan palm trees to date palm trees at 8-12 feet in height as requested by the Commission under a previous development approval for aesthetic purposes. Also suggested that the modification to date palm trees along First Street may be acceptable.
- Asked if Cesar Chavez Street bus stop improvements are proposed.
- Inquired about construction timing of the proposed project.

IT WAS MOVED BY CHAIR VIRGEN AND SECONDED BY COMMISSIONER GONZALEZ TO CONTINUE TO JANUARY 5, 2022 PLANNING COMMISSION CONSIDERATION OF RESOLUTION NO. PC 2021-25 A RESOLUTION OF THE CITY OF COACHELLA PLANNING COMMISSION APPROVING CONDITIONAL USE PERMIT NO. 346, CONDITIONAL USE PERMIT NO. 347, AND ARCHITECTURAL REVIEW 21-12 TO ALLOW THE CONSTRUCTION OF A 2,600 SQ. FT. DRIVE-THRU RESTAURANT AND A 20,422 SQ. FT. SUPERMARKET WITH TYPE 20 (BEER AND WINE) ALCOHOL SALES ON 2.85 ACRES OF VACANT LAND LOCATED AT THE NORTHEAST CORNER OF FIRST STREET AND CESAR CHAVEZ STREET. (APN 778-020-007 AND 778-010-017).

Additionally, the Commission requested staff work with the applicant regarding the following items:

- Ensure existing and new landscaping be maintained and similar in appearance
- Address Panda Express design concerns

- Clarify drive-thru entry median does not create negative impacts for on-site traffic and stacking for Panda Express and McDonald's restaurants.
- Discuss inclusion of rear block wall with property owners
- Address outstanding code enforcement issues

Approved Continuance of the item by the following roll call vote:

AYES: Vice Chair Navarrete, Chair Virgen, Commissioner Gonzalez, Commissioner Leal, Commissioner Figueroa.

NOES: None.

ABSTAIN: None.

ABSENT: None.

**INFORMATIONAL:**

None.

**ADJOURNMENT:**

Meeting Adjourned by Chair Virgen at 7:35 p.m. by Chair Virgen.

Respectfully Submitted by,

Gabriel Perez  
Digitally signed by Gabriel Perez  
DN: cn=US, email=gabriel@coachella.org,  
o=City of Coachella, ou=Planning Division  
-Development Services Dept, cn=Gabriel  
Perez  
Date: 2022.01.19 21:25:40-0800

Gabriel Perez  
Planning Commission Secretary

*Complete Agenda Packets are available for public inspection in the  
Development Services Department at 53-990 Enterprise Way, Coachella, California, and on the  
City's website [www.coachella.org](http://www.coachella.org).*

THIS MEETING IS ACCESSIBLE TO PERSONS WITH DISABILITIES



Coachella Civic Center, Hearing Room  
53-462 Enterprise Way, Coachella, California  
(760) 398-3502 ♦ [www.coachella.org](http://www.coachella.org)

# MINUTES

OF A REGULAR MEETING  
OF THE  
CITY OF COACHELLA  
PLANNING COMMISSION

**January 05, 2022**  
6:00 PM

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PURSUANT ASSEMBLY BILL 361, ALONG WITH THE GOVERNOR'S STATE OF EMERGENCY DECLARATION ISSUED ON MARCH 4, 2020, THIS MEETING MAY BE CONDUCTED VIA TELECONFERENCE.

If you would like to attend the meeting via zoom, here is the link:

<https://us02web.zoom.us/j/84544257915?pwd=VTdHWitpYVdOUk1NQW8vZ1pqUm0zQT09>

Or one tap mobile :

Us: +16699006833,, 84544257915#,,, \* 380084# US

Or telephone:

Us: +1 669 900 6833

**Webinar ID: 845 4425 7915**

**Passcode: 380084**

Public comments may be received via email, telephonically, or via zoom with a limit of 250 words, or three minutes:

**In real time:**

If participating in real time via zoom or phone, during the public comment period, use the "raise hand" function on your computer, or when using a phone, participants can raise their hand by pressing \*9 on the keypad.

**In writing:**

Written comments may be submitted to the commission electronically via email to [gperez@coachella.org](mailto:gperez@coachella.org). Transmittal prior to the start of the meeting is required. All written comments received will be forwarded to the commission and entered into the record.

IF YOU WISH, YOU MAY LEAVE A MESSAGE AT (760) 398-3102, EXTENSION 122, BEFORE 4:00 P.M. ON THE DAY OF THE MEETING.

**CALL TO ORDER: 6:02 P.M.**

**PLEDGE OF ALLEGIANCE:**

**ROLL CALL:**

Commissioners Present: Commissioner Figueroa, Commissioner Leal, Vice Chair Navarrete, Chair Virgen (All Planning Commissioners participated via teleconference)

\*Commissioner Gonzalez shown on the Zoom meeting and not considered present during the roll call since he was not audible during the roll call. Commissioner Gonzalez was considered present during the approval of the minutes.

Staff Present:

\*Gabriel Perez, Development Services Director  
\*Nikki Gomez, Associate Planner  
\*Rosa Montoya, Planning Technician  
\*Rene Rosales, Code Enforcement Manager  
\*Participated in meeting via teleconference

**APPROVAL OF AGENDA:**

“At this time the Commission may announce any items being pulled from the agenda or continued to another date or request the moving of an item on the agenda.”

CHAIR VIRGEN MOVED TO APPROVE THE AGENDA.

**APPROVAL OF THE MINUTES:**

1. Draft Planning Commission Minutes – December 15, 2021

IT WAS MOVED VICE CHAIR NAVARRETE AND SECONDED BY CHAIR FIGUEROA TO APPROVE THE AGENDA.

2. Approved by the following roll call vote:
3. AYES: Vice Chair Navarrete, Chair Virgen, Commissioner Figueroa, Commissioner Gonzalez, Commissioner Leal.
4. NOES: None.
5. ABSTAIN: None.
6. ABSENT: None

**WRITTEN COMMUNICATIONS:**

**PUBLIC COMMENTS (NON-AGENDA ITEMS):**

“The public may address the Commission on any item of interest to the public that is not on the agenda, but is within the subject matter jurisdiction thereof. Please limit your comments to three (3) minutes.”

**REPORTS AND REQUESTS:**

**NON-HEARING ITEMS:**

**PUBLIC HEARING CALENDAR (QUASI-JUDICIAL):**

2. Coachella Valley Growers LLC Interim Outdoor Cannabis Cultivation - Conditional Use Permit 345 to allow interim outdoor cannabis cultivation on a 79.39 acre site located at 50501 Fillmore Street. (APN 763-070-012 & 763-070-010) Applicant: Coachella Valley Growers, LLC

Nikki Gomez, Associate Planner, narrated a PowerPoint Presentation for the item for the requested continuance. A copy of the Presentation is on file in the Planning Division.

IT WAS MOVED BY VICE CHAIR NAVARRETE AND SECONDED BY COMMISSIONER GONZALEZ TO CONTINUE TO JANUARY 19, 2022 PLANNING COMMISSION CONSIDERATION OF CONDITIONAL USE PERMIT NO. 345.

Approved Continuance of the item by the following roll call vote:

AYES: Vice Chair Navarrete, Chair Virgen, Commissioner Gonzalez, Commissioner Leal, Commissioner Figueroa.

NOES: None.

ABSTAIN: None.

ABSENT: None.

3. Fountainhead Plaza (Continued from December 15, 2021)

Tentative Parcel Map 37940 (Revision), Conditional Use Permit (CUP) 346, CUP 347, CUP 321 (modification), Architectural Review (AR) 21-12, and AR 20-03 (modification) to develop 5.06 acres of an 8.25 acre property to include a 2,028 sq. ft. Starbucks drive thru building, a 2,600 sq. ft. Panda Express drive thru restaurant and a 20,442 sq. ft. Aldi supermarket with Type 20 Alcohol Sales (Off-Sale Beer and Wine) at the northeast corner of Cesar Chavez Street and First Street (APN# 778-020-007 and 778-010-017). Applicant: Coachella Retail Realty Associates, LP.

Gabriel Perez, Development Services Director, narrated a PowerPoint Presentation for the item and presented an Errata for revised conditions for Resolution No. PC 2021-25. A copy of the Presentation is on file in the Planning Division.

Chair Virgen opened the meeting for public comment at 6:35 p.m.

Craig Smith, representing Fountainhead Development, LLC, reported since the previous January 5, 2022 Planning Commission meeting that a security company was hired for the commercial center, pursued a site clean-up, observed the need for landscaping replacement in existing landscape areas, agreed to construct a block wall at the Aldi and Panda Express pads, and plans project construction within 7-8 weeks. He stated Aldi supermarket operations agree to be the on-site maintenance manager for the commercial center and he would install date palm trees with the proposed development as requested by the Commission.

Jesus Gonzalez, applicant representative, thanked the commission and staff and said the developer has a reputation for doing the right thing and the development would be one that everyone could be proud of. He

further stated that drive thru establishments and outdoor restaurants are important due to the impacts of covid-19 and that the public prefers to use the drive thru rather than enter restaurants.

Francis Chu, applicant representative, stated that the design for Panda Express would not change despite concerns about the need for a redesign as the applicant felt the design is consistent with McDonald's and Taco Bell restaurants. He further stated that the future 7-Eleven fuel station and convenience store would incorporate the architecture similar to the Walgreens building. Mr. Chu stated the Aldi building was redesigned to limit to appearance of the rooftop equipment and expressed concern for Condition 73 regarding roof top equipment screening. He requested that language of the condition be modified to state that the roof top equipment not be visible from street level since he stated the rooftop equipment would not be visible until 700 feet away.

During the ensuing discussion, the Commissioners, either individually or in agreement, provided the following commentary:

- Inquired about status of the code enforcement issues.
- Requested addition of date palms in the landscape plan.
- Expressed support of the block wall required as rear screening at the site.
- Inquired about the origination of the rooftop equipment condition and agreed that rooftop screening is important for this project.
- Inquired about maintenance obligations in the conditions of approval.

Staff responded to Commissioner inquiries that they were able to meet with the applicant at the site and reported that code abatement work was occurring and that trash removal and fencing still needed to be addressed. Staff identified that the rooftop equipment screening condition is a standard condition that has been consistently applied to commercial projects in the past. Lastly, staff clarified for the Commission that landscape plans between the existing and proposed development would be coordinated by staff to ensure compatibility.

IT WAS MOVED BY COMMISSIONER GONZALEZ AND SECONDED BY COMMISSIONER FIGUEROA TO:

- APPROVE RESOLUTION NO. PC 2021-25 A RESOLUTION OF THE CITY OF COACHELLA PLANNING COMMISSION APPROVING CONDITIONAL USE PERMIT NO. 346, CONDITIONAL USE PERMIT NO. 347, AND ARCHITECTURAL REVIEW 21-12 TO ALLOW THE CONSTRUCTION OF A 2,600 SQ. FT. DRIVE-THRU RESTAURANT AND A 20,422 SQ. FT. SUPERMARKET WITH TYPE 20 (BEER AND WINE) ALCOHOL SALES ON 2.85 ACRES OF VACANT LAND LOCATED AT THE NORTHEAST CORNER OF FIRST STREET AND CESAR CHAVEZ STREET. (APN 778-020-007 AND 778-010-017).
- APPROVE RESOLUTION NO. PC 2021-26 A RESOLUTION OF THE CITY OF COACHELLA PLANNING COMMISSION RECOMMENDING THAT THE CITY COUNCIL APPROVE AMENDMENTS TO ARCHITECTURAL REVIEW 20-03 AND CONDITIONAL USE PERMIT 321 TO ALLOW THE CONSTRUCTION OF A 2,028 SQ. FT. DRIVE-THRU COFFEE SHOP AND A 4,088 SQ. FT. MINI-MARKET WITH ALCOHOL SALES AND 24 HOUR OPERATION ON 3.1 ACRES OF

**A 5.9 ACRES OF VACANT LAND LOCATED AT THE NORTHEAST CORNER OF FIRST STREET AND CESAR CHAVEZ STREET. (APN 778-020-007 AND 778-010-017)**

Subject to modified conditions identified in the Errata presented for Resolution No. PC 2021-25 to include added condition of approval text in bold and deleted text in strikeout:

**Prior to Issuance of Building Permits**

34. Provide a set of proposed Covenants, Conditions and Restrictions (CC&R) for review and approval. The proposed CC&Rs shall contain the Association's/Owner's maintenance obligations with respect to various facilities including, but not limited to, right-of-way and private landscaping, private streets, sidewalks, utilities, street lights, and Water Quality Management Plan (WQMP) features. This document must be submitted to and approved by the City before it is submitted to any other governmental entity. ~~The City of Coachella shall be listed as an express third party beneficiary, be reviewed and approved by the City Attorney's office prior to recordation, and state that the CC&Rs cannot be amended without prior written consent of the City.~~

**Landscaping**

42. The Planning Division may request minor substitutions of plant materials or request additional sizing or quantity of materials during plan check. **Revisions to the landscape plans may occur with administrative approvals by the Development Services Director or designee to ensure overall landscape consistency within the with the existing landscape schedule of the commercial center.**

**Code Enforcement**

- 81. Prior to certificate of occupancy the applicant shall enter into a maintenance agreement for the Fountainhead Plaza commercial center landscape areas, retention basins, developed and undeveloped pads to ensure maintenance in a first class condition.**

Approved the item by the following roll call vote:

- AYES: Vice Chair Navarrete, Chair Virgen, Commissioner Gonzalez, Commissioner Leal, Commissioner Figueroa.
- NOES: None.
- ABSTAIN: None.
- ABSENT: None.

**INFORMATIONAL:**

Gabriel Perez, Development Services Director, reported on:

- Available conferences and training for Commissioners including the League of California Cities Planning Commissioners Academy and the National and State American Planning Association Conferences.
- Future Planning Commission meetings would have Spanish translation available.
- Work with IT to have Planning Commission meetings available on Youtube again.

**ADJOURNMENT:** 6:58 P.M.

Respectfully Submitted by,

Gabriel Perez

Digital signed by Gabriel Perez  
DN: cn=GUS, E=gus@coachella.org,  
ou=City of Coachella, ou=Planning Division  
Development Services Dept, cn=Gabriel  
Perez  
Date: 2022.01.19 21:26:20-08'00'

Gabriel Perez

Planning Commission Secretary

*Complete Agenda Packets are available for public inspection in the  
Development Services Department at 53-990 Enterprise Way, Coachella, California, and on the  
City's website [www.coachella.org](http://www.coachella.org).*

THIS MEETING IS ACCESSIBLE TO PERSONS WITH DISABILITIES

**RESOLUTION NO. 2020-55**

**A RESOLUTION OF THE CITY OF COACHELLA CITY COUNCIL APPROVING CONDITIONAL USE PERMIT NO. 321, CONDITIONAL USE PERMIT NO. 322, AND ARCHITECTURAL REVIEW 20-03 TO ALLOW THE CONSTRUCTION OF A MULTI-TENANT RESTAURANT/RETAIL BUILDING INCLUDING A 2,000 SQ. FT. DRIVE-THRU COFFEE SHOP AND 4,500 SQ. FT. RESTAURANT/OFFICE SPACE, AND A 12-FUELING POSITION CANOPY FOR SERVICE STATION AND A 4,088 SQ. FT. MINI-MARKET WITH ALCOHOL SALES AND 24 HOUR OPERATION ON 3.1 ACRES OF VACANT LAND LOCATED AT THE NORTHEAST CORNER OF FIRST STREET AND CESAR CHAVEZ STREET. (APN 778-020-007 AND 778-010-017) FOUNTAINHEAD DEVELOPMENT (APPLICANT)**

WHEREAS, Fountainhead Development (applicant) has filed Conditional Use Permit No. 321, Conditional Use Permit No. 322, and Architectural Review No. 20-03 to allow for the construction of a multi-tenant restaurant/retail building including a 2,000 sq. ft. drive-thru Coffee Shop and 4,500 sq. ft. restaurant/office space, and a 12-fueling position Canopy for Service Station and a 4,088 sq. ft. mini-market with alcohol sales and 24 hour operations on 3.1 acres of vacant land located at the NEC of Cesar Chavez Street and First Street; and,

WHEREAS, on January 15, 2020 the Planning Commission had a policy discussion on the proposed project and on February 5, 2020 the Planning Commission had a second policy discussion and directed Staff to work with the applicant on the proposed uses and considered the original entitlement under CUP No. 233 and AR No. 07-20 which included auto related uses such as the proposed service station and the proposed drive thru use; and,

WHEREAS, on July 5, 2020 the City gave public notice as required under Government Code Section 66451.3 by mailing notices to property owners within at least 300 feet of the project and publishing a public notice in the Desert Sun of the holding of a public hearing at which the project would be considered; and,

WHEREAS, a public hearing was held to consider CUP No. 321, CUP No. 322, and AR No. 20-03, as well as TPM No. 37940 (as part of the development under separate resolution No. PC2020-07) at a regular Planning Commission meeting, on July 15, 2020 in the Coachella Permit Center located at 53-990 Enterprise Way, Coachella, California; and,

WHEREAS, the proposed project is in conformity with the City's General Plan and appropriate for the affected subject site, and not likely to be detrimental to the adjacent properties or residents; and,

WHEREAS the proposed project is exempt from the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines Section 15332 as an infill development because the project involves development on a site under five acres where the parcel complies with General

Plan policies and zoning regulations; and,

WHEREAS, the proposed project could not adversely affect the general health, safety and welfare of the community.

NOW, THEREFORE, be it resolved, that the City Council of the City of Coachella, California does hereby approve Conditional Use Permit No. 321, Conditional Use Permit No. 322, and Architectural Review No. 20-03, subject to the findings and conditions of approval listed below.

**FINDINGS FOR CUP 321, CUP 322, AND AR 20-03:**

1. The proposed use will not be in conflict with, but will be in harmony with and in accordance with the objectives of the Coachella General Plan 2035, except as recognized that the project has vested rights as to the number of drive-thru restaurants and service stations previously vested under CUP No. 233 and AR No. 07-20. Staff requested direction from the Planning Commission at the June 3, 2015, Planning Commission hearing through a policy discussion item on the agenda. The Commission did find that the proposed drive-thru and service station are in harmony with the immediate vicinity of the proposed site and indicated that any future proposed development on the vacant portion of the site must be in strict compliance with the newly adopted City of Coachella General Plan 2035.
2. The proposed uses will be located, designed, constructed, operated and maintained so as to be compatible with the existing or intended character of the general vicinity and shall not change the essential character of the same area. The proposed project is in compliance with the applicable development standards of the City's Zoning Code. The site plan proposes the construction and operation of a development consisting of a multi-tenant restaurant/retail building including a 2,000 sq. ft. drive-thru Coffee Shop and 4,500 sq. ft. restaurant/office space, and a 12-fueling position Canopy for Service Station and a 4,088 sq. ft. mini-market with alcohol sales and 24 hour operations on 3.1 acres of vacant land, in accordance with section 17.74.010 of the Coachella Municipal Code.
3. Consideration is given to harmony in scale, bulk, coverage and density, to the availability of public facilities and utilities, to harmful effect, if any, upon desirable neighborhood character, to the generation of traffic and the capacity of surrounding streets, and to any other relevant impact of the development. The proposed development consists of a multi-tenant restaurant/retail building including a 2,000 sq. ft. drive-thru Coffee Shop and 4,500 sq. ft. restaurant/office space, and a 12-fueling position Canopy for Service Station and a 4,088 sq. ft. mini-market with alcohol sales and 24 hour operations on 3.1 acres of vacant land which will provide City residents and regional residents with an alternative dining choice and an additional service station with a convenience store which will provide convenience to motorist within the region. The proposed use is compatible with existing adjacent uses which include similar land uses and large commercial development sites.
4. Where the proposed use may be potentially hazardous or disturbing to existing or reasonably expected neighboring uses, it must be justified by the common public interest as a benefit to

the community as a whole. The proposed development will be compatible with the neighboring properties with respect to land development patterns and application of architectural treatments. The plans submitted for this project propose a building with similar architectural features to the adjoining existing architectural theme of the commercial center as well as adjoining commercial development within the immediate vicinity of the proposed site. The surrounding properties to the south and to the east are vacant and can provide for similar commercial development. As such, the proposed buildings will be in keeping with the scale, massing, and aesthetic appeal of the existing neighborhood and future development.

5. The proposed use will include three new vehicular approaches to the property designed to improve off-site and on-site vehicular circulation for existing traffic on surrounding public streets or roads. Evidence of this is reflected in the provided site plan design. The three new proposed drive isles and internal circulation have been reviewed and approved by the Fire Department and the Engineering Department.

**CONDITIONS OF APPROVAL FOR CUP 321, CUP 322 AND AR 20-03:**

1. Conditional Use Permit No. 321, Conditional Use Permit No. 322, and Architectural Review No. 20-03 are approved for 12 months from the effective date of approval unless an extension of time is requested by the applicant and granted by the Planning Commission. Issuance of building permits and pursuit of construction will vest the proposed project which includes all three application mentioned above.
2. Tentative Parcel Map No. 37940 is approved for 24 months from the final date of City Council approval unless a one year time extension is requested by the applicant and approved by the Planning Commission. Exhibit 1 is approved herein by reference. A reciprocal access easement shall be reserved over all common-area driveways and parking lots for the benefits of all lots within Tentative Parcel Map No. 37940. All required drainage easements for benefitted properties using Parcel 7 of Tentative Parcel Map No. 37940 as the servient Parcel, shall be recorded as part of the Final Map.
3. Should the California Department of Alcoholic Beverage Control not issue the Type 20 license within one year, a request for an extension of time may be filed with the Development Services Department. Applications for an extension of time shall be filed prior to the expiration date and pay applicable fees.
4. An open patio trellis shall be provided in front of Pad No. 2 (Coffee Shop) to encourage pedestrian and outdoor activities as encouraged in the Downtown Center Land Use standards. The design shall be an approved design by the Development Services Director or his/her designee.
5. An open patio trellis/Plaza shall be provided at the intersection of First Street and Cesar Chavez Street to encourage pedestrian activities as encouraged in the Downtown Center Land Use standards. The design shall be an approved design by the Development Services Director or his/her designee. The applicant may propose a piece of art as

required with the City's Art in Public Places Ordinance. The City's "bronze eagle" or comparable statuary may be incorporated into the Plaza design, subject to an arts procurement agreement.

6. The applicant shall be required to comply with the City's Art in Public Places Ordinance. If the applicant elects to place artwork on the project site, the applicant shall place artwork in outdoor areas of the private property accessible to the public in a manner satisfactory to the Public Arts Commission. If the applicant elects to pay in-lieu art fees, then the fees shall be deposited into the Public Arts Fund at an amount of (1) One-half (1/2) of one percent (1%) for new commercial and industrial construction.

### **Final Map**

7. The Final Map shall comply with the Subdivision Map Act and City of Coachella Subdivision Ordinance.
8. Prior to submittal of the final map to the City Council for approval, the applicant shall post securities (Bonds) to guarantee the installation of required improvements and a Subdivision Improvement Agreement shall be submitted to Engineering Division for City Engineer and City Attorney approval.
9. Prior to approval of the Final Map, the applicant shall resolve CVWD issues related to existing tile drains or irrigation mains located within the tract boundary or along the streets adjacent to the tract. If necessary, tile drains and irrigation lines shall be relocated and easement documents prepared for the new location of any such lines. The easement shall be shown on the final map. Plans for the tile drain or irrigation relocation shall be submitted to CVWD for approval and a copy of the plans shall be submitted to the City for evaluation regarding possible conflict with City facilities. The applicant shall submit to the City approved copies of any such relocation plans.
10. Proof of any and all easement abandonment shall be provided to the satisfaction of the City Engineer.
11. The construction shall be in conformance with the plans submitted and conditions imposed herein for Conditional Use Permits and Architectural Review. This shall include the materials and colors as shown on the approved plans and the material sample board submitted as part of this application.
12. All plans, as shown, are considered "conceptual," subject to revisions as called out by the conditions of this resolution. The plans shall not be stamp-approved until all conditions requesting revisions have been satisfied during the building plan check process. Any substantial changes to the plans, including changes shown on future building permit plans deemed by staff to not be within substantial conformance with this approval, will require an amendment to the approval of Architectural Review No. 20-03, including architectural features, materials, and site layout.

13. The project shall comply with all applicable codes, laws and regulations, regardless of whether they are listed in these conditions. This includes conformance with the requirements of the adopted California Building Codes and related ordinances, including all requirements of the South Coast Air Quality Management District, the Riverside County Fire Department and any requirements by any other agency having jurisdiction on the project.
14. The applicant will agree to defend and indemnify the City of Coachella against all claims, actions, damages, and losses, including attorney fees and costs, in the event that anyone files legal challenges to the approval of this project on the basis of the California Environmental Quality Act (CEQA). Prior to the issuance of building permits, the applicant shall execute a standard indemnification agreement subject to review by the City Attorney.
15. Five (5) sets of copies of check prints. The applicant shall pay all necessary plan check, permit, and inspection fees. Fees will be determined when plans are submitted to the City Engineering Department for plan check.
16. The applicant shall pay plan check fees at 750.00 per sheet of improvement plans and \$350 for PM 10 plan.

### **Engineering Grading and Drainage**

17. A preliminary soils report shall be prepared for the project by an appropriately licensed professional engineer. At a minimum, the soils report shall provide specific analyses and recommendations for grading, pavement structural sections, and infiltration.
18. A precise grading/improvement plan, prepared by a California Registered Civil Engineer, shall be submitted for review and approval by the City Engineer prior to issuance of any permits. A final soils report, compaction report and rough grading certificate shall be submitted and approved prior to issuance of any building permits.
19. Plans shall show reciprocal easements access between proposed parcels.
20. A comprehensive drainage report, prepared by California Registered Civil Engineer, shall be submitted for review and approval by the City Engineer prior to issuance of any permits. The report shall contain pre- and post-development hydrology maps showing on-site and off-site tributary drainage areas and shall be prepared in accordance with the requirements of the Riverside County Flood Control District. Adequate provisions shall be made to accept and conduct the existing tributary drainage flows around or through the site in a manner which will not adversely affect adjacent or downstream properties. If the design of the project includes a retention basin, it shall be sized to contain the runoff resulting from a 10-year storm event and the runoff from a 100-year storm event shall be contained within basin with shallow ponding (3.5' max.). The basin shall be designed to evacuate a 10-year storm event within 72 hours. The size of the retention basin(s) shall be determined by the hydrology report and be approved by the City Engineer. Retention

basin shall be provided with a minimum of 2.00 feet sandy soil if determined to contain silt or clay materials. Maximum allowable percolation rate for design shall be 10 gal./s.f./day unless otherwise approved by the City Engineer. A percolation test for this site is required to be submitted. A combination drywell vertical drain field shall be constructed at all points where runoff enters the retention basin. Drywell & vertical drain field design shall be based on soils borings made at the proposed locations after the retention basins have been rough graded. A log that includes sieve analysis for each strata of the borings shall be submitted to the City Engineer for confirmation of depth of the vertical drain fields. Underground retention under the proposed parking area will be considered as an alternative to surface retention subject to the approval of the City Engineer.

21. A storm water quality management plan shall be prepared for the project by California Registered Civil Engineer in compliance with NPDES and State Water Quality Control Board regulations. The project shall be designed to specify preferential use of Low Impact Development Best Management Practices that reduce pollutants and runoff volume.
22. Applicant shall comply with the regional NPDES permit requirements including but not limited to submittal of a WQMP for plan review accompanied by a \$3,000 plan check deposit for approval including executed maintenance agreement. All unused plan check fees will be refunded to the applicant upon approval of the Final WQMP.
23. The developer shall submit a Fugitive Dust Control and Erosion Control plan in accordance with Guidelines set forth by CMC and SCAQMD to maintain wind and drainage erosion and dust control for all areas disturbed by grading. Exact method(s) of such control shall be subject to review and approval by the City Engineer. No sediment is to leave the site. Additional securities, in bond form, in amount of \$2,000.00 per acre of gross area, and a one-time cash deposit of \$2,000.00 are required to insure compliance with this requirement. No work may be started on or off site unless the PM-10 plan has been approved, the original plans, and executed dust control agreement, are filed in the engineering department at the City of Coachella.
24. Applicant shall submit for review and approval by the City Engineer all documents related to any existing and proposed on-site and off-site easements that may affect the development of the site. All easements shall be identified on the engineering plans.
25. Site access improvements shall be in conformance with the requirements of Title 24 of the California Administrative Code. This shall include access ramps for off-site and on-site streets as required.
26. Applicant shall obtain approval of site access and circulation from Fire Marshall.
27. The applicant shall pay all necessary plan check, permit and inspection fees. Fees will be determined when plans are submitted to the City Engineering Department for plan check.

28. If applicant is planning to build a wall, separate permits shall be required for wall construction. The maximum height of any wall shall be limited to six (6) feet as measured from an average of the ground elevations on either side.

### **Rough Grading**

29. Prepare and submit rough grading and erosion control plans for the project.
30. The project's soils engineer shall certify to the adequacy of the grading plan.
31. All projects developing one (1) acre or more of total land area, or which are part of a larger phased development that will disturb one acre of land, are required to obtain coverage under the State Water Resources Control Board's (SWRCB) General Permit for storm water discharges associated with construction activity. Proof of filing a Notice of Intent (NOI) with the SWRCB for coverage under this permit is required. The Waste Discharger's Identification Number (WDID), issued by the SWRCB, must be shown on the grading plans. The project's Storm Water Pollution Prevention Plan shall be submitted for the City's review and approval.

### **Precise Grading**

32. A precise grading/improvement plan, prepared by a California Registered Civil Engineer, showing building footprints, pad elevations, finished grades, drainage routes, retaining walls, erosion control, slope easements, and all other pertinent information shall be submitted for review and approval by the City Engineer.
33. Rough grading shall be certified by the project soils engineer prior to issuance of a permit for precise grading or building construction.
34. Provide and record a reciprocal use and maintenance agreement to assure common ingress and egress and joint maintenance of all common access, parking areas and drives.

### **Street Improvements**

35. Condition deleted.
36. Street improvement plans prepared by a California Registered Civil Engineer shall be submitted for review and approval by the City Engineer. All street improvements including street lights shall be designed and constructed in conformance with City Municipal Code, General Plan, and Standards and Specifications. Street flow line grade shall have a minimum slope of 0.35 %.
37. Applicant shall construct all off-site and on-site improvements including street pavement, curb, gutter, sidewalk, street trees, perimeter walls, perimeter landscaping and irrigation, storm drain, street lights, and any other incidental works necessary to complete the

improvements. Driveways shall conform to City of Coachella standards for commercial driveways with a minimum width of 24.00 feet and curbed radius entrances.

38. Public improvements along the project's frontage shall include repair and construction of pavement, curb, gutter, and sidewalk necessary for compliance with current standards and ADA requirements.

### **Sewer and Water Improvements**

39. Sewer & Water Improvement Plans prepared by a California Registered Civil Engineer shall be submitted for engineering plan check and City Engineer approval.
40. Applicant shall construct all off-site and on-site water improvements and any other incidental works necessary to complete the improvements. Size and location of sewer and water improvements shall be approved by the City Engineer.

### **Prior to Issuance of Building Permits**

41. A final soils report, compaction report and rough grading certificate shall be submitted and approved prior to issuance of any building permits.
42. Provide a set of proposed Covenants, Conditions and Restrictions (CC&R) for review and approval. The proposed CC&Rs shall contain the Association's/Owner's maintenance obligations with respect to various facilities including, but not limited to, right-of-way and private landscaping, private streets, sidewalks, utilities, on-site lighting, and Water Quality Management Plan (WQMP) features. This document must be submitted to and approved by the City before it is submitted to any other governmental entity.
43. Prior to issuance of building permits, all required public improvements, including landscaping and lighting of the retention basins, and landscaped areas along the exterior streets, shall be completed or secured with appropriate sureties to the satisfaction of the City Engineer. An engineering final inspection is required. "As-built" plans shall be submitted to and approved by the City Engineer. Prior to acceptance of the improvements by the City, such plans, once approved, shall be given to the city on compact disk in AutoCad format. All off-site and on-site improvements shall be completed to the satisfaction of the City Engineer prior to acceptance of improvements for maintenance by the City.
44. The applicant's Civil Engineer shall field verify and certify that all BMPs are designed, constructed, and functional in accordance with the approved WQMP.

### **Prior to Release of Occupancy Permits/Acceptance of Public Improvements**

45. Temporary Certificates of occupancy may be issued to allow businesses to open, prior to, all public improvements, including landscaping and lighting of the retention basins, and

landscaped areas along the exterior streets, shall be completed to the satisfaction of the City Engineer. An engineering final inspection is required. "As-built" plans shall be submitted to and approved by the City Engineer. Prior to acceptance of the improvements by the City, such plans, once approved, shall be given to the city on compact disk in AutoCad format. All off-site and on-site improvements shall be completed to the satisfaction of the City Engineer prior to acceptance of improvements for maintenance by the City.

**Riverside County Fire Department:**  
**GENERAL CONDITIONS**

46. For any buildings with public access, provide or show a water system capable of delivering a fire flow 1500 gallons per minute for 2 hours duration at 20 psi residual operating pressure, which must be available before any combustible material is placed on the construction site. CFC 2013 Edition Section Table B105.1.
47. Prior to building plan approval and construction, applicant/developer shall furnish two copies of the water system fire hydrant plans to Fire Department for review and approval. Plans shall be signed by a registered civil engineer, and shall confirm hydrant type, location, spacing, and minimum fire flow. Once plans are signed and approved by the local water authority, the originals shall be presented to the Fire Department for review and approval.
48. Prior to issuance of building permits, the water system for fire protection must be provided as approved by the Fire Department and the local water authority.
49. Prior to building plan approval and construction, applicant/developer shall furnish two copies of the water system fire hydrant plans to Fire Department for review and approval. Plans shall be signed by a registered civil engineer, and shall confirm hydrant type, location, spacing, and minimum fire flow. Once plans are signed and approved by the local water authority, the originals shall be presented to the Fire Department for review and approval.
50. Prior to issuance of building permits, the water system for fire protection must be provided as approved by the Fire Department and the local water authority.
51. Blue dot retro-reflectors pavement markers on private streets, public streets and driveways to indicated location of the fire hydrant. 06-05 (located at [www.rvcfire.org](http://www.rvcfire.org)).
52. Fire Apparatus access road shall be in compliance with the Riverside County Fire Department Standard number 06-05 (located at [www.rvcfire.org](http://www.rvcfire.org)). Access lanes will not have an up, or downgrade of more than 15%. Access lanes will be designed to withstand the weight of 80 thousand pounds over 2 axles. Access will have a turning radius capable of accommodating fire apparatus. Access lane shall be constructed with a surface so as to provide all weather driving capabilities.

53. An approved Fire Department access key lock box shall be installed next to the approved Fire Department access door to the building. If the buildings are protected with an alarm system, the lock box shall be required to have tampered monitoring. Required order forms and installation standards may be obtained at the Fire Department.
54. Any turn-around requires a minimum 38-foot turning radius. All structures shall be accessible from an approved roadway to within 150 feet of all portions of the exterior of the first floor.
55. All structures shall be accessible from an approved roadway to within 150 feet of all portions of the exterior of the first floor.
56. The minimum dimensions for access roads and gates is 20 feet clear and unobstructed width and a minimum vertical clearance of 13 feet 6 inches in height.
57. The applicant or developer shall prepare and submit to the Fire Department for approval, a site plan designating required fire lanes with appropriate lane printing and/or signs.

**Imperial Irrigation District:**

58. The applicant shall meet and confirm any construction or operation on IID property or within its existing and proposed right-of-way or easements will require an encroachment permit, including but not limited to: surface improvements such as proposed new streets, driveways, parking lots, landscape; and all water, sewer, storm water, or any other above ground or underground utilities (e.g. power lines). The applicant shall submit proof of compliance with any requirements by IID.
59. Any and all mitigation necessary as a result of the construction, relocation and/or upgrade of IID facilities is the responsibility of the project proponent.

**Utilities:**

60. The applicant shall ensure that a Source Control “Short Form” has been completed by the applicant, turned into Source Control, reviewed and all modifications have been completed prior to issuance of a Certificate of Occupancy.
61. The applicant shall ensure that adequate fire protection is included and the public water supply is protected with a “Double Check Detector Assembly” (DCDA) or greater on all fire water lines to commercial/industrial facilities.
62. The applicant shall ensure that a “Reduced Pressure Principle Back-Flow Prevention Assembly” (RP) is correctly installed within 12” of all water meters servicing landscape, commercial and/or industrial facilities.
63. The applicant shall ensure that all landscape is on a separate water meter with a “Reduced Pressure Principle Back-Flow Prevention Assembly” (RP) ensuring the establishment is

not assessed sewer fees for water used on landscape.

64. The applicant shall submit all mechanical and plumbing plans to Source Control for review to determine if an oil/grease interceptor is required, proper sizing is established and sample box is included, if constructed.
65. All facilities and landscape plumbing which have water or wastewater (sewer) services are required to obtain approval from the Environmental Compliance (Source Control), Water and Sanitary Sewer Divisions prior to receipt of the Certificate of Occupancy. This includes but is not limited to new construction and/or tenant improvements.
66. If a fire suppression system is to be installed, it must be conducted to a dedicated fire suppression system not the domestic drinking water system. Separation by an RP is acceptable prior to obtaining the C of O.

**Coachella Valley Water District:**

67. Applicant must comply with Coachella Valley Water District regulations pertaining to irrigation infrastructure protect-in-place practices, relocation or abandonment of infrastructure, if needed.

**Coachella Valley Unified School District:**

68. The applicant shall pay all applicable mitigation fees as required by the Coachella Valley Unified School District prior to issuance of a building permit. The fee has been established at \$0.54 square foot for all commercial/industrial construction; however, it is subject to change without prior notice.

**Riverside County Environmental Health Department:**

69. Applicant must comply with the Riverside County of Environmental Health Department.
70. Prior to the issuance of a building permit, the applicant shall pay all Development Fees to the City; this also includes school fees and outside agency fees such as sewer water and utilities. Copies of receipts shall be provided to the Development Services Department prior to permit issuance.
71. The applicant shall be responsible for paying all applicable development and processing (plan check, inspection, etc.) fees associated with this project.
72. The applicant shall pay all required water connection fees.
73. The applicant shall be required to pay the Multiple Species Habitat Conservation (MSHCP) fees for commercial development prior to issuance of building permits.
74. The project is subject to payment of all commercial development impact fees whether or

not explicitly stated in other conditions of approval or the environmental mitigation measures for the subject project.

**Landscaping and Fencing:**

75. Final landscaping and irrigation plans shall be submitted to the Development Services Department for review and approval. Said plans shall conform to the landscaping plan submitted as part of the subject Architectural Review, and as conditioned herein.
76. Prior to the issuance of building permits, the applicant shall submit detailed landscaping and irrigation plans for review and approval by the City's Engineering Department and

**Development Services Department.**

77. Landscaping and irrigation shall be provided in accordance with Section 17.54.010(J) of the Municipal Code and in accordance with the State Model Water Efficient Landscape Ordinance (AB 1881). Water budget calculations, including the Maximum Applied Water Allowance (MAWA) and Estimated Total Water Use (ETWU) shall be provided as part of the landscaping and irrigation plan.
78. The landscape plans shall provide for minimum 5-gallon groundcover plants, 5-gallon shrubs, for all plantings shown on the approved site plan. All new plantings and all existing plants and trees shall be irrigated with an automatic and durable drip irrigation system.
79. Any new landscaped areas that have been disturbed shall be dressed with a minimum 2-inch layer of compacted and/or glue-bonded decomposed granite that cannot be wind driven. A weed barrier underlayment shall be placed under the decomposed granite.
80. Plant materials selection should be represented by symbols that show the plants at 75% of their mature size. The developer shall incorporate Washingtonia filifera palm trees along the frontage of Cesar Chavez Street to match the existing Walgreens/Taco Bell/McDonalds center.
81. A minimum of 10 California or Mexican Fan Palms with a minimum 10 to 15 foot brown trunk height shall be planted at the intersection of First Street and Cesar Chavez Street.
82. Full diamond planters shall be provided at every four (4) parking stalls where parking stalls are facing each other, half diamonds also at every four (4) parking stalls where parking stalls are not facing each other such as in front of buildings and any perimeter landscaping.
83. The proposed landscape shall be in conformance with the City's Landscape Development Guidelines and should include water-efficient plantings as encouraged for the commercial development. A detailed landscape and irrigation plan shall be

submitted that addresses landscape requirements for the project site. All landscaping shall fulfill the general requirements of the Coachella Municipal Code Chapter 17.54 as follows:

- a. Internal landscaping equal to a minimum of five percent 5% of the parking area and driveway area is required and shall be distributed throughout the parking area.
  - b. All landscape planter beds in interior parking areas shall be not less than five (5) feet in width and bordered by a concrete curb not less than six (6) inches nor more than eight (8) inches in height adjacent to the parking surface. The landscaped planter along the north side of the drive-thru lane shall be a minimum of five feet in width.
  - c. Where a drive aisle abuts the side of a parking space a landscaped planter shall separate the parking space from the drive aisle.
  - d. At least one (1) fifteen (15) gallon tree shall be provided within the parking area for every ten (10) parking spaces, with size, height and species acceptable to staff.
  - e. All internal landscape planters shall have permanent and automatic sprinkler or drip irrigation systems.
84. Where any parking area or driveway abuts a street, there shall be a minimum setback of ten (10) feet from the public right-of-way that shall be fully landscaped and irrigated.
85. The applicant shall submit a lighting plan for all exterior parking, landscape and driveway areas during plan check.

**Project Design:**

86. Prior to the issuance of building permits, all exterior architectural features and treatments shall be consistent with the submitted Architectural Review No. 20-03 elevations and color/material board samples and shall be included and noted on all construction plans and elevations, subject to review and approval.
87. All exposed metal flashing, downspouts, or utility cabinets shall be painted to match the building prior to final inspection.
88. Trash enclosures installed for the project shall be compatible architecturally with the building. The enclosure shall be constructed to Burrtec Waste Management Standards and an open trellis shall be incorporated on all three proposed trash enclosures.
89. All roof mounted mechanical equipment shall be view obscured by a parapet wall greater in height than the equipment installed. Ground mounted mechanical equipment shall be view obscured by landscaping or enclosure.

**PASSED, APPROVED and ADOPTED** this 14<sup>th</sup> day of October 2020.



Steven A. Hernandez  
Mayor

**ATTEST:**



Angela M. Zepeda  
City Clerk

**APPROVED AS TO FORM:**



Carlos Campos  
City Attorney

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

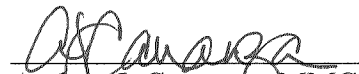
**I HEREBY CERTIFY** that the foregoing Resolution No. 2020-55 was duly adopted by the City Council of the City of Coachella at a regular meeting thereof, held on the 14<sup>th</sup> day of October 2020 by the following vote of Council:

AYES:           Councilmember Gonzalez, Mayor Pro Tem Martinez, and Mayor Hernandez.

NOES:           None.

ABSENT:       None.

ABSTAIN:       Councilmember Bautista and Councilmember Beaman Jacinto.

  
\_\_\_\_\_  
Andra J. Carranza, MMC  
Deputy City Clerk

**RESOLUTION NO. 2020-56**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COACHELLA CALIFORNIA, APPROVING TENTATIVE PARCEL MAP NO. 37940 TO SUBDIVIDE 8.25 ACRES OF VACANT LAND (APN 778-020-007 & 778-010-017) INTO SEVEN PARCELS FOR FINANCING AND DEVELOPMENT PHASING PURPOSES ON COMMERCIAL PROPERTY LOCATED AT THE NORTHEAST CORNER OF FIRST STREET AND CESAR CHAVEZ STREET. COACHELLA RETAIL REALTY ASSOCIATES, LP, APPLICANT.**

WHEREAS, Coachella Retail Realty Associates, LP filed an application for Tentative Parcel Map No. 37940 and entitlements for a new service station, multi-tenant retail building, and drive-thru coffee shop which included a proposed subdivision of approximately 8.25 acres of vacant land into seven (7) parcels, located on the northeast corner of First Street and Cesar Chavez Street, more particularly described in Exhibit “A” attached hereto and made a part hereof; and,

WHEREAS, the City has processed said application pursuant to the Subdivision Map Act (commencing with Section 64600, Title 7 of the Government Code and the California Environmental Quality Act of 1970) as amended; and,

WHEREAS, on July 15, 2020, the Planning Commission of the City of Coachella held a duly noticed and published Public Hearing and considered the Tentative Parcel Map as presented by the applicant, adopting the finding, conditions, and staff recommendations; and,

WHEREAS, the Planning Commission does recommend the approval to the City Council of Tentative Parcel Map No. 37940, subject to the recommended findings and conditions of approval contained in the staff report and contained herein; and,

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Coachella, California, California does HEREBY APPROVE Tentative Parcel Map No. 37940 with the findings and conditions listed below.

**Findings for Tentative Parcel Map 37940**

1. The proposed tentative map is consistent with the General Plan and the City of Coachella Official Zoning Map. The proposed subdivision is within a land use designation of Downtown Center according to the General Plan 2035 Land Use Element which allows for the proposed commercial uses. The subdivision is consistent with the development standards permitted by the Downtown Center, with the exception of the auto related uses for which the Planning Commission found to be approved uses under the original entitlement of the subject site (CUP No. 233 and AR No. 07-20). Tentative Parcel Map 37940 is in compliance with the standards of the Zoning Ordinance with respect to the G-C (General Commercial) including minimum lot size, minimum lot depth, and minimum lot width. Additionally, This subdivision will accommodate for a variety of commercial uses

and is consistent with the City's vision for this area to be developed with commercial uses to serve the adjacent urban residential uses by providing close proximity to commercial amenities.

2. The site is physically suitable for the future commercial development and density. The proposed subdivision will provide adequate sized lots for a phased commercial development. The seven (7) proposed lots will have adequate dimensions, and ingress and egress to accommodate future development by access drives and internal circulation for ingress and egress and reciprocal access on the existing driveways.
3. The design of the subdivision and type of improvements are not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat. There are no sensitive habitats or bodies of water in the immediate vicinity of the site. For future development proposed on the site, all drainage from increased impervious material on the site will be contained on site for a 100-year storm event, as required by City regulations. As such there would be no impact to the Coachella Valley Whitewater Channel which is more than one mile away from the site.
4. The design of the subdivision and type of improvements are not likely to cause any serious public health problems. The proposed subdivision would allow for future development of commercial uses intended and identified in the General Plan and the zoning code. All future development would be reviewed for compliance with applicable California Building Code regulations prior to issuance of any building permits.
5. The design of the subdivision and type of improvements will not conflict with easements, acquired by the public at large, for access through or use of, property within the proposed subdivision. The proposed subdivision would create seven (4) additional lots for future commercial development with adequate street access, and utility connections to all lots.
6. The City of Coachella has determined that the proposed project qualifies for a CEQA exemption under Section 15332. Class 32 consists of projects characterized as in-fill development meeting the conditions described in this section; (a) The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations; (b) The proposed development occurs within city limits on a project site where no more than five acres are to be developed and substantially surrounded by urban uses; (c) The project site has no value as habitat for endangered, rare or threatened species; (d) Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality; (e) The site can be adequately served by all required utilities and public services. Therefore, the City has acknowledged that the project is exempt from CEQA. As such, there are not additional mitigation measures required and no additional environmental reviews for the subdivision to be approved.

**Conditions of Approval for TPM No. 37940:**

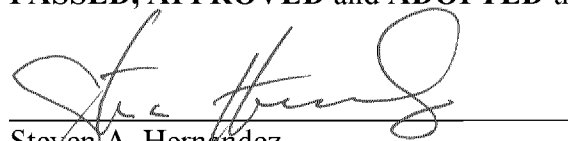
1. Tentative Parcel Map No. 37940 is approved for the Fountainhead Development Project

for a two-year period from the effective date unless an extension of time is requested by the applicant and granted by the Planning Commission. A building permit and diligent pursuit of construction shall vest the conditional use permit. Violation of any of the conditions of approval shall be cause for revocation of the Conditional Use Permits and architectural Review.

### **Final Map**

2. The Final Map shall be submitted to the City Engineering Department for plan check and final approval prior to recordation.
3. The final map shall comply with the Subdivision Map Act and City of Coachella Subdivision Ordinance.
4. All public streets shall be dedicated to City of Coachella.
5. Prior to submittal of the final map to the City Council for approval, the applicant shall post securities (Bonds) to guarantee the installation of required improvements and a Subdivision Improvement Agreement shall be submitted to Engineering Division for City Engineer and City Attorney approval.
6. Prior to approval of the Final Map, the applicant shall resolve CVWD issues related to existing tile drains or irrigation mains located within the tract boundary or along the streets adjacent to the tract. If necessary, tile drains and irrigation lines shall be relocated and easement documents prepared for the new location of any such lines. The easement shall be shown on the final map. Plans for the tile drain or irrigation relocation shall be submitted to CVWD for approval and a copy of the plans shall be submitted to the City for evaluation regarding possible conflict with City facilities. The applicant shall submit to the City approved copies of any such relocation plans.
7. Proof of any and all easement abandonment shall be provided to the satisfaction of the City Engineer.


**PASSED, APPROVED and ADOPTED** this 14<sup>th</sup> day of October 2020.

  
Steven A. Hernandez  
Mayor

**ATTEST:**

  
Angela M. Zepeda  
City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Carlos Campos  
City Attorney

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

**I HEREBY CERTIFY** that the foregoing Resolution No. 2020-56 was duly adopted by the City Council of the City of Coachella at a regular meeting thereof, held on the 14<sup>th</sup> day of October 2020 by the following vote of Council:

AYES:           Councilmember Gonzalez, Mayor Pro Tem Martinez, and Mayor Hernandez.

NOES:           None.

ABSENT:       None.

ABSTAIN:      Councilmember Bautista and Councilmember Beaman Jacinto.

  
\_\_\_\_\_  
Andrea J. Carranza, MMC  
Deputy City Clerk



**RESOLUTION NO. PC2021-25**

**A RESOLUTION OF THE CITY OF COACHELLA PLANNING COMMISSION APPROVING CONDITIONAL USE PERMIT NO. 346, CONDITIONAL USE PERMIT NO. 347, AND ARCHITECTURAL REVIEW 21-12 TO ALLOW THE CONSTRUCTION OF A 2,600 SQ. FT. DRIVE-THRU RESTAURANT AND A 20,422 SQ. FT. SUPERMARKET WITH TYPE 20 (BEER AND WINE) ALCOHOL SALES ON 2.85 ACRES OF VACANT LAND LOCATED AT THE NORTHEAST CORNER OF FIRST STREET AND CESAR CHAVEZ STREET. (APN 778-020-007 AND 778-010-017) COACHELLA RETAIL REALTY ASSOCIATES, LP (APPLICANT).**

**WHEREAS** Coachella Retail Realty Associates, LP filed an application for Conditional Use Permit (CUP 346), CUP 347, Architectural Review (AR) 21-12 and amendments to CUP 321, AR 20-03, and Tentative Parcel Map (TPM) 37940 to allow the construction of a 2,028 sq. ft. drive-thru coffee shop, 2,600 sq. ft. drive-thru restaurant, and a 20,422 sq. ft. supermarket located at the northeast corner of First Street and Cesar Chavez Street (APN 778-020-007 and 778-010-017); and,

**WHEREAS** on December 15, 2021 and January 5, 2022, the Planning Commission of the City of Coachella held a duly noticed public hearing on the subject application, considered written and oral comments, and facts and evidence presented by the applicant, City staff, and other interested parties; and

**WHEREAS** the proposed use is necessary or desirable for the development of the community, is consistent with the objectives of the City's General Plan, and is not detrimental to the existing uses or the uses specifically permitted in the zone in which the proposed use is to be located; and,

**WHEREAS** the proposed site is adequate in size and shape to accommodate the proposed development; and,

**WHEREAS**, the Planning Division completed an initial environmental assessment of the above matter and in accordance with the California Environmental Quality Act (CEQA) recommends the Planning Commission determine the project will not result in any new environmental effects that were not previously analyzed as part of the original project under Environmental Initial Study 07-16 on May 7, 2008 for Fountainhead Plaza for all phases of the project.

**WHEREAS** the conditions as stipulated by the City are necessary to protect the public health, safety and welfare of the community.

**NOW, THEREFORE, BE IT RESOLVED**, that the Planning Commission of the City of Coachella, California hereby resolve as follows:

**Section 1.**      Incorporation of Recitals

The Planning Commission hereby finds that all of the facts in the Recitals are true and correct and are incorporated and adopted as findings of the Planning Commission as fully set forth in this resolution.

## **Section 2.** CEQA Findings

Based upon its review of the entire record, including the Staff Report, any public comments or testimony presented to the Planning Commission, and the facts outlined below, the Planning Commission hereby finds and determines that the proposed project will not result in any new environmental effects that were not previously analyzed as part of the original project under Environmental Initial Study 07-16 on May 7, 2008 for Fountainhead Plaza for all phases of the project.

## **Section 3.** Conditional Use Permit (CUP 346) and Architectural Review Findings

With respect to Conditional Use Permit (CUP) 346 and Architectural Review 21-12, the Planning Commission finds as follows for the proposed for the 2,600 sq. ft. drive-thru restaurant and the 20,422 sq. ft. supermarket:

1. The Conditional Use Permit and Architectural Review is consistent with the goals, objectives, policies, and implementation measures of the Coachella General Plan 2035, except as recognized that the project has vested rights to the development of drive-thru restaurants and service stations previously vested under CUP No. 233 and AR No. 07-20. Staff requested direction from the Planning Commission at the June 3, 2015, Planning Commission hearing through a policy discussion item on the agenda. The Commission did find that the proposed drive-thru and service station are in harmony with the immediate vicinity of the proposed site and indicated that any future proposed development on the vacant portion of the site must be in strict compliance with the newly adopted City of Coachella General Plan 2035. The site has a Downtown Center land use designation that allows for a range of retail uses. The proposed uses on the site are in keeping with the policies of the Downtown Center land use classification and the Project is internally consistent with other General Plan policies for this type of development.
2. The proposed uses will be located, designed, constructed, operated and maintained so as to be compatible with the existing or intended character of the general vicinity and shall not change the essential character of the same area. The proposed project is in compliance with the applicable development standards for the C-G (General Commercial) Zoning District of the City's Zoning Code. The site plan proposes the construction and operation of a development consisting of a 2,600 sq. ft. drive-thru restaurant and 20,422 sq. ft. supermarket, on 2.85 acres of vacant land of a 5.9 acre site within Tentative Parcel Map 37940, in accordance with section 17.74.010 of the Coachella Municipal Code. The drive-thru restaurant can accommodate 10 vehicles in drive-thru lane and satisfies the City's minimum stacking requirement of 8 vehicles.
3. Consideration is given to harmony in scale, bulk, coverage and density, to the availability of public facilities and utilities, to harmful effect, if any, upon desirable neighborhood character, to the generation of traffic and the capacity of surrounding streets, and to any other relevant impact of the development. The proposed project is in compliance with the applicable

development standards for the C-G (General Commercial) Zoning District of the City's Zoning Code. The proposed development consists a 2,600 sq. ft. drive-thru restaurant and 20,422 sq. ft. supermarket, on 2.85 acres of vacant land of a 5.9 acre site which will provide City residents and regional residents with an alternative dining choice and an additional service station with a convenience store which will provide convenience to motorist within the region. The proposed use is compatible with existing adjacent uses which include similar land uses and large commercial development sites.

4. The Project will be compatible with neighboring properties with respect to land development patterns. The proposed development would development according to the development standards of the C-G Zone at a scale, massing, and aesthetic appeal of existing development is in keeping with development of neighboring properties.
5. The proposed use will include three new vehicular approaches to the property designed to improve off-site and on-site vehicular circulation for existing traffic on surrounding public streets or roads. Evidence of this is reflected in the provided site plan design. The three new proposed drive aisles and internal circulation have been reviewed and approved by the Fire Department and the Engineering Department.

#### **Section 4.** Conditional Use Permit Findings – CUP 347

With respect to Conditional Use Permit (CUP) 347, the Planning Commission finds as follows for the proposed for Type 20 Off-Sale Beer and Wine at the 20,442 sq. ft. supermarket:

1. The Conditional Use Permit is consistent with the goals, objectives, policies, and implementation measures of the Coachella General Plan 2035, except as recognized that the project has vested rights to the development of drive-thru restaurants and service stations previously vested under CUP No. 233 and AR No. 07-20. Staff requested direction from the Planning Commission at the June 3, 2015, Planning Commission hearing through a policy discussion item on the agenda. The Commission did find that the proposed drive-thru and service station are in harmony with the immediate vicinity of the proposed site and indicated that any future proposed development on the vacant portion of the site must be in strict compliance with the newly adopted City of Coachella General Plan 2035. The site has an Downtown Center land use designation that allows for a range of retail uses. The proposed uses on the site are in keeping with the policies of the Downtown Center land use classification and the Project is internally consistent with other General Plan policies for this type of development.
2. The proposed uses will be located, designed, constructed, operated and maintained so as to be compatible with the existing or intended character of the general vicinity and shall not change the essential character of the same area. The proposed project is in compliance with the applicable development standards for the C-G (General Commercial) Zoning District of the City's Zoning Code. The site plan proposes the construction and operation of a development consisting of a 2,600 sq. ft. drive-thru restaurant and 20,422 sq. ft. supermarket, on 2.85 acres of vacant land of a 5.9 acre site within Tentative Parcel Map 37940, in accordance with section 17.74.010 of the Coachella Municipal Code.
3. Consideration is given to harmony in scale, bulk, coverage and density, to the availability of

public facilities and utilities, to harmful effect, if any, upon desirable neighborhood character, to the generation of traffic and the capacity of surrounding streets, and to any other relevant impact of the development. The proposed project is in compliance with the applicable development standards for the C-G (General Commercial) Zoning District of the City's Zoning Code. The proposed development consists a 2,600 sq. ft. drive-thru restaurant and 20,422 sq. ft. supermarket, on 2.85 acres of vacant land of a 5.9 acre site which will provide City residents and regional residents with an alternative dining choice and an additional service station with a convenience store which will provide convenience to motorist within the region. The proposed use is compatible with existing adjacent uses which include similar land uses and large commercial development sites.

4. The Project will be compatible with neighboring properties with respect to land development patterns. The proposed development would development according to the development standards of the C-G Zone at a scale, massing, and aesthetic appeal of existing development is in keeping with development of neighboring properties.
5. The proposed use will include three new vehicular approaches to the property designed to improve off-site and on-site vehicular circulation for existing traffic on surrounding public streets or roads. Evidence of this is reflected in the provided site plan design. The three new proposed drive aisles and internal circulation have been reviewed and approved by the Fire Department and the Engineering Department.
6. Although the Aldi supermarket Type 20 Off-Sale Beer and Wine establishment does fall within seven hundred (700) feet, measured from property line to property line, of a use for religious worship (Centro Catolico Martin Ortiz), and residential use, the benefit of the supermarket outweighs the distance restrictions and the public convenience or necessity is justified to issue the off-sale beer and wine license as the supermarket will offer a wide selection of food products, will increase the availability of fresh produce to Coachella residents and provide goods at a location within walking distance from surrounding neighborhoods in keeping with the walkable character promoted by the Downtown Center land use designation for the Coachella General Plan 2035.
7. Although the Aldi supermarket Type 20 Off-Sale Beer and Wine establishment does fall within seven hundred (700) feet, measured from property line to property line, of an existing liquor, off-sale use (Walgreens, 99 Cent Store, and Cardenas market) the benefit of the supermarket outweighs the distance restrictions and the public convenience or necessity is justified to issue the off-sale beer and wine license as the supermarket will offer a wide selection of food products, will increase the availability of fresh produce to Coachella residents and provide goods at a location within walking distance to the immediate neighborhood not provided by another existing establishment in keeping with the walkable character promoted by the Downtown Center land use designation for the Coachella General Plan 2035. A condition of approval for CUP 347 requires that not greater than five percent of the sales floor area or one thousand (1,000) square feet, whichever is less, shall be used for the display or sale of alcoholic beverages.
8. The supermarket Type 20 Off-Sale Beer and Wine establishment at the location will not adversely affect the economic welfare of the nearby community, but rather would expand the availability of jobs by a major anchor tenant and would serve as a catalyst to the

development of the other vacant retail pads within the commercial center which would also provide jobs and increase the City's sales tax revenues.

9. The exterior appearance of the structure of the proposed establishment will not be inconsistent with the exterior appearance of commercial structures already constructed or under construction within the immediate neighborhood so as to cause blight or deterioration, or substantially diminish or impair the property values within the neighborhood insofar that the architectural design of the building is modified as conditioned inclusive of architectural enhancements to the front elevations and extending parapet walls above the height of rooftop mechanical equipment for screening purposes.

### **Section 5.** Planning Commission Approval

Based on the foregoing recitals and findings above, and the written and oral comments, facts and evidence presented, the City of Coachella Planning Commission hereby approves Conditional Use Permit (CUP 346), CUP 347 and Architectural Review 21-12 for the Fountainhead Plaza Phase III development and subject to the Conditions of Approval as set forth in "Exhibit A"

**PASSED, APPROVED and ADOPTED** this 5<sup>th</sup> day of January 2022.

*Stephanie Virgen*  
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Stephanie Virgen

Stephanie Virgen, Chairperson  
Coachella Planning Commission

**ATTEST:**  
*Gabriel Perez*  
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Gabriel Perez

Gabriel Perez  
Planning Commission Secretary

DocuSigned by:  
**APPROVED AS TO FORM:**  
*Carlos Campos*  
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Carlos Campos

Carlos Campos  
City Attorney

I HEREBY CERTIFY that the foregoing Resolution No. PC2021-25, was duly adopted at a regular meeting of the Planning Commission of the City of Coachella, California, held on the 5<sup>th</sup> day of January 2022, by the following roll call vote:

AYES: Commissioner Leal, Commissioner Figueroa, Commissioner Gonzalez, Vice Chair Navarrete and Chair Virgen.

NOES: None.

ABSENT: None

ABSTAIN: None

DocuSigned by:  
  
8773ED9609504A6  
Gabriel Perez

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Gabriel Perez  
Planning Commission Secretary

**CONDITIONS OF APPROVAL**  
**CONDITIONAL USE PERMIT (CUP) NO. 346, CUP NO. 347, ARCHITECTURAL**  
**REVIEW NO. 21-12 FOUNTAINHEAD PLAZA (ALDI SUPERMARKET AND PANDA**  
**EXPRESS)**

**General Conditions**

1. Conditional Use Permit No. 346, CUP 347, and Architectural Review 21-12 shall be valid for 12 months from the effective date of said Planning Commission approvals unless the applicant requests an extension of time and granted by the Planning Commission. The conditional use permit shall expire and shall become void one year following the date on which the conditional use became effective, unless prior to the expiration of one year a building permit is issued and construction is commenced and diligently pursued toward completion, or a certificate of occupancy is issued.
2. The applicant shall defend, indemnify and hold harmless the City of Coachella, its officials, officers, employees, and agents from and against any claim, action, or proceeding against the City, its officials, officers, employees or agents to attack, set aside, void or annul any project approval or condition of approval of the city concerning this project, including but not limited to any approval or condition of approval or mitigation measure imposed by the City Council or Planning Commission. The City shall promptly notify the applicant of any claim, action, or proceeding concerning the project and the City shall cooperate fully in the defense of the matter. The City reserves the right, at its own option, to choose its own attorney to represent the City, its officials, officers, employees and agents in the defense of the City Attorney, within five days of the effective date of this approval.
3. Within five business days of project approval, the applicant shall submit to the Planning Division a check made payable to the County of Riverside in the amount of \$50 for filing the CEQA Notice.
4. The applicant shall be required to comply with the City's Art in Public Places Ordinance. If the applicant elects to place artwork on the project site, the applicant shall place artwork in outdoor areas of the private property accessible to the public in a manner satisfactory to the Public Arts Commission. If the applicant elects to pay in-lieu art fees, then the fees shall be deposited into the Public Arts Fund at an amount of (1) One-half (1/2) of one percent (1%) for new commercial and industrial construction.
5. All plans, as shown, are considered "conceptual," subject to revisions as called out by the conditions of this resolution. The plans shall not be stamp-approved until all conditions requesting revisions have been satisfied during the building plan check process. Any substantial changes to the plans, including changes shown on future building permit plans deemed by Staff to not be within substantial conformance with this approval, will require an amendment to the approval of the conditional use permit.

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6. All plan submittals are the responsibility of the developer; this includes plan submittals to the City of Coachella, the Riverside County Fire Department or to other agencies for whom plan review and approval is required.
7. The working drawings shall include within the first four pages a list of all conditions of approval included in this resolution.
8. The project shall comply with the Mitigation Measures of Environmental Initial Study 07-16.

**General - Engineering**

9. A focused Traffic Memo (TM) shall be submitted for the project by an appropriately licensed professional engineer. The review shall include but not limited to confirmation of trip distribution and impact on existing transportation facilities, all relevant, ingress and egress movements, lines of sight, queuing analysis, and alignment studies, signing and striping plan. Applicant shall obtain approval of site access and circulation from the Fire Marshall.
10. A preliminary soils report shall be prepared for the project by an appropriately licensed professional engineer. At a minimum, the soils report shall provide specific analyses and recommendations for grading, pavement structural sections, and infiltration.
11. A comprehensive drainage report, prepared by California Registered Civil Engineer, shall be submitted for review and approval by the City Engineer prior to issuance of any permits. The report shall contain pre- and post-development hydrology maps showing on-site and off-site tributary drainage areas and shall be prepared in accordance with the requirements of the Riverside County Flood Control District. Adequate provisions shall be made to accept and conduct the existing tributary drainage flows around or through the site in a manner which will not adversely affect adjacent or downstream properties. If the design of the project includes a retention basin, it shall be sized to contain the runoff resulting from a 10-year storm event and the runoff from a 100-year storm event shall be contained within basin with shallow ponding (3.5' max.). The basin shall be designed to evacuate a 10-year storm event within 72 hours. The size of the retention basin(s) shall be determined by the hydrology report and be approved by the City Engineer. Retention basin shall be provided with a minimum of 2.00 feet sandy soil if determined to contain silt or clay materials. Maximum allowable percolation rate for design shall be 10 gal./s.f./day unless otherwise approved by the City Engineer. A percolation test for this site is required to be submitted. A combination drywell vertical drain field shall be constructed at all points where runoff enters the retention basin. Drywell & vertical drain field design shall be based on soils borings made at the proposed drywell locations after the retention basins have been rough graded. Minimum depth shall be 45-feet. A log that includes sieve analysis for each strata of the borings shall be submitted to the City Engineer for confirmation of depth of the vertical drain fields. Underground retention under the proposed parking area will be considered as an alternative to surface retention subject to the approval of the City Engineer.
12. Prepare and record necessary drainage easements to implement the project in accordance

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with drainage law.

13. A storm water quality management plan shall be prepared for the project by California Registered Civil Engineer in compliance with NPDES and State Water Quality Control Board regulations. The project shall be designed to specify preferential use of Low Impact Development Best Management Practices that reduce pollutants and runoff volume.
14. Applicant shall comply with the valley wide NPDES permit requirements including but not limited to submittal of a WQMP for plan review accompanied by a \$3,000 plan check deposit for approval including executed maintenance agreement. All unused plan check fees will be refunded to the applicant upon approval of the Final WQMP.
15. The developer shall submit a Fugitive Dust Control and Erosion Control plan in accordance with Guidelines set forth by CMC and SCAQMD to maintain wind and drainage erosion and dust control for all areas disturbed by grading. Exact method(s) of such control shall be subject to review and approval by the City Engineer. No sediment is to leave the site. Additional securities, in bond form, in amount of \$2,000.00 per acre of gross area, and a one-time cash deposit of \$2,000.00 are required to insure compliance with this requirement. No work may be started on or off site unless the PM-10 plan has been approved, the original plans, and executed dust control agreement, are filed in the engineering department at the City of Coachella.
16. Applicant shall submit for review and approval by the City Engineer all documents related to any existing and proposed on-site and off-site easements that may affect the development of the site. All easements shall be identified on the engineering plans.
17. Site access improvements shall be in conformance with the requirements of Title 24 of the California Administrative Code. This shall include access ramps for off-site and on-site streets as required.
18. Applicant shall obtain approval of site access and circulation from Fire Marshall.
19. The applicant shall provide necessary utility easements for IID and underground overhead distribution lines within the project boundaries. Applicant shall submit to the City a letter from IID that satisfies this requirement.
20. The applicant shall pay all necessary plan check, permit and inspection fees. Fees will be determined when plans are submitted to the City Engineering Department for plan check.

**Rough Grading**

21. Prepare and submit rough grading and erosion control plans for the project.
22. The project's soils engineer shall certify to the adequacy of the grading plan.
23. All projects developing one (1) acre or more of total land area, or which are part of a larger

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phased development that will disturb one acre of land, are required to obtain coverage under the State Water Resources Control Board's (SWRCB) General Permit for storm water discharges associated with construction activity. Proof of filing a Notice of Intent (NOI) with the SWRCB for coverage under this permit is required. The Waste Discharger's Identification Number (WDID), issued by the SWRCB, must be shown on the grading plans. The project's Storm Water Pollution Prevention Plan shall be submitted for the City's review and approval.

**Precise Grading**

24. A precise grading/improvement plan, prepared by a California Registered Civil Engineer, showing building footprints, pad elevations, finished grades, drainage routes, retaining walls, erosion control, slope easements, and all other pertinent information shall be submitted for review and approval by the City Engineer.
25. Rough grading shall be certified by the project soils engineer prior to issuance of a permit for precise grading or building construction.
26. Provide and record a reciprocal use and maintenance agreement to assure common ingress and egress and joint maintenance of all common access, parking areas and drives.
27. If applicant is planning to build a wall, separate permits shall be required for wall construction. The maximum height of any wall shall be limited to six (6) feet as measured from an average of the ground elevations on either side.

**Street Improvements**

28. Street improvement plans prepared by a California Registered Civil Engineer shall be submitted for review and approval by the City Engineer. All street improvements including street lights shall be designed and constructed in conformance with City Municipal Code, General Plan, and Standards and Specifications. Street flow line grade shall have a minimum slope of 0.35 %.
29. Applicant shall construct all off-site and on-site improvements including street pavement, curb, gutter, sidewalk, street trees, perimeter walls, perimeter landscaping and irrigation, storm drain, street lights, and any other incidental works necessary to complete the improvements. Driveways shall conform to City of Coachella standards for commercial driveways with a minimum width of 24.00 feet and curbed radius entrances.
30. Applicant shall construct and dedicate the following streets and street improvements to conform to the General Plan and/or requirements of Traffic Study.
  - 1) Cesar Chavez Street- Public Roadway as shown on the RAC and per these comments shall include the following:
    - a This Street is listed as a Primary Arterial with a specified width in the General Plan of 94 feet. Current right-of-way exists at a distance of 55 feet from centerline. No

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- additional right of way dedication is required at this time.
- b Existing Asphalt, curb gutter and medians shall be protected in place to the extent possible. In locations where street cuts are required for installation of driveways, bus turnouts, utility cuts, etc., the Street shall be milled 0.1 feet deep and repaved from within the entire lane width where the cut has occurred.
  - c Applicant shall install all sidewalk, curb and gutter transitions to uniformly connect to existing adjacent improvements and coordinate installation and/or relocation of fire hydrants, water meters, storm drain, wells, streetlights, landscape and all other appurtenances as required to the satisfaction of the City Engineer.
  - d Applicant shall construct all appurtenant roadway components within project limits such as, but not limited to: sidewalk, ADA ramps, Traffic control striping, legends, Traffic control signs, Street Lights and street name signs to the satisfaction of the City Engineer.
  - e Applicant shall construct a bus turnout per City of Coachella Standard S-24 and relocate and reinstall the existing bus stop located on Cesar Chavez Street in front of the Fountainhead project to the satisfaction of the City Engineer prior to the issuance of the first COO.
  - f Applicant shall underground all existing dry utilities if existing at northbound lane within project limits such as, but not limited to: power poles, telecommunication poles and all other existing dry utilities to the satisfaction of the City Engineer.

2) 1st Street- Public Roadway as shown on the RAC and per these comments shall include the following:

- a. This street is within Pueblo Viejo District Limit with 75 feet of right-of-way.
- b. Applicant shall install all sidewalk and curb and gutter transitions to uniformly connect to existing adjacent improvements and coordinate installation and/or relocation of fire hydrants, water meters, storm drain, wells, street lights and all other appurtenances by Pueblo Viejo Design Guidelines as required to the satisfaction of the City Engineer.
- c. Applicant shall construct all appurtenant roadway components on north side of 1st Street between Cesar Chavez Street and Orchard Avenue such as, but not limited to: curb and gutter, sidewalk, Landscaping, Decorative pavers Elements, Decorative Street Lights, ADA ramps, Traffic control striping, legends, Traffic control signs and street name signs to match Downtown Pueblo Viejo Design Guidelines and to the satisfaction of the City Engineer. Decorative elements for the Pueblo Viejo Design Guidelines shall only be applicable to First Street between Palm Ave and Orchard Street.
- d. Applicant shall install a 3-way stop intersection on Orchard Street including all three crosswalks, four ADA ramps and street lighting to the satisfaction of the City Engineer.
- e. Applicant shall underground all existing dry utilities at westbound lane on 1st Street between Cesar Chavez Street and Orchard Avenue such as, but not limited to: power poles, telecommunication poles and all other existing dry utilities to the satisfaction of the City Engineer.
- f. Applicant shall improve Intersection at the Northeast and southeast corners of 1st

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street and Cesar Chavez Street including new ADA ramps, Crosswalk, Traffic Signal modification/relocation, Striping and Landscaping by Pueblo Viejo Design Guidelines and to the Satisfaction of the City Engineer.

**Sewer and Water Improvements**

31. Sewer & Water Improvement Plans prepared by a California Registered Civil Engineer shall be submitted for engineering plan check and City Engineer approval.
32. Applicant shall construct all off-site and on-site water improvements and any other incidental works necessary to complete the improvements. Size and location of sewer and water improvements shall be approved by the City Engineer.

**Prior to Issuance of Building Permits**

33. A final soils report, compaction report and rough grading certificate shall be submitted and approved prior to issuance of any building permits.
34. Provide a set of proposed Covenants, Conditions and Restrictions (CC&R) for review and approval. The proposed CC&Rs shall contain the Association's/Owner's maintenance obligations with respect to various facilities including, but not limited to, right-of-way and private landscaping, private streets, sidewalks, utilities, street lights, and Water Quality Management Plan (WQMP) features. This document must be submitted to and approved by the City before it is submitted to any other governmental entity.
35. Prior to issuance of building permits, all required public improvements, including landscaping and lighting of the retention basins, and landscaped areas along the exterior streets, shall be completed or secured with appropriate sureties to the satisfaction of the City Engineer. An engineering final inspection is required.

**Prior to Release of Occupancy Permits/Acceptance of Public Improvements**

36. The applicant's Civil Engineer shall field verify and certify that all BMPs are designed, constructed, and functional in accordance with the approved WQMP.
37. Prior to issuance of certificate of occupancy, all public improvements, including landscaping and lighting of the retention basins, and landscaped areas along the exterior streets, shall be completed to the satisfaction of the City Engineer. An engineering final inspection is required. "As-built" plans shall be submitted to and approved by the City Engineer. Prior to acceptance of the improvements by the City, such plans, once approved, shall be given to the city on compact disk in AutoCad format. All off-site and on-site improvements shall be completed to the satisfaction of the City Engineer prior to acceptance of improvements for maintenance by the City. A Temporary Certificate of Occupancy may be issued prior to completion of aforementioned improvements.

**Landscaping**

38. Final landscaping and irrigation plans shall be submitted to the Development Services Department for review and approval. Said plans shall conform to the landscaping plan submitted as part of the subject Architectural Review, and as conditioned herein.
39. Landscaping and irrigation shall be provided in accordance with Section 17.54.010(J) of the Municipal Code and in accordance with the State Model Water Efficient Landscape Ordinance (AB 1881). Water budget calculations, including the Maximum Applied Water Allowance (MAWA) and Estimated Total Water Use (ETWU) shall be provided as part of the landscaping and irrigation plan.
40. The proposed landscape shall be in conformance with the City's Landscape Development Guidelines and should include water-efficient plantings as encouraged for the commercial development. A detailed landscape and irrigation plan shall be submitted that addresses landscape requirements for the project site. All landscaping shall fulfill the general requirements of the Coachella Municipal Code Chapter 17.54 as follows:
- a. Internal landscaping equal to a minimum of five percent 5% of the parking area and driveway area is required and shall be distributed throughout the parking area.
  - b. All landscape planter beds in interior parking areas shall be not less than five (5) feet in width and bordered by a concrete curb not less than six (6) inches nor more than eight (8) inches in height adjacent to the parking surface. The landscaped planter along the north side of the drive-thru lane shall be a minimum of five feet in width.
  - c. Where a drive aisle abuts the side of a parking space a landscaped planter shall separate the parking space from the drive aisle.
  - d. At least one (1) fifteen (15) gallon tree shall be provided within the parking area for every ten (10) parking spaces, with size, height and species acceptable to staff.
  - e. All internal landscape planters shall have permanent and automatic sprinkler or drip irrigation systems.
41. The landscape plan shall be revised to include shade trees planted in tree planters along the front elevation of the Aldi Supermarket, planted at a mature height, between the main drive aisle and the building to provide shade to pedestrians, reduce heat island effect, and enhance the visual quality of the commercial center. The revised landscape plan shall require approval by the Development Services Director.
42. The Planning Division may request minor substitutions of plant materials or request additional sizing or quantity of materials during plan check. Revisions to the landscape plans may occur with administrative approvals by the Development Services Director or designee to ensure overall landscape consistency within the existing landscape schedule of the commercial center. The landscape plan shall be revised to include date palm trees at the Cesar Chavez Street and 1<sup>st</sup> Street corner landscape area to replace fan palms at a minimum brown trunk height of 10 feet.
43. The applicant shall submit, and must obtain approval from the Development Services Director, a letter from a registered landscape architect confirming that landscaping and irrigation have been installed in accordance with the approved plans prior to issuance of a

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certificate of occupancy. Any damaged, dead or decayed landscaping landscape areas within the remainder of the commercial center shall be replaced per approved landscape plans upon landscape inspection by the Development Services Department and prior to issuance of a certificate of occupancy. A temporary certificate of occupancy may be issued prior to completion of improvements.

44. Rear screening shall be provided along the rear property line of Major Pad (Aldi) and Pad 4 (Panda Express) consisting of block wall at 6 feet in height subject to design approval by the Development Services Director. The final landscape plan shall identify the block wall and include vines planted along the expanse of the wall. Existing interim chain link fencing along the frontage of remaining undeveloped parcels (Parcels 5, 6, 7) of Tentative Parcel Map 37940 at the commercial center shall be replaced with fencing and windscreen that is adequately secured and braced to the satisfaction of the Building Official prior to issuance of a temporary or final certificate of occupancy.
45. The site landscaping shall be maintained in good condition at all times, and the owner or operator of the facility shall be responsible for replacing any damaged, dead or decayed landscaping as soon as practicable, and in accordance with the approved landscape plan.

**Imperial Irrigation District**

46. The applicant shall meet and confirm any construction or operation on IID property or within its existing and proposed right-of-way or easements will require an encroachment permit, including but not limited to: surface improvements such as proposed new streets, driveways, parking lots, landscape; and all water, sewer, storm water, or any other above ground or underground utilities (e.g. power lines). The applicant shall submit proof of compliance with any requirements by IID.
47. Any and all mitigation necessary as a result of the construction, relocation and/or upgrade of IID facilities is the responsibility of the project proponent.
48. All on-site utility lines and overhead power line connections must be undergrounded on the project site and in the public utility easement areas along the street frontages. High-powered distribution lines may remain overhead, subject to IID review and approval.

**Coachella Valley Water District:**

49. Applicant must comply with Coachella Valley Water District regulations pertaining to irrigation infrastructure protect-in-place practices, relocation or abandonment of infrastructure, if needed.

**Fire Department**

50. Fire Hydrants and Fire Flow: Prior to the issuance of building permits, plans for the water system shall be submitted to the fire department for review and approval. The water system shall be capable of delivering the required fire flow. Based on the application, the largest

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proposed building is 4500 square feet, assuming construction type VB, with fire sprinklers, therefore the minimum required fire flow is 1000 gallons per minute at 20 psi for 2 hours. Fire hydrant location and spacing shall comply with the fire code. An approved water supply for fire protection during construction shall be made available prior to the arrival of combustible materials on site. Reference 2019 California Fire Code (CFC) 507.5.1, 3312, Appendices B and C.

51. Fire Department Access: Prior to building permit issuance, a fire access site plan shall be approved. Approved vehicle access, either permanent or temporary, shall be provided during construction. CFC 503.1.1, 3310.1 and 503.2.1
52. Requests for installation of traffic calming designs/devices on fire apparatus access roads shall be submitted and approved by the Office of the Fire Marshal. Ref. CFC 503.4.1
53. Phased Construction Access: If construction is phased, each phase shall provide approved access for fire protection prior to any construction. Ref. CFC 503.1
54. Construction Permits: Building construction plans and fuel dispensing plans shall be submitted to the Office of the Fire Marshal for review and approval. Final conditions will be addressed when these plans are reviewed. A copy of the fuel dispensing plans, approved by Riverside County Environmental Health Department, shall be provided to the Office of the Fire Marshal prior to permit issuance.
55. Hazardous Materials: Prior to building permit issuance, a hazardous materials inventory statement shall be provided to the Office of the Fire Marshal. Approved chemical classification forms and safety data sheets shall be provided with the hazardous materials inventory statement. Ref. CFC 5001.5.2
56. Fire Sprinkler System: All new commercial structures 3,600 square feet or larger shall be protected with a fire sprinkler system. Ref CFC 903.2 as amended by the City of Coachella.
57. Fire Alarm and Detection System: A water flow monitoring system and/or fire alarm system may be required and determined at time of building plan review. Ref. CFC 903.4, CFC 907.2 and NFPA 72
58. Knox Box and Gate Access: Buildings shall be provided with a Knox Box. The Knox Box shall be installed in an accessible location approved by the Office of the Fire Marshal. Ref. CFC 506.1
59. Addressing: All commercial buildings shall display street numbers in a prominent location on the street side of the premises and additional locations as required. Ref. CFC 505.1 and County of Riverside Office of the Fire Marshal Standard #07-01

**Environmental Compliance:**

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60. Submit water and sewer plans for approval from Utilities/Engineering- project required to connect to City public sewer and water system.
61. The project will require a Water Quality Management Plan (WQMP)
62. Facility will be required to submit a source control survey
63. Grease interceptor will be required for all food service establishment
64. Facility will be required to enroll in Source Control Program.
65. Monitoring manholes may be required for building not classified for use.
66. Submit detailed plumbing and mechanical plans; review of plumbing schematics for water sewer needed.
67. Facility will need grease interceptors, oil/water clarifiers and sample wyes installed.
68. Install Above Ground "Double Check Detector Assembly" DCDA for fire system; to protect water supply from contamination or pollution.
69. Backflow devices will require Reduced Pressure Principle Device(RP) installed to protect water supply from contamination or pollution.
70. Facility will require a AMI 4-G metering system and a separate water service meter for irrigation system;
71. Site Plan for stormwater.

**Architecture**

72. All roof mounted mechanical equipment shall be view obscured by a parapet wall greater in height than the equipment installed. Ground mounted mechanical equipment shall be view obscured by landscaping or enclosure. Roof Top Unit (RTU) screens shall not satisfy this condition for roof mounted equipment screening.
73. The Aldi supermarket elevation plans shall be revised demonstrating that rooftop equipment is not visible above exterior wall parapets. All elevations of Aldi supermarket shall include exterior wall parapets that view obscure roof mounted mechanical equipment.
74. The applicant shall provide a separate revised Aldi front elevation depicting planned mature trees to be planted in tree wells or landscape planter along the building frontage. The landscape plans and site plans shall be revised to accommodate the modification.
75. Trash enclosures installed for the project shall be compatible architecturally with the building. The enclosure shall be constructed to Burrtec Waste Management Standards and

**Resolution No. PC 2021-25****EXHIBIT A**

Item 32.

an open trellis shall be incorporated on all three proposed trash enclosures.

76. Prior to the issuance of building permits, all exterior architectural features and treatments shall be consistent with the submitted Architectural Review No. 20-03 elevations and color/material board samples and shall be included and noted on all construction plans and elevations, subject to review and approval.
77. Incorporate decorative driveway pavement at driveway entrances from First Street upon submittal of project civil plans, subject to final approval by the Planning Division.
78. The Fountainhead Plaza sign program is amended by AR 21-12 to repurpose the gasoline price monument sign along First Street into an identification sign for three commercial center tenants consistent with the monument sign specifications in the sign program. The applicant shall provide a revised sign program reflecting the removal of the gasoline price monument sign and replacement with the multi-tenant monument sign consistent with the existing monument sign specifications.
79. Not greater than five percent of the sales floor area or one thousand (1,000) square feet, whichever is less, shall be used for the display or sale of alcoholic beverages at the 20,442 sq.

**Code Enforcement**

80. Existing code enforcement violations on the subject site shall be addressed including trimming of overgrown shrubs, removal of weeds and debris at the commercial center, including retention basin, and proper maintenance of signs before the lesser of the issuance of a building permit or January 24, 2022.
81. Prior to certificate of occupancy the applicant shall enter into a maintenance agreement for the Fountainhead Plaza commercial center landscape areas, retention basins, developed and undeveloped pads to ensure maintenance in a first class condition.



**STAFF REPORT**  
**1/26/2022**

**TO:** Honorable Chair and Board Members of the Successor Agency to the City of Coachella Redevelopment Agency

**FROM:** Nathan Statham, Finance Director

**SUBJECT:** Resolution No. SA-2022-01, Approving the Recognized Obligation Payment Schedule (ROPS) 22-23 for the Successor Agency to the former Coachella Redevelopment Agency.

**STAFF RECOMMENDATION:**

Staff recommends that the Board of Directors of the Successor Agency to the Coachella Redevelopment Agency adopt Resolution No. SA-2021-02, approving an Annual Recognized Obligation Payment Schedule for the fiscal period from July 1, 2022 through June 30, 2023, pursuant to Health and Safety Code Section 34177 and taking certain related actions.

**BACKGROUND:**

Pursuant to AB X1 26, the Successor Agency must prepare a Recognized Obligation Payment Schedule (“ROPS”) for each six-month fiscal period (commencing each January 1 and July 1), listing the payments to be made by the Successor Agency during such period. All ROPS must be approved by the Oversight Board. Furthermore, each Oversight Board-approved ROPS must be submitted to the State Department of Finance (“DOF”) for review.

On June 27, 2012, the Governor signed the State budget trailer bill AB 1484, which became effective immediately. AB 1484 imposed new requirements and deadlines for submission of ROPS. At the same time that the Successor Agency submits a ROPS to the Oversight Board for approval, the Successor Agency must also provide a copy of such ROPS to the DOF, the County Auditor-Controller and the County administrative officer. A copy of the Oversight Board-approved ROPS must be submitted to the DOF, the Office of the State Controller and the County Auditor-Controller and be posted on the Successor Agency’s website. The Successor Agency must submit the ROPS to the DOF electronically in the manner of DOF’s choosing.

On September 22, 2015, the Governor signed State budget trailer bill SB 107, which became effective immediately. Pursuant to SB 107, the Successor Agency must now file an annual ROPS, commencing with the fiscal period from July 1, 2016 to June 30, 2017, and for each fiscal year thereafter.

On July 1, 2018, the oversight boards for all successor agencies in the County were consolidated into one County Oversight Board. The Successor Agency must now submit the annual ROPS to the County Oversight Board (the “Oversight Board”), along with a proposed Administrative Budget.

The Successor Agency's ROPS 22-23 and the FY 22-23 Administrative Budget were submitted to the Oversight Board for approval at its meeting on January 20, 2022.

The deadline for the Successor Agency to submit the Oversight Board-approved ROPS 22-23 to DOF, the Office of the State Controller and the County Auditor Controller is February 1, 2022.

**FISCAL IMPACT:**

The preparation and submittal of ROPS 22-23 is for the purpose of allowing the Successor Agency to pay its enforceable obligations for the period from July 1, 2022 through June 30, 2023.

**Attachments:**

1. Resolution No. SA-2022-01, including:
  - Exhibit A – ROPS 22-23
  - Exhibit B – Administrative Budget FY 22-23

## RESOLUTION NO. SA- 2022-01

### A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE CITY OF COACHELLA REDEVELOPMENT AGENCY APPROVING AN ANNUAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE 2022-23 FISCAL PERIOD FROM JULY 1, 2022 THROUGH JUNE 30, 2023, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 AND TAKING CERTAIN RELATED ACTIONS

#### RECITALS:

A. Pursuant to Health and Safety Code Section 34177(o), the Successor Agency to the City of Coachella Redevelopment Agency (the “Successor Agency”) must prepare a proposed Recognized Obligation Payment Schedule (“ROPS”) before each annual fiscal period (commencing July 1) and submit each proposed ROPS to the Oversight Board for the Successor Agency (the “Oversight Board”) for approval.

B. Pursuant to Health and Safety Code Section 34177(o)(1), at the same time that the Successor Agency submits a ROPS to the Oversight Board for approval, the Successor Agency must submit a copy of such ROPS to the State Department of Finance (the “DOF”), the County administrative officer, and the County Auditor-Controller.

C. Pursuant to Health and Safety Code Section 34177(o), the Successor Agency must (1) submit the Oversight Board-approved ROPS for the fiscal period from July 1, 2022 through June 30, 2023 (“ROPS 22-23”), to DOF, the Office of the State Controller, and the County Auditor-Controller no later than February 1, 2022; and (2) post a copy of the Oversight Board-approved ROPS 22-23 on the Successor Agency’s website.

D. Pursuant to Health and Safety Code Section 34177(j), the Successor Agency must prepare a proposed administrative budget (“Administrative Budget”) and submit it to the Oversight Board for its approval.

**NOW, THEREFORE, THE BOARD OF DIRECTORS FOR THE SUCCESSOR AGENCY TO THE CITY OF COACHELLA REDEVELOPMENT AGENCY (THE “BOARD”), HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:**

**Section 1.** The above recitals are true and correct and are a substantive part of this Resolution.

**Section 2.** This Resolution is adopted pursuant to the provisions of Health and Safety Code Section 34177.

**Section 3.** The Board hereby approves ROPS 22-23, substantially in the form attached hereto as Exhibit A. The Executive Director of the Successor Agency, in consultation with the Successor Agency's legal counsel, may modify ROPS 22-23 as the Executive Director or the Successor Agency's legal counsel deems necessary or advisable.

**Section 4.** The Board hereby approves the proposed FY 2022-23 Administrative Budget for the Successor Agency, in the form attached as Exhibit B.

**Section 5.** Staff is hereby authorized and directed to submit a copy of ROPS 22-23 and the Administrative Budget to the Oversight Board for approval and, at the same time, transmit a copy of ROPS 22-23 to the DOF, the County Auditor-Controller and the County administrative officer as designated by the County.

**Section 6.** Staff is hereby authorized and directed to submit a copy of Oversight Board-approved ROPS 22-23 to the DOF, the Office of the State Controller, and the County Auditor-Controller. If the Oversight Board has not approved ROPS 22-23 by February 1, 2022, Staff is hereby authorized and directed to transmit ROPS 22-23 to the DOF, the Office of the State Controller, and the County Auditor-Controller by February 1, 2022, with a written notification regarding the status of the Oversight Board's review. Written notice and information regarding the action of the Oversight Board shall be provided to the DOF by electronic means and in a manner of DOF's choosing.

**Section 7.** Staff is hereby authorized and directed to post a copy of the Oversight Board-approved ROPS 22-23 on the Successor Agency's Internet website (being a page on the Internet website of the City of Coachella).

**Section 8.** The officers and the staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution, including requesting additional review by the DOF and an opportunity to meet and confer on any disputed items, and any such actions previously taken by such officers and staff are hereby ratified and confirmed.

**PASSED, APPROVED AND ADOPTED** this 26<sup>th</sup> day of January 2022.

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Steven A. Hernandez  
Chair

**ATTEST:**

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Angela M. Zepeda  
Secretary

**APPROVED AS TO FORM:**

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Carlos Campos  
City Attorney

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

**I HEREBY CERTIFY** that the foregoing Resolution No. SA-2022-01 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 26<sup>th</sup> day of January 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Andrea J. Carranza, MMC  
Deputy City Clerk

**EXHIBIT A**  
**SUCCESSOR AGENCY TO THE CITY OF COACHELLA REDEVELOPMENT**  
**AGENCY**  
**RECOGNIZED OBLIGATION PAYMENT SCHEDULE**  
**(July 1, 2022 through June 30, 2023)**

**EXHIBIT B**

**SUCCESSOR AGENCY TO THE CITY OF COACHELLA REDEVELOPMENT**  
**AGENCY**  
**ADMINISTRATIVE BUDGET**  
**(July 1, 2022 through June 30, 2023)**

**Recognized Obligation Payment Schedule (ROPS 22-23) - Summary**  
**Filed for the July 1, 2022 through June 30, 2023 Period**

**Successor Agency:** Coachella

**County:** Riverside

| <b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b> | <b>22-23A Total<br/>(July - December)</b> | <b>22-23B Total<br/>(January - June)</b> | <b>ROPS 22-23<br/>Total</b> |
|---|---|--|-----------------------------|
| <b>A Enforceable Obligations Funded as Follows (B+C+D)</b>                        | <b>\$ 2,395,464</b>                       | <b>\$ 245,236</b>                        | <b>\$ 2,640,700</b>         |
| B Bond Proceeds   | -   | 245,236                                  | 245,236                     |
| C Reserve Balance   | 2,395,464                                 | -  | 2,395,464                   |
| D Other Funds   | -   | -  | -                           |
| <b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>                      | <b>\$ 145,845</b>                         | <b>\$ 3,100,315</b>                      | <b>\$ 3,246,160</b>         |
| F RPTTF   | 20,845                                    | 2,975,315                                | 2,996,160                   |
| G Administrative RPTTF  | 125,000                                   | 125,000                                  | 250,000                     |
| <b>H Current Period Enforceable Obligations (A+E)</b>                             | <b>\$ 2,541,309</b>                       | <b>\$ 3,345,551</b>                      | <b>\$ 5,886,860</b>         |

**Certification of Oversight Board Chairman:**

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

\_\_\_\_\_  
Name Title

/s/ \_\_\_\_\_  
Signature Date

Coachella  
Recognized Obligation Payment Schedule (ROPS 22-23) - ROPS Detail  
July 1, 2022 through June 30, 2023

| A      | B                                   | C                                    | D                        | E                          | F                         | G   | H            | I                            | J       | K                | L                       | M               | N           | O        | P           | Q            | R                       | S               | T           | U           | V           | W            |
|--------|-------------------------------------|--------------------------------------|--------------------------|----------------------------|---------------------------|---|--------------|------------------------------|---------|------------------|-------------------------|-----------------|-------------|----------|-------------|--------------|-------------------------|-----------------|-------------|-------------|-------------|--------------|
| Item # | Project Name                        | Obligation Type                      | Agreement Execution Date | Agreement Termination Date | Payee                     | Description   | Project Area | Total Outstanding Obligation | Retired | ROPS 22-23 Total | ROPS 22-23A (Jul - Dec) |                 |             |          |             | 22-23A Total | ROPS 22-23B (Jan - Jun) |                 |             |             |             | 22-23B Total |
|        |                                     |                                      |                          |                            |                           |   |              |                              |         |                  | Fund Sources            |                 |             |          |             |              | Fund Sources            |                 |             |             |             |              |
|        |                                     |                                      |                          |                            |                           |   |              |                              |         |                  | Bond Proceeds           | Reserve Balance | Other Funds | RPTTF    | Admin RPTTF |              | Bond Proceeds           | Reserve Balance | Other Funds | RPTTF       | Admin RPTTF |              |
|        |                                     |                                      |                          |                            |                           |   |              | \$43,149,216                 |         | \$5,886,860      | \$-                     | \$2,395,464     | \$-         | \$20,845 | \$125,000   | \$2,541,309  | \$245,236               | \$-             | \$-         | \$2,975,315 | \$125,000   | \$3,345,551  |
| 8      | Employee Costs                      | Admin Costs                          | 02/01/2012               | 09/01/2036                 | Agency Employees          | Payroll for Employees   | Merged       | 3,537,500                    | N       | \$250,000        | -                       | -               | -           | -        | 125,000     | \$125,000    | -                       | -               | -           | -           | 125,000     | \$125,000    |
| 9      | Professional Services               | Fees                                 | 06/01/1998               | 09/01/1936                 | Union Bank                | Trustee Fees  | Merged       | 87,500                       | N       | \$16,600         | -                       | -               | -           | 16,600   | -           | \$16,600     | -                       | -               | -           | -           | -           | \$-          |
| 10     | Professional Services               | Fees                                 | 07/04/2005               | 12/31/2016                 | The Pun Group, LLC        | Annual Audit  | Merged       | 237,500                      | N       | \$4,245          | -                       | -               | -           | 4,245    | -           | \$4,245      | -                       | -               | -           | -           | -           | \$-          |
| 11     | Professional Services               | Professional Services                | 02/01/2012               | 09/01/2036                 | BB&K                      | Attorney Services   | Merged       | -                            | Y       | \$-              | -                       | -               | -           | -        | -           | \$-          | -                       | -               | -           | -           | -           | \$-          |
| 12     | 2013 Tax Allocation Refunding Bonds | Bonds Issued After 12/31/10          | 10/24/2013               | 12/01/2028                 | Union Bank                | Tax Allocation Refunding Bonds (to refund 1998 and 1999 Bonds)      | Merged       | 2,773,015                    | N       | \$398,701        | -                       | 356,869         | -           | -        | -           | \$356,869    | -                       | -               | -           | 41,832      | -           | \$41,832     |
| 23     | Calle Verde                         | Bond Funded Project - Housing        | 02/01/2012               | 09/01/2036                 | County Housing Authority  | Site Maintenance (clear, grub, fence)                               | Merged       | -                            | Y       | \$-              | -                       | -               | -           | -        | -           | \$-          | -                       | -               | -           | -           | -           | \$-          |
| 26     | Calle Verde                         | Bond Funded Project - Housing        | 02/01/2012               | 09/01/2036                 | Attorney                  | Document review, counsel, Notices                                   | Merged       | 9,060                        | N       | \$9,060          | -                       | -               | -           | -        | -           | \$-          | 9,060                   | -               | -           | -           | -           | \$9,060      |
| 27     | Bond Debt Service Reserve Fund      | Reserves                             | 07/04/2005               | 09/01/2036                 | Successor Agency/ Trustee | Reserve per HSC 34171(d)(1)(A)                                      | Merged       | 2,442,657                    | N       | \$2,442,657      | -                       | -               | -           | -        | -           | \$-          | -                       | -               | -           | 2,442,657   | -           | \$2,442,657  |
| 29     | 2014 Tax Allocation Refund Bonds    | Refunding Bonds Issued After 6/27/12 | 10/01/2014               | 12/01/2034                 | Union Bank                | Tax Allocation Refunding Bonds (to refund 2004A & portion of 2004B) | Merged       | 9,306,660                    | N       | \$705,014        | -                       | 567,757         | -           | -        | -           | \$567,757    | -                       | -               | -           | 137,257     | -           | \$137,257    |
| 31     | Calle Verde                         | Bond Funded Project - Housing        | 02/01/2012               | 09/01/2036                 | County Housing Authority  | Develop/repair subdivision, permits, Architectural and Engineering  |              | 33,587                       | N       | \$33,587         | -                       | -               | -           | -        | -           | \$-          | 33,587                  | -               | -           | -           | -           | \$33,587     |

| A      | B                                | C                                    | D                        | E                          | F                        | G  | H            | I                            | J       | K                | L                       | M               | N           | O     | P           | Q            | R                       | S               | T           | U       | V           | W            |
|--------|----------------------------------|--------------------------------------|--------------------------|----------------------------|--------------------------|--|--------------|------------------------------|---------|------------------|-------------------------|-----------------|-------------|-------|-------------|--------------|-------------------------|-----------------|-------------|---------|-------------|--------------|
| Item # | Project Name                     | Obligation Type                      | Agreement Execution Date | Agreement Termination Date | Payee                    | Description  | Project Area | Total Outstanding Obligation | Retired | ROPS 22-23 Total | ROPS 22-23A (Jul - Dec) |                 |             |       |             | 22-23A Total | ROPS 22-23B (Jan - Jun) |                 |             |         |             | 22-23B Total |
|        |                                  |                                      |                          |                            |                          |  |              |                              |         |                  | Fund Sources            |                 |             |       |             |              | Fund Sources            |                 |             |         |             |              |
|        |                                  |                                      |                          |                            |                          |  |              |                              |         |                  | Bond Proceeds           | Reserve Balance | Other Funds | RPTTF | Admin RPTTF |              | Bond Proceeds           | Reserve Balance | Other Funds | RPTTF   | Admin RPTTF |              |
| 32     | Calle Verde                      | Bond Funded Project - Housing        | 02/01/2012               | 09/01/2036                 | County Housing Authority | Project delivery costs   |              | 25,344                       | N       | \$25,344         | -                       | -               | -           | -     | -           | \$-          | 25,344                  | -               | -           | -       | -           | \$25,344     |
| 33     | 2016 Tax Allocation Refund Bonds | Refunding Bonds Issued After 6/27/12 | 03/02/2016               | 09/01/2036                 | Union Bank               | Tax Allocation Refunding Bonds (to refund 2004B, 2006, 2006 LMI bonds) |              | 24,519,148                   | N       | \$1,824,407      | -                       | 1,470,838       | -           | -     | -           | \$1,470,838  | -                       | -               | -           | 353,569 | -           | \$353,569    |
| 34     | Affordable Housing Development   | Bond Funded Project - Housing        | 02/01/2012               | 09/01/2036                 | County Housing Authority | Project delivery costs   |              | 177,245                      | N       | \$177,245        | -                       | -               | -           | -     | -           | \$-          | 177,245                 | -               | -           | -       | -           | \$177,245    |

Coachella  
Recognized Obligation Payment Schedule (ROPS 22-23) - Report of Cash Balances  
July 1, 2019 through June 30, 2020  
(Report Amounts in Whole Dollars)

| Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. |  |                                    |                                   |   |                              |                     |          |
|--|--|------------------------------------|-----------------------------------|---|------------------------------|---------------------|----------|
| A  | B  | C                                  | D                                 | E   | F                            | G                   | H        |
|  | ROPS 19-20 Cash Balances<br>(07/01/19 - 06/30/20)  | Fund Sources                       |                                   |   |                              |                     | Comments |
|  |  | Bond Proceeds                      |                                   | Reserve Balance   | Other Funds                  | RPTTF               |          |
|  |  | Bonds issued on or before 12/31/10 | Bonds issued on or after 01/01/11 | Prior ROPS RPTTF and Reserve Balances retained for future period(s) | Rent, grants, interest, etc. | Non-Admin and Admin |          |
| 1  | Beginning Available Cash Balance (Actual 07/01/19)<br>RPTTF amount should exclude "A" period distribution amount.  | 747,678                            |                                   | -   |                              | -                   |          |
| 2  | Revenue/Income (Actual 06/30/20)<br>RPTTF amount should tie to the ROPS 19-20 total distribution from the County Auditor-Controller                        | -                                  |                                   | 2,430,773   |                              | 2,984,550           |          |
| 3  | Expenditures for ROPS 19-20 Enforceable Obligations (Actual 06/30/20)  | 260,559                            |                                   | 2,430,773   |                              | 2,984,550           |          |
| 4  | Retention of Available Cash Balance (Actual 06/30/20)<br>RPTTF amount retained should only include the amounts distributed as reserve for future period(s) |                                    |                                   |   |                              |                     |          |
| 5  | ROPS 19-20 RPTTF Prior Period Adjustment<br>RPTTF amount should tie to the Agency's ROPS 19-20 PPA form submitted to the CAC                               |                                    | No entry required                 |   |                              |                     |          |
| 6  | Ending Actual Available Cash Balance (06/30/20)<br>C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)   | \$487,119                          | \$-                               | \$-   | \$-                          | \$-                 |          |

**Coachella**  
**Recognized Obligation Payment Schedule (ROPS 22-23) - Notes**  
**July 1, 2022 through June 30, 2023**

| Item # | Notes/Comments |
|--------|----------------|
| 8      |                |
| 9      |                |
| 10     |                |
| 11     |                |
| 12     |                |
| 23     |                |
| 26     |                |
| 27     |                |
| 29     |                |
| 31     |                |
| 32     |                |
| 33     |                |
| 34     |                |

SUCCESSOR AGENCY to the  
COACHELLA REDEVELOPMENT AGENCY

ADMINISTRATIVE BUDGET  
for the Period July 1, 2022 through June 30, 2023

|   |                          |
|---|--------------------------|
| <b>Salaries and Benefits</b>                      | \$ 190,000               |
| Executive Director, Finance personnel, City Clerk |                          |
| <br><b>Professional Services</b>                  |                          |
| Financial, Bond Administration                    | \$ 30,000                |
| <br><b>Overhead Costs</b>                         |                          |
| Successor Agency Board, Other                     | \$ 30,000                |
|   | <hr/>                    |
| <b>Total Administrative Allocation</b>            | <u><u>\$ 250,000</u></u> |