



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

June 24, 2020
6:00 PM Regular Meeting

Pursuant to Executive Order N-29-20, this meeting will be conducted by teleconference/electronically and there will be no in-person public access to the meeting location.

- Public comments may be received **either via email or telephonically**, with a limit of **250 words, or three minutes**.
 - a) Written comments may be submitted to the City Council electronically via email to cityclerk@coachella.org. Transmittal **prior to the start** of the meeting is required.
 - b) **Or**, you may provide telephonic comments by leaving a message at **(760)-262-6240 before 6:00 p.m.** on the day of the meeting to be added to the public comment queue. At the appropriate time, you will be called so that you may provide your public testimony to the City Council.
- The **live stream** of the meeting may be **viewed online** by accessing the city's website at www.coachella.org, and clicking on the "**Watch Council Meetings**" tab located on the home page.

CALL TO ORDER:

ROLL CALL:

APPROVAL OF AGENDA:

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

APPROVAL OF MINUTES:

1. Regular Meeting Minutes of June 10, 2020, 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.

PROCLAMATIONS/PRESENTATIONS:

2. Presentation on Coronavirus (COVID-19) Response Efforts
3. Landscape Lighting Maintenance Districts Update
4. Presentation - Update on Coachella Cannabis Social Equity Program

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.)

5. Voucher Listing — FY2019-20 Expenditures as of June 24, 2020, \$1,781,936.74.
6. Adopt Resolution No. 2020-40 Authorizing the City of Coachella's Participation in the County of Riverside's Urban County Program for Fiscal Years 2021-22, 2022-2023, and 2023-2024
7. Approve execution of Amendment No. 2 Maintenance Agreement between the City of Coachella and Siemens Mobility, Inc. approving an additional one-year term extension.
8. Authorize award of a Maintenance Agreement to West Coast Arborist for Tree Trimming Maintenance, in the amount not to exceed \$75,000.
9. Authorize the City Manager to Execute a Contract with Urban Habitat Environmental Landscapes for Landscape Maintenance within Areas 1-38 Landscape and Lighting Maintenance District (LLMD) in the amount of \$570,052.92 plus 15% contingency for vandalism and extra work necessary to maintain Districts.
10. Investment Report – April 2020
11. Policy on Discontinuation of Residential Water Service

NEW BUSINESS CALENDAR (LEGISLATIVE AND ADMINISTRATIVE):

12. Urgency Ordinance No. 1165 Extending the Temporary Moratorium on Evictions due to Non-Payment of Rent or Loan Payments Where the Failure to Pay Results from Income Loss Resulting from the Novel Coronavirus (COVID-19 that was Originally Enacted by City Council Urgency Ordinance No. 1160
13. Resolution No. 2020-08, a Resolution Extending the Temporary Suspension of Service Turnoffs During the COVID-19 State of Emergency Through July 31, 2020.
14. Resolution No. 2020-41, Authorization to file Validation Action and Authorization of Issuance of Pension Obligation Bonds

PUBLIC HEARING CALENDAR (QUASI-JUDICIAL):

15. Community Facilities District (CFD No. 2005-01) – Pueblo Viejo Villas

- a) Resolution No. 2020-36 Determining the Validity of Prior Proceedings relating to Annexation of Property in the City of Coachella CFD No. 2005-01 (Law Enforcement, Fire and Paramedic Services).
- b) Resolution No. 2020-37 on Behalf of CFD No. 2005-01 Calling a Special Election.
- c) Resolution No. 2020-38 Canvassing The Results of The Election Held Within CFD No. 2005-01 (Area No. 31)
- d) Ordinance No. 1164 on Behalf of CFD No. 2005-01 Authorizing the Levy of a Special Tax within Annexation Area No. 31 Annexed to Said District (*First Reading*)

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 on the City's website www.coachella.org.

THIS MEETING IS ACCESSIBLE TO PERSONS WITH DISABILITIES



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

MINUTES

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

June 10, 2020
6:00 PM Regular Meeting

CALL TO ORDER:

The Regular Meeting of the City Council of the City of Coachella was called to order at 6:00 p.m. by Mayor Hernandez.

ROLL CALL:

Present: Councilmember Bautista, Councilmember Beaman Jacinto, Councilmember Gonzalez, Mayor Pro Tem Martinez (*Arrived at 6:04 p.m.*) and Mayor Hernandez.

Absent: None.

Mayor Hernandez asked for a moment of silence in the memory of Mario Lazcano.

Pursuant to Executive Order N-29-20 pertaining to the coronavirus/COVID-19, this meeting was conducted entirely by teleconference/electronically with no in-person public access to the meeting location.

APPROVAL OF AGENDA:

Request by City Manager Pattison to add one item by four-fifths vote as Item 10, resulting in a renumbering of the remaining items.

Motion: To add to the agenda Item 10
Made by: Councilmember Gonzalez
Seconded by: Councilmember Bautista
Approved: 5-0, by a unanimous roll call vote:

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

NOES: None.

ABSTAIN: None.

ABSENT: None.

There were no further modifications to the agenda.

Motion: To approve the agenda as **amended**.
Made by: Councilmember Beaman Jacinto
Seconded by: Councilmember Gonzalez
Approved: 5-0, by a unanimous roll call vote:

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

NOES: None.

ABSTAIN: None.

ABSENT: None.

APPROVAL OF MINUTES:

1. Regular Meeting Minutes of May 27, 2020, 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.

Motion: To approve the minutes as presented.

Made by: Councilmember Beman Jacinto
Seconded by: Councilmember Gonzalez
Approved: 5-0, by a unanimous roll call vote:

AYES: Councilmember Bautista, Councilmember Beaman Jacinto, Councilmember Gonzalez, Mayor Pro Tem Martinez, and Mayor Hernandez

NOES: None.

ABSTAIN: None.

ABSENT: None.

PROCLAMATIONS/PRESENTATIONS:

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

WRITTEN COMMUNICATIONS:

Deputy City Clerk Carranza noted we received one written communication dated May 28, 2020, from Rabbi Suzanne Singer, supporting Item 7.

CONSENT CALENDAR:

3. Voucher Listings — Utility Billing Refunds/FY 2019-20 Expenditures as of June 10, 2020, \$1,026,072.25.

4. Resolution No. 2020-24 of the City Council of the City of Coachella Authorizing the City Manager to Submit An Application to the California Department of Housing and Community Development (HCD) for the Receipt of Local Government Planning Support Grant Program Funds under the Local Early Action Planning Grants Program (LEAP) in the Amount of \$150,000
5. Resolution No. 2020-35, Calling and Giving Notice of the Holding of a General Municipal Election to be held on Tuesday, November 3, 2020
6. Direct Staff to Conduct the Biennial Review of the City's Conflict of Interest Code (Form 700 Filers)

Motion: To approve per staff recommendation, Consent Calendar Items 3 through 6.

Made by: Mayor Hernandez
Seconded by: Mayor Pro Tem Martinez
Approved: 5-0, by a unanimous roll call vote:

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

NEW BUSINESS CALENDAR (LEGISLATIVE AND ADMINISTRATIVE):

7. Urgency Ordinance No. 1163 Ratifying the Executive Order dated May 28, 2020 and Extending the Temporary Moratorium on Evictions due to Non-Payment of Rent or Loan Payments Where the Failure to Pay Results from Income Loss Resulting from the Novel Coronavirus (COVID-19 that was Originally Enacted by City Council Urgency Ordinance No. 1160. *(City Attorney Campos noted the ordinance was amended.)*

Public Comment: Rabbi Suzanne Singer *(via email 5/28/2020, at 5:59 p.m.)*

Motion: To approve per staff recommendation.

Made by: Mayor Hernandez
Seconded by: Councilmember Beaman Jacinto
Approved: 5-0, by a unanimous roll call vote:

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

8. Resolution No. WA-2020-07, a Resolution Ratifying the Executive Director’s May 28, 2020 Executive Order and Extending the Temporary Suspension of Service Turnoffs During the COVID-19 State of Emergency Through June 30, 2020.

Motion: To approve per staff recommendation

Made by: Councilmember Beaman Jacinto

Seconded by: Councilmember Gonzalez

Approved: 5-0, by a unanimous roll call vote:

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

NOES: None.

ABSTAIN: None.

ABSENT: None.

9. Fiscal Year 2020-2021 Budget Adoption:

- a) Resolution No. 2020-34, a Resolution of the City Council of the City of Coachella, Adopting an Annual Budget and Organizational Structure for Fiscal Year 2020-21
- b) Resolution No. WA-2020-06, a Resolution of the Board of Directors of the Coachella Water Authority, Adopting an Annual Budget and Organizational Structure for Fiscal Year 2020-21
- c) Resolution No. SD-2020-04, a Resolution of the Board of Directors of the Coachella Sanitary District, Adopting an Annual Budget and Organizational Structure for Fiscal Year 2020-21
- d) Resolution No. FD-2020-03, a Resolution of the Board of Directors of the Coachella Fire Protection District, Adopting an Annual Budget for Fiscal Year 2020-21
- e) Resolution No. CBL-2020-02, a Resolution of the Board of Directors of the Coachella Educational and Governmental Access Cable Channel Corporation, Adopting an Annual Budget for Fiscal Year 2020-21

Mayor Hernandez opened public comments at 7:32 p.m.

Public Comments: Maribel Nunez
Jazmin Ibarra

Mayor Hernandez closed public comments at 7:37 p.m.

Direction: To create a “Reserve Policy” in order to establish our own future Police Department, including a budget line item.

Motion: To approve per staff recommendation

Made by: Councilmember Beaman Jacinto

Seconded by: Mayor Hernandez

Approved: 5-0, by a unanimous roll call vote:

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

NOES: None.

ABSTAIN: None.

ABSENT: None.

10. Purchase of Vacant Real Property From R.B. Johnson Investments, LLC For Two Parcels Totaling 2.21 Acres Located at the southeast Corner of 4th Street and Cesar Chavez Street for the Sunline Transit Hub and Pedestrian Path Project (APN: 778-080-012 and 778-080-013).

Motion: To authorize the purchase of APN 778-080-012 at \$8.00 per square foot, including the easement (APN 778-080-013) at fair market value *[Staff to re-negotiate and bring back resolution for approval]*.

Made by: Mayor Hernandez
 Seconded by: Councilmember Beaman Jacinto
 Approved: 5-0, by a unanimous roll call vote:

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

NOES: None.

ABSTAIN: None.

ABSENT: None.

Public Comments were moved up to this portion of the meeting at 8:05 p.m.:

- a) Brad Anderson
- b) Luz Gallegos
- c) Maria Gonzalez

Council resumed with the regular agenda at this point in time. Note that the following items were renumbered during the approval process of the agenda.

PUBLIC HEARING CALENDAR (QUASI-JUDICIAL):

11. Public Hearing for Resolution No. 2020-08 Confirming the Assessment and Diagram and Ordering the Levy and Collection of Assessments for Fiscal Year 2020/2021 for the City of Coachella Landscaping and Lighting Maintenance District Number 1 through 38.

Mayor Hernandez opened the Public Hearing for Item 10 at 8:17 p.m.

Public Comment: None.

Mayor Hernandez closed the Public Hearing from Item 10 at 8:18 p.m.

(Continued)

(Public Hearing Item 11, Resolution No. 2020-08, continued from previous page.)

Motion: To approve per staff recommendation

Made by: Mayor Hernandez

Seconded by: Councilmember Bautista

Approved: 5-0, by a unanimous roll call vote:

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

NOES: None.

ABSTAIN: None.

ABSENT: None.

12. Community Facilities District (CFD No. 2005-01) - Pueblo Viejo Villas

- a) Resolution No. 2020-36 Determining the Validity of Prior Proceedings relating to Annexation of Property in the City of Coachella CFD No. 2005-01 (Law Enforcement, Fire and Paramedic Services).
- b) Resolution No. 2020-37 on Behalf of CFD No. 2005-01 Calling a Special Election.
- c) Resolution No. 2020-38 Canvassing The Results of The Election Held Within CFD No. 2005-01 (Area No. 31)
- d) Ordinance No. 1164 on Behalf of CFD No. 2005-01 Authorizing the Levy of a Special Tax within Annexation Area No. 31 Annexed to Said District (*1st Reading*)

Mayor Hernandez opened the Public Hearing for Item 11 at 8:21 p.m.

Public Comment: None.

Motion: To continue item to the City Council Meeting of June 24, 2020.

Made by: Mayor Hernandez

Seconded by: Councilmember Beaman Jacinto

Approved: 5-0, by a unanimous voice vote:

PUBLIC COMMENTS (NON-AGENDA ITEMS):

At 8:05 p.m., per Resolution No. 2019-34, Public Comments were moved up (see Page 5). There were no further comments at this time.

REPORTS AND REQUESTS:

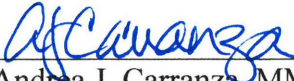
Council Comments/Report of Miscellaneous Committees.

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 8:55 p.m. in the memory of Mario Lazcano.

Respectfully submitted,



Andrea J. Carranza, MMC
Deputy City Clerk

Bank : wfb WELLS FARGO BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
108358	6/24/2020	48014	ALBERT A. WEBB ASSOCIATE 200629	2/22/2020	PE2/22 SVCS: AVE 50 PJCT- L	2,701.00	
			200704	2/22/2020	PE2/22 SVCS: AVE 50 PJCT- C	1,635.19	
			201208	3/28/2020	PE3/28 SVCS: AVE 50 PJCT- L	2,334.14	
			201603	4/25/2020	PE4/25 SVCS: AVE 50 PJCT- L	2,464.25	9,134.58
108359	6/24/2020	53621	ALL THE RIGHT CONNECTION 2510	5/26/2020	WE 5/24: F. HERNANDEZ	495.00	
			2547	6/1/2020	WE 5/31: F. HERNANDEZ	247.50	742.50
108360	6/24/2020	01436	AMERICAN FORENSIC NURSE 73429	5/15/2020	MAY2020 BLOOD DRAW	55.00	55.00
108361	6/24/2020	53291	ANGENIOUS ENGINEERING 19-03-012	4/30/2020	PE4/30 DILLON RD BRIDGE	37,337.64	
			19-07A-005	4/30/2020	PE4/30 AVE 50 BRIDGE	3,176.25	
			19-07B-003	4/30/2020	PE4/30 SR-86/AVE50 INTERCI	9,240.00	49,753.89
108362	6/24/2020	42837	ARAMARK UNIFORM SERVICE MAY2020	5/31/2020	PE5/31 UNIFORMS, MATS & C	2,838.68	
			MAY2020 CC	5/31/2020	PE5/31 MATS & MOPS	344.84	
			MAY2020 SAN	5/31/2020	PE5/31 UNIFORMS, MATS & C	918.04	4,101.56
108363	6/24/2020	52968	ARIVITAS PARTNERS, LLC 20-003-02	3/31/2020	MAR2020 PLANNING SVCS	4,185.00	
			20-003-03	4/30/2020	APR2020 PLANNING SVCS	2,700.00	6,885.00
108364	6/24/2020	43714	B. L. WILSON BACKHOE SER\202034	5/28/2020	RPR'D MANHOLE @ VAN BUF	8,000.00	8,000.00

Bank : wfb WELLS FARGO BANK (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
108366	6/24/2020	45929	BECK OIL, INC.	34590CL	5/15/2020	PE5/15 GRAFFITI DEPT FUEL	35.42
				34254CL	4/30/2020	PE4/30 GRAFFITI DEPT FUEL	116.09
				34557CL	5/15/2020	PE5/15 ADMIN DEPT FUEL	15.19
				34217CL	4/30/2020	PE4/30 ADMIN DEPT FUEL	14.42
				34556CL	5/15/2020	PE5/15 BLDG MAINT DEPT FL	83.61
				34216CL	4/30/2020	PE4/30 BLDG MAINT DEPT FL	114.40
				34550CL	5/15/2020	PE5/15 SANITARY DEPT FUEL	265.53
				34209CL	4/30/2020	PE4/30 SANITARY DEPT FUEL	298.32
				34538CL	5/15/2020	PE5/15 CODE ENF DEPT FUE	219.01
				34196CL	4/30/2020	PE4/30 CODE ENF DEPT FUE	241.07
				34528CL	5/15/2020	PE5/15 SENIOR CNTR FUEL	155.49
				34185CL	4/30/2020	PE4/30 SENIOR CNTR FUEL	103.47
				34527CL	5/15/2020	PE5/15 VEHICLE MAINT DEPT	84.94
				34184CL	4/30/2020	PE4/30 VEHICLE MAINT DEPT	173.18
				34502CL	5/15/2020	PE5/15 PARKS DEPT FUEL	358.00
				34161CL	4/30/2020	PE4/30 PARKS DEPT FUEL	366.36
				34499CL	5/15/2020	PE5/15 WATER DEPT FUEL	216.54
				34158CL	4/30/2020	PE4/30 WATER DEPT FUEL	357.50
				34497CL	5/15/2020	PE5/15 STREETS DEPT FUEL	331.39
				34156CL	4/30/2020	PE4/30 STREETS DEPT FUEL	297.03
				34493CL	5/15/2020	PE5/15 LLMD DEPT FUEL	91.97
				34152CL	4/30/2020	PE4/30 LLMD DEPT FUEL	111.67
				34491CL	5/15/2020	PE5/15 BLDG/PLANNING DEP	36.63
				34150CL	4/30/2020	PE4/30 BLDG/PLANNING DEP	35.73
				34490CL	5/15/2020	PE5/15 ENG DEPT FUEL	190.49
				34149CL	4/30/2020	PE4/30 ENG DEPT FUEL	29.89
				35261CL	5/31/2020	PE5/31 ADMIN DEPT FUEL	8.71
				35260CL	5/31/2020	PE5/31 BLDG MAINT DEPT FL	88.62
				35252CL	5/31/2020	PE5/31 SANITARY DEPT FUEL	329.38
				35240CL	5/31/2020	PE5/31 CODE ENF DEPT FUE	168.61
				35228CL	5/31/2020	PE5/31 SENIOR CNTR FUEL	155.20
				35227CL	5/31/2020	PE5/31 VEHICLE MAINT DEPT	71.49
				35205CL	5/31/2020	PE5/31 PARKS DEPT FUEL	266.32
				35201CL	5/31/2020	PE5/31 WATER DEPT FUEL	422.47
				35199CL	5/31/2020	PE5/31 STREETS DEPT FUEL	252.38

Bank : wfb WELLS FARGO BANK (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
			35195CL	5/31/2020	PE5/31 LLMD DEPT FUEL	38.55		
			35193CL	5/31/2020	PE5/31 BLDG/PLANNING DEP	38.07		
			35192CL	5/31/2020	PE5/31 ENG DEPT FUEL	149.59	6,332.73	
108367	6/24/2020	43862	BRENNTAG PACIFIC, INC	BPI312633	5/18/2020	5/13 DRUM RETURN	-720.00	
			BPI49454	5/20/2020	SODIUM HYPOCHLORITE	2,188.93		
			BPI49455	5/20/2020	SODIUM HYPOCHLORITE	2,188.93	3,657.86	
108368	6/24/2020	50977	BRISAS AIR CONDITIONING	IM10822	5/14/2020	SVC'D A/C UNIT @ 1500 6TH S	455.58	455.58
108369	6/24/2020	50646	BURRTEC WASTE & RECYCLISS	2-1920	6/9/2020	SS2 FY19/20 REFUSE COLLE	914,581.92	914,581.92
108370	6/24/2020	53627	CANNON PARKIN, INC.	20-0244	3/12/2020	PE2/29 FIRE STATION REHAB	13,740.00	13,740.00
108371	6/24/2020	53423	CBE OFFICE SOLUTIONS	IN2271913	5/20/2020	ACC #CC3502, COLOR COPIE	911.38	911.38
108372	6/24/2020	02048	CDW GOVERNMENT, INC.	XRT0141	4/30/2020	SW CONTENT FLTR PREM SC	111.24	111.24
108373	6/24/2020	53426	CELL BUSINESS EQUIPMENT	68129185	5/23/2020	SHARP MX5071+MX6071+MX	610.58	610.58
108374	6/24/2020	07950	CITY OF COACHELLA	Apr 2020	4/30/2020	APR2020 WATER- ST, PARKS	16,721.83	
				Apr 2020-LLD's	4/30/2020	APR2020 WATER- LLD'S	14,086.48	30,808.31
108375	6/24/2020	53220	COACHELLA ACE HARDWARE	837/1	5/14/2020	RUBBING ALCOHOL	7.81	
				838/1	5/15/2020	WATERPROOF CASE, 20IN R,	120.56	
				839/1	5/17/2020	MAGLITE 6V BATTERY, ETC	44.33	
				851/1	5/26/2020	BATTERY ALK AAA, ETC	101.07	273.77
108376	6/24/2020	45032	COLLINS ELECTRIC CORP.	052820-2	5/28/2020	RPLC'D LED LIGHT FIXTURE	390.00	390.00
108377	6/24/2020	44959	COMPUTER CONSULTANTS,	131039	5/30/2020	MAY2020 SVC CALLS	787.50	787.50
108378	6/24/2020	52375	CORE & MAIN LP	M441763	6/2/2020	MM 6 SS OCTAVE METER W/	212,119.97	212,119.97
108379	6/24/2020	11800	COUNTY OF RIVERSIDE	AN0000001985	6/11/2020	MAY2020 ANL SHLTR+FIELD+	24,224.50	24,224.50
108380	6/24/2020	09950	CVWD	16225	1/15/2020	PROP1 RND1 IRWM IMPLEME	21,237.18	
				16414	5/20/2020	FY18/19 INDIO SUBBASIN ANI	21,148.47	42,385.65
108381	6/24/2020	12870	DEPARTMENT OF JUSTICE	450850	5/7/2020	FEB2020 BLOOD ALCOHOL AI	105.00	105.00
108382	6/24/2020	53389	DESERT CONCEPTS CONST	F19499	3/31/2020	3/15+16 EMERGENCY WATEF	21,800.00	21,800.00
108383	6/24/2020	42254	DESERT TRUCK & AUTO PAR	109164	5/27/2020	STEERING COLUMN	163.13	163.13
108384	6/24/2020	14860	E. K. WOOD LUMBER COMPAN	488730	5/14/2020	24" JANITORIAL DUST MOP, F	78.46	
				488833	5/18/2020	OSC. FAN & ONE-SIDED KEY	18.95	
				489052	5/27/2020	ONE-SIDED KEY	3.45	
				489018	5/26/2020	STUD ANCHOR, PERC MAS B	25.03	125.89
108385	6/24/2020	15750	FEDEX	7-024-28109	5/29/2020	5/20 FEDEX	7.91	7.91
108386	6/24/2020	51604	FRONTIER	BD 5/16/20	5/16/2020	ACC 209-188-4039-091192-5, f	173.49	
				3983051-MY20	5/1/2020	760/398-3051, 5/1/20	78.82	252.31

Bank : wfb WELLS FARGO BANK (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
108387	6/24/2020	43672	FULTON DISTRIBUTING COMF506369	5/13/2020	FACE SHIELD	214.78	
			506470	5/14/2020	NITRILE GLOVES	240.90	
			507150	5/27/2020	DUST MASK & SANITIZER	184.53	640.21
108388	6/24/2020	51494	GARDA CL WEST, INC. 10568599	6/1/2020	JUNE2020 ARMORED TRANS	626.43	
			10568621	6/1/2020	JUNE2020 CASHLINK MAINT	788.43	1,414.86
108389	6/24/2020	44142	GIERLICH-MITCHELL, INC. 15755	5/19/2020	INBOARD/OUTBOARD BEARII	1,886.04	1,886.04
108390	6/24/2020	00207	GRAINGER INC 9538639338	5/21/2020	COLLARED COVERALL	359.39	359.39
108391	6/24/2020	51892	HERC RENTALS, INC. 31469201-001	5/22/2020	LIGHT TOWER	5,383.13	5,383.13
108392	6/24/2020	00996	HOME DEPOT 1011605	5/26/2020	EVAP COOLER 500SQ FT	651.41	
			3012231	6/3/2020	DURACELL AA, ENERGIZER A	217.19	
			1092003	5/26/2020	ENERGIZER D, ETC	66.87	935.47
108393	6/24/2020	20450	IMPERIAL IRRIGATION DISTRI50035560-MY20	6/2/2020	AC50035560, 4/29-5/28, ST LIC	18,641.21	
			50459819-MY20	5/28/2020	AC50459819, 4/28-5/26	32.27	
			50459796-MY20	5/28/2020	AC50459796, 4/28-5/26	60.65	
			50408460-MY20	5/28/2020	AC50408460, 4/28-5/26, WELL	6,988.15	
			50459795-MY20	5/28/2020	AC50459795, 4/28-5/26	38.13	
			50522793-MY20	5/28/2020	AC50522793, 4/28-5/26, SCAD	13.03	
			50035755-MY20	5/28/2020	AC50035755, 4/28-5/26, PUMP	31.10	
			50434217-MY20	5/28/2020	AC50434217, 4/28-5/26	47.63	
			MdAP-MdMY	5/13/2020	MID APRIL-MID MAY 2020 ELE	43,528.86	69,381.03
108394	6/24/2020	45108	IMPERIAL SPRINKLER SUPPL4170754-00	5/14/2020	RAINBIRD 8' FLAT NOZZLE, E	36.72	
			4177269-00	5/19/2020	COMMERCIAL DROP SPREAD	173.98	
			4178683-00	5/19/2020	4GAL PISTON BACKPACK SPI	96.51	
			4177989-00	5/19/2020	LOW VOC PVC CEMENT, ETC	23.31	
			4182021-00	5/21/2020	TREESTAK LODGE POLES, E	54.28	
			4183059-00	5/21/2020	4GAL PISTON BACKPACK SPI	110.91	
			4183948-00	5/22/2020	36" HAND PUMP W/ HOSE	51.79	547.50
108395	6/24/2020	53199	INLAND VALLEY SLADDEN, IN44940	5/29/2020	CONSULTING SVCS FOR GRI	3,500.00	3,500.00
108396	6/24/2020	47328	KONICA MINOLTA 35408223	4/30/2020	BIZHUB 501, WATER DEPT, A	163.45	
			35408224	5/2/2020	ACC 061-0042081-000, MAY20	67.43	230.88
108397	6/24/2020	44047	KONICA MINOLTA BUSINESS 9006705360	4/20/2020	BIZHUB C360, CITY HALL, 4/2	38.94	
			9006728116	4/28/2020	BIZHUB C364+C454+PRO 951	16.10	
			9006737730	4/30/2020	BIZHUB C360, CORP YARD, A	298.82	
			9006770712	5/13/2020	BIZHUB C454E, CITY HALL, 4/	41.72	395.58
108398	6/24/2020	02162	LOWE'S COMPANIES, INC. 65757	5/13/2020	35PC IR FLEX TORQ SET, ET	49.51	49.51

Bank : wfb WELLS FARGO BANK (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
108399	6/24/2020	49857	MANPOWER US INC.	35016946	5/31/2020	WE 5/31: RAMIREZ	558.00	558.00
108400	6/24/2020	50846	MATTHEW FAGAN CONSULTII32		6/1/2020	MAY2020 SVCS: VISTA DEL AC	2,913.80	2,913.80
108401	6/24/2020	25900	MEREDITH & SIMPSON CONS200534		5/19/2020	18W COMPACT FLUORESCEI	147.29	147.29
108402	6/24/2020	51579	METLIFE- GROUP BENEFITS June2020		5/15/2020	JUNE2020 DENTAL/VISION/LII	13,356.47	13,356.47
108403	6/24/2020	45197	MSA CONSULTING, INC.	2406.001-16	4/30/2020	PE5/2 SHADY LN WTR SYSTE	1,628.75	
				2406.002-15	4/30/2020	PE5/2 SHADY LN SEPTIC TO :	2,400.00	
				2405.001-16	4/30/2020	PE5/2 CASTRO'S WTR SYSTE	2,000.00	6,028.75
108404	6/24/2020	01882	NORTHERN TOOL & EQUIPME44530617		3/31/2020	BURLY RBR KNEEBOOT	108.74	108.74
108405	6/24/2020	42112	NRO ENGINEERING	05-20-012	4/30/2020	PE4/30 PLNCK, PUEBLO VIEJ	708.75	
				05-20-013	4/30/2020	PE4/30 PLNCK, PUEBLO VIEJ	262.50	
				05-20-016	4/30/2020	PE4/30 PLNCK, PUEBLO VIEJ	1,071.00	
				05-20-017	4/30/2020	PE4/30 PLNCK, PUEBLO VIEJ	1,606.50	
				05-20-014	4/30/2020	PE4/30 PLNCK, VALENCIA.#1:	525.00	
				05-20-015	4/30/2020	PE4/30 PLNCK, COACHELLA \	1,071.00	5,244.75
108406	6/24/2020	44714	NV5, INC.	151162	1/25/2020	PE12/28 GRAPEFRUIT BLVD U	25,525.00	
				161460	4/25/2020	PE3/28 GRAPEFRUIT BLVD UI	51,397.50	76,922.50
108407	6/24/2020	53735	OPPENHEIMER, CHRISTOPHECert Reimb		6/3/2020	REIMB: RESIDENTIAL BLDG II	300.51	300.51
108408	6/24/2020	47192	O'REILLY AUTO PARTS	2855-217516	5/26/2020	RELAY & BLOWER MOTOR	58.03	
				2855-217743	5/27/2020	TIE ROD ENDS	145.36	203.39
108409	6/24/2020	52650	PALMS TO PINES PRINTING A0514COCHS-FA		5/28/2020	ANTIBACTERIAL HAND SANIT	1,116.86	1,116.86
108410	6/24/2020	02028	PETE'S ROAD SERVICE, INC.	413443-00	5/21/2020	FLAT REPAIR	26.11	
				413554-00	5/27/2020	ALIGNMENT & MOUNT/BALAN	625.56	651.67
108411	6/24/2020	42433	POOL & ELECTRICAL PRODU02610109		5/26/2020	GRANULAR CHLORINE, ETC	479.46	
				02610110	5/26/2020	GRANULAR CHLORINE, ETC	335.34	814.80
108412	6/24/2020	53198	PROACTIVE ENGINEERING	17387	5/25/2020	PE4/30 STORMWATER MASTI	5,982.35	
				17164	4/12/2020	PE3/31 STORMWATER MASTI	4,242.50	10,224.85

Bank : wfb WELLS FARGO BANK (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
108413	6/24/2020	48977	PROTECTION 1/ADT	134150163	5/5/2020	JN-AG2020 ALARM/PRIME CE	145.02	
				134150164	5/5/2020	JN-AG2020 ALARM, BGDMA S	133.53	
				134150165	5/5/2020	JN-AG2020 ALARM/ESUITE/C	221.85	
				134150166	5/5/2020	JN-AG2020 EQUIP LSE/EXT S	459.68	
				134150167	5/5/2020	AP-JL2020 ALARM/EXT SVC F	208.86	
				134150168	5/5/2020	JN-AG2020 ALARM/EXT SVC I	1,497.75	
				134150150	5/5/2020	JN-AG2020 ALARM, 87101 AVI	85.02	
				134150151	5/5/2020	JN-AG2020 EQUIP LSE/EXT S	254.06	
				134150152	5/5/2020	JN-AG2020 ALARM, 87075 AVI	133.53	
				134150153	5/5/2020	JN-AG2020 FIRE/ALARM, 8707	187.05	
				134150154	5/5/2020	JN-AG2020 FIRE, COMMUNIT	216.99	
				134150155	5/5/2020	JUNE2020 CELL/ESUITE/ALAF	62.00	
				134150160	5/5/2020	JN-AG2020 ALARM/EXT SVC I	180.09	
				134150161	5/5/2020	JN-AG2020 ALARM/EXT SVC I	191.34	
				134150162	5/5/2020	JN-AG2020 ALARM/EXT SVC I	180.09	
				134431899	5/18/2020	ADDTNL EQUIP/LABOR CHRG	206.06	
				134431900	5/18/2020	LABOR CHRG @ 87101 AVE 5	37.50	
				134150144	5/5/2020	JN-AG2020 ALARM/EXT SVC I	177.33	
				134150145	5/5/2020	JN-AG2020 ALARM/EXT SVC I	209.98	
				134150146	5/5/2020	JUNE2020 ALARM/EXT SVC P	626.74	
				134150147	5/5/2020	JUNE2020 ALARM/EXT SVC P	1,023.39	
				134150148	5/5/2020	JN-AG2020 EQUIP LSE/EXT S	472.13	
				134150149	5/5/2020	JN-AG2020 FIRE, 87101 AVE 5	136.02	
				134150156	5/5/2020	JN-AG2020 CELL BACKUP/FIF	218.58	
				134150157	5/5/2020	JUNE2020 CELL/EXT SVC PR	110.01	
				134150158	5/5/2020	JN-AG2020 ALARM/EXT SVC I	188.19	
				134150159	5/5/2020	JN-AG2020 ALARM/EXT SVC I	197.34	7,760.13
108414	6/24/2020	52082	PROWEST PCM, INC. 05 PC	5/31/2020	PE5/31 FIRE STATION REHAB	36,006.00	36,006.00	
108415	6/24/2020	52344	QUADIENT FINANCE USA, INCCD	5/12/2020	POSTAGE BY PHONE #7900 C	3,435.55	3,435.55	
108416	6/24/2020	53552	QUENCH USA, INC. INV02492883	5/26/2020	AC D347652, JUNE2020 RNTL	32.63	32.63	
108417	6/24/2020	52306	QUINN COMPANY	14413001	5/22-26 DUMP TRUCK RNTL	398.82		
				14425301	5/26-28 DUMP TRUCK RNTL	387.26		
				PCG00007868	6/1/2020	FILTERS	80.11	866.19
108418	6/24/2020	51580	RIVCO MECHANICAL SERVICE W17685	5/26/2020	PM SVC ON A/C @ SANITARY	508.35	508.35	

Bank : wfb WELLS FARGO BANK (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
108419	6/24/2020	53475	RUDYS ELECTRIC	10759	5/19/2020	INSTLL'D NEW MONUMENT L	796.50	
				10760	5/19/2020	INSTLL'D SIGN LIGHTING @ I	950.00	1,746.50
108420	6/24/2020	45190	RUDY'S TERMITE & PEST COI	1244368	5/28/2020	5/28 RMV'D BEES @ RLF PAR	250.00	250.00
108421	6/24/2020	47658	RUIZVA L. PEST CONTROL	097	5/21/2020	MAY2020 SVCS: FIRE STATIO	65.00	65.00
108422	6/24/2020	44262	SCST, INC.	678873	2/28/2020	PE2/28 ATP CYCLE 2 PJCT	768.00	
				678435	1/26/2020	PE1/26 SRTS GREEN BIKE LA	300.00	1,068.00
108423	6/24/2020	52924	SIEMENS MOBILITY, INC.	5620023021	9/27/2019	RPLC'D ITERIS & BBS EQUIP	26,605.74	26,605.74
108424	6/24/2020	44581	SIGN-A-RAMA	100635	2/25/2020	FABRICATION/INSTLLTN OF M	9,707.90	9,707.90
108425	6/24/2020	35000	SMART & FINAL	019795	6/4/2020	STEVIA PACKETS, CLOROX C	126.64	126.64
108426	6/24/2020	35450	SOCALGAS	BaqPool-MY20	5/26/2020	AC 069 323 6500 7, 4/22-5/21	14.30	
				1515 6th-MY20	5/26/2020	AC 031 523 3700 6, 4/22-5/21	18.72	
				84626Baq-MY20	5/26/2020	AC 153 323 6215 9, 4/22-5/21	14.30	
				1377 6th-MY20	5/26/2020	AC 012 623 3701 5, 4/22-5/21	64.01	
				1540 7th-MY20	5/26/2020	AC 008 423 3900 4, 4/22-5/21	51.85	
				87075Av54-MY2	5/26/2020	AC 123 573 5834 5, 4/22-5/21	35.29	
				1500 6th-MY20	5/26/2020	AC 020 678 1257 4, 4/22-5/21	15.02	213.49
108427	6/24/2020	47319	SPARKLETTS	9467308 052420	5/24/2020	MAY2020 WATER @ SANITAR	135.85	135.85
108428	6/24/2020	52595	STAPLES BUSINESS CREDIT	7305102632-2-1	5/20/2020	SURFACE TYPE COVER FING	-154.31	
				7306402785-0-3	4/21/2020	NITRILE GLOVES	50.83	
				7307679172-0-1	5/15/2020	COPY PAPER, BOX FILE LTR/	190.73	
				7307931686-0-1	5/21/2020	PUNCH 3 HOLE	48.87	
				7308095558-0-1	5/27/2020	DESIGNER KEYBOARD/MOUSE	137.43	
				183620271-0-1	5/11/2020	RECYCLED GW WHT, ETC	442.58	
				7307227915-0-1	4/29/2020	NESTLE PURE LIFE, 12PK DIE	102.60	
				7307887052-0-1	5/19/2020	G2 GATORADE, NESTLE PUR	115.38	
				7307867936-0-1	5/19/2020	PUFFS PLUS, COFFEE-MATE	52.11	986.22
108429	6/24/2020	00102	SUNLINE TRANSIT AGENCY	INV04274	5/6/2020	APR2020 CNG FUEL	734.85	734.85
108430	6/24/2020	52125	TAG/AMS, INC.	2767244	5/18/2020	APR2020 DRUG TESTING	97.00	97.00
108431	6/24/2020	49243	TOM BROHARD AND ASSOCI	2020-13	5/8/2020	PE5/8 ANALYSIS OF GRAPEF	7,020.00	7,020.00
108432	6/24/2020	50627	TOP SCALE, INC.	61254	5/20/2020	5/18 PRVNTVE MAINT ON SC,	658.00	658.00
108433	6/24/2020	38250	TOPS N BARRICADES	1082004	5/21/2020	PAINT WHITE RDRY	496.55	496.55
108434	6/24/2020	50590	TOUCHTONE COMMUNICATIO	864781	5/1/2020	AC 1100006871, MAY2020	6.83	6.83
108435	6/24/2020	52204	TPX COMMUNICATIONS	130118351-0	5/16/2020	AC33325, 5/16-6/15	3,630.41	3,630.41
108436	6/24/2020	48436	UNIVAR SOLUTIONS USA INC	48596566	5/22/2020	SODIUM HYPOCHLORITE	5,744.31	5,744.31
108437	6/24/2020	53345	UNIVERSAL CONSTRUCTION	2010-1	5/29/2020	PE5/29 ARABY AVE SIDEWAL	99,262.33	99,262.33

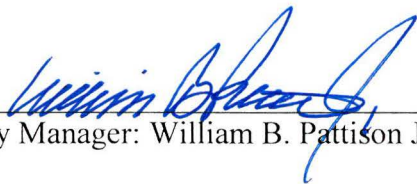
Bank : wfb WELLS FARGO BANK (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
108438	6/24/2020	39640	VALLEY LOCK & SAFE	160969	5/15/2020	RPLC'D CYBER CYLINDER @	328.53
				159846	5/26/2020	CYBER KEYS, KEY RINGS, ET	107.14
				160996	5/27/2020	SVC'D CYBER CYLINDERS @	135.00
							570.67
108439	6/24/2020	53173	VERIZON CONNECT NWF, INC	OSV0000020467	3/1/2020	FEB2020 GPS MONITORING S	1,403.70
108440	6/24/2020	50629	VINTAGE ASSOCIATES, INC	216769	5/19/2020	RMV'D TREES @ BGDMA & R	1,170.00
108441	6/24/2020	49778	WEST COAST ARBORIST, INC	153318-A	9/16/2019	PE9/16 TREE MAINT @ LLMD	270.00
				160419	9/21/2019	PE9/21 TREE MAINT @ LLMD	1,380.00
				160425	9/28/2019	PE9/28 TREE MAINT @ LLMD	800.00
				160426	9/29/2019	PE9/29 TREE MAINT @ LLMD	540.00
				160206	4/30/2020	PE4/30 TREE MAINT @ LLMD	486.00
				160417	9/20/2019	PE9/20 TREE MAINT @ LLMD	400.00
				160421	9/26/2019	PE9/26 TREE MAINT @ LLMD	1,836.00
				160424	9/27/2019	PE9/27 TREE MAINT @ LLMD	200.00
				160427	9/30/2019	PE9/30 TREE MAINT @ LLMD	400.00
							6,312.00
108442	6/24/2020	51697	WESTERN WATER WORKS SI	58615-00	5/7/2020	10 DI C153 MJ PLUG, GALV VI	186.51
				58802-00	6/3/2020	2 CPLG QJ 110 COMP CTS, E	492.42
							678.93
108443	6/24/2020	00384	WILLDAN FINANCIAL SERVICE	002-22679	5/7/2020	APR2020 BLDG & SAFETY SV	7,987.50
108444	6/24/2020	53596	XTREME HEATING AND AIR	1929	5/20/2020	A/C REPAIRS @ FIRE STATIO	90.00
							90.00
108445	6/24/2020	42100	ZUMAR INDUSTRIES INC	88658	5/29/2020	STREET SIGNS (CORTE DEL	531.46
				88594	5/26/2020	SIGN SADDLE, ETC	194.27
							725.73
Sub total for WELLS FARGO BANK:							1,781,936.74

87 checks in this report.

Grand Total All Checks: 1,781,936.74

Date: June 24, 2020



City Manager: William B. Pattison Jr.



Finance Director: Nathan Statham



STAFF REPORT
6/24/2020

TO: Honorable Mayor and City Council Members

FROM: Celina Jimenez, Grants Manager

SUBJECT: Adopt Resolution No. 2020-40 Authorizing the City of Coachella's Participation in the County of Riverside's Urban County Program for Fiscal Years 2021-22, 2022-2023, and 2023-2024

STAFF RECOMMENDATION:

Staff recommends that the City Council considers adopting Resolution No. 2020-40 authorizing the City of Coachella's continued participation in the County of Riverside's Urban County Program for fiscal years 2021-22, 2022-2023, and 2023-2024.

BACKGROUND:

In 1974, Congress initiated the Community Development Block Grant (CDBG) Program as part of the Housing and Community Development Act. The mission of the CDBG Program is to improve the quality of life for people of low-moderate incomes in low income census tract areas, aid in the prevention of neighborhood deterioration and meet other urgent community development needs. The purpose of CDBG funding is to provide capital to support local economies, help strengthen neighborhoods, empower families and promote individual achievement. Due to its emphasis on flexibility, CDBG remains one of the most effective forms of federal assistance available to local governments

The Riverside County Department of Housing, Homelessness Prevention, and Workforce Solutions will administer the CDBG funding and oversees approximately 14 non-entitlement communities throughout Riverside County, of which Coachella is a "Participating City." The City qualifies as a Participating City due to its various low-to-moderate income Census tract areas. Due to federal requirements, a resolution must be submitted to Riverside County no later than July 10, 2020 confirming the City of Coachella's intent to continue its participation in the Riverside County Community Development Block Grant, HOME Investment Partnership Program, and the Emergency Solutions Grant for Fiscal Years 2021-22, 2022-23, and 2023-24.

DISCUSSION/ANALYSIS:

The term of this Agreement is for three (3) years commencing on July 1, 2021, through June 30, 2024, unless an earlier date of termination is fixed by U.S. Department of Housing and Urban Development, hereinafter referred to as HUD, pursuant to ACT.

CDBG-eligible activities include: Public Facilities and Improvements, Rehabilitation, Construction of Housing, Code Enforcement, Special Economic Development Activities, Microenterprise Assistance, and other miscellaneous activities. No less than 70 percent of the funds must be used for activities that benefit low- and moderate-income persons over a period specified by the state, not to exceed 3 years. The selected activities must meet a national objective such as:

1. Benefiting low and moderate (L/M) income persons;
2. Addressing slums or blight; or
3. Meeting a particularly urgent community development need.

ALTERNATIVES:

1. Adopt Resolution No. 2020-40 Authorizing the City of Coachella's Participation in the County of Riverside's Urban County Program for Fiscal Years 2021-22, 2022-2023, and 2023-2024
2. Not Adopt Resolution No. 2020-40 Authorizing the City of Coachella's Participation in the County of Riverside's Urban County Program for Fiscal Years 2021-22, 2022-2023, and 2023-2024

FISCAL IMPACT:

There is no direct fiscal impact to the approval of the agreement; however, the approval of this agreement will ensure that Coachella is eligible for future CDBG funds, which, on average, have been approximately \$340,000 per year.

ATTACHMENT(S):

1. Cooperation Agreement
2. Resolution No. 2020-40

**COOPERATION AGREEMENT
FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT,
HOME INVESTMENT PARTNERSHIP PROGRAM, AND EMERGENCY SOLUTIONS
GRANT FOR FISCAL YEARS 2021-22, 2012-23, 2023-24**

This Cooperation Agreement for the Community Development Block Grant, HOME Investment Partnership Program, and the Emergency Solutions Grant for Fiscal Years 2021-22, 2022-23, and 2023-24, hereinafter referred to as "Agreement," is made and entered into this _____ day of _____, 2020, by and between the COUNTY OF RIVERSIDE, a political subdivision of the State of California, hereinafter referred to as "COUNTY", and CITY of **CITY of COACHELLA**, an incorporated municipality within the geographical boundaries of the COUNTY, hereinafter referred to as "CITY," who together are sometimes referred to herein individually as "Party" or collectively as the "Parties."

RECITALS

WHEREAS, the Housing and Community Development Act of 1974, as amended (Public Law 93-383), hereinafter called "ACT," provides that Community Development Block Grant, funds hereinafter referred to as "CDBG," may be used for the support of activities that provide decent housing, suitable living environments, and expanded economic opportunities principally for persons of low and moderate-income; and

WHEREAS, the HOME Investment Partnerships Act program, hereinafter referred to as "HOME," was enacted as Title II of the National Affordable Housing Act of 1990, for the purposes of: expanding the supply of decent, affordable housing for low and very-low income families with emphasis on rental housing; building State and local capacity to carry out affordable housing programs; and providing for coordinated assistance to participants in the development of affordable low-income housing; and

WHEREAS, the Emergency Solutions Grant, hereinafter referred to as "ESG," was authorized by the McKinney-Vento Homeless Assistance Act of 1987 and the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009. The objectives of the ESG program are to increase the number and quality of emergency shelters and transitional

1 housing facilities for homeless individuals and families, to operate these facilities and provide
2 essential social services, and to help prevent homelessness.

3 **WHEREAS**, CDBG regulations requires an eligible county to re-qualify as Urban County
4 under the CDBG program every three (3) years; and

5 **NOW THEREFORE**, in consideration of the mutual covenants herein set forth
6 and the mutual benefits to be derived there from, the Parties agree as follows:

7 1. GENERAL.

8 (a). This Agreement gives COUNTY authority to undertake, or assist in
9 undertaking, activities for Fiscal Years 2021-22, 2022-23, and 2023-24, that will be funded from
10 the CDBG, HOME, and ESG programs and from any program income generated from the
11 expenditure of such funds. COUNTY and CITY agree to cooperate, to undertake, or to assist in
12 undertaking, community renewal and lower-income housing assistance activities. COUNTY is
13 qualified as an "Urban County" under the ACT. CITY, by executing this Agreement, hereby gives
14 notice of its election to participate in an Urban County’s Community Development Block Grant
15 (CDBG), Home Investment Partnership Act (HOME), and Emergency Solutions Grant (ESG)
16 programs, hereinafter referred to as "Urban County Programs".

17 (b). By executing this Agreement, CITY understands that it may not apply for
18 grants from appropriations under the Small Cities or State CDBG Programs for fiscal years during
19 the period in which it participates in the Urban County’s CDBG program and that CITY may only
20 participate in the HOME program through the COUNTY’S Urban County Programs, not a HOME
21 consortium. The CITY may also apply for HOME funds from the State of California, if permitted
22 by the State.

23 (c). By executing this Agreement, CITY understands that it may only receive a
24 formula allocation of ESG funds through the COUNTY’S Urban County Programs. The CITY
25 may also apply for ESG funds from the State of California, if permitted by the State.
26
27
28

2. TERM.

The term of this Agreement shall be for three (3) years commencing on July 1, 2021, through June 30, 2024, unless an earlier date of termination is fixed by U.S. Department of Housing and Urban Development, hereinafter referred to as HUD, pursuant to ACT.

COUNTY shall notify CITY of CITY’s right not to participate in the next three-year period no later than the date specified by HUD in the *Urban County Qualification Notice*. CITY shall notify COUNTY no later than the date specified in COUNTY’s notification that CITY elects not to participate in the next three-year Urban County Program. COUNTY shall send copies of all notifications required by this Paragraph to the HUD Field Office.

The terms of this Agreement shall remain in effect until the CDBG, HOME, and ESG funds and program income received with respect to activities carried out during the three-year qualification period are expended and the funded activities completed. Furthermore, neither the COUNTY nor the CITY may terminate or withdraw from this Agreement while it remains in effect.

3. PREPARATION OF FEDERALLY REQUIRED FUNDING APPLICATIONS.

The Riverside County Department of Housing, Homelessness Prevention, and Workforce Solutions, subject to approval of COUNTY’s Board of Supervisors, shall be responsible for preparing and submitting to HUD, in a timely manner, all reports and statements required by the ACT and the Federal regulations promulgated by HUD to secure entitlement grant funding under the CDBG, HOME, and ESG programs. This duty shall include the preparation and processing of COUNTY Housing, Community, and Economic Development Needs Identification Report, Citizen Participation Plan, the County Five-Year Consolidated Plan, One-Year Action Plan, Consolidated Annual Performance and Evaluation Report (CAPER), and other related programs which satisfy the application requirements of ACT and its regulations.

4. COMPLIANCE WITH FEDERAL STATUTES, REGULATIONS AND OTHER APPLICABLE STATUTES, REGULATIONS AND ORDINANCES.

1 (a) COUNTY and CITY will comply with the applicable provisions of the ACT
2 and those Federal regulations promulgated by HUD pursuant thereto, as the same currently exists
3 or may hereafter be amended.

4 (b) The COUNTY and CITY **are hereby obligated** to take all actions necessary
5 to assure compliance with COUNTY’s certification regarding affirmatively furthering fair housing
6 pursuant to Section 104 (b) of Title I of ACT, as amended.

7 (c) The COUNTY and CITY are hereby obligated to take all actions necessary
8 to assure compliance with Section 504 of the Rehabilitation Act of 1973 and the Age
9 Discrimination Act of 1975.

10 (d) COUNTY and CITY shall comply with the applicable provisions of the
11 following: National Environmental Policy Act of 1969; Title VI of the Civil Rights Act of 1964
12 and Title VIII of the Civil Rights Act of 1968; the Fair Housing Act; Title 24 Code of Federal
13 Regulations part 570; Cranston-Gonzales National Affordable housing Act (Public Law 101-625);
14 Executive Order 11063, as amended by Executive Order 12259; Executive Order 11988; the
15 Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42
16 U.S.C.§4630, et. seq.); and other Federal or state statute or regulation applicable to the use of
17 CDBG, HOME Investment Partnerships Act (enacted as Title II of the National Affordable
18 Housing Act of 1990), and Emergency Solutions Grant funds.

19 (e) CITY agrees that the Urban County Program funding for activities in, or in
20 support of, the CITY are prohibited if CITY does not affirmatively further fair housing within
21 CITY’S jurisdiction or impedes COUNTY actions to comply with its fair housing certification.

22 (f) CITY and COUNTY shall meet the citizen participation requirements of 24
23 CFR 570.301 and provide Riverside County citizens with all of the following:

24 i. The estimate of the amount of CDBG funds proposed to be used for
25 activities that will benefit persons of low and moderate-income;

26 ii. A plan for minimizing displacement of persons as a result of
27 activities assisted with CDBG funds and to assist persons actually displaced as a result of such
28 activities;

1 iii. A plan that provides for and encourages citizen participation, with
2 particular emphasis on participation by persons of low and moderate-incomes, residents of slum
3 and blighted areas, and of areas in which funds are proposed to be used, and provides for
4 participation of residents in low and moderate-income neighborhoods;

5 iv. Reasonable and timely access to local meetings, information, and
6 records relating to the grantee’s proposed use of funds, as required by the regulations of the
7 Secretary, and relating to the actual use of funds under the ACT;

8 v. Provide for public meetings to obtain citizen views and to respond
9 to proposals and questions at all stages of the community development program, including at least
10 the development of needs, the review of proposed activities and review of program performance.
11 Meetings shall be held after adequate notice, at times and locations convenient to potential or
12 actual beneficiaries, and with accommodation for the disabled.

13 (g) CITY shall develop a community development plan, for the period of this
14 Agreement, which identifies community development and housing needs and specifies both short
15 and long-term community development objectives.

16 (h) CITY certifies, to the best of its knowledge and belief, that:

17 i. No Federal appropriated funds have been paid or will be paid, by or
18 on behalf of the CITY, to any person influencing or attempting to influence an officer or employee
19 of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a
20 Member of Congress, in connection with the awarding of any Federal contract, the making of any
21 Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and
22 the extension, continuation, renewal, amendment or modification of any Federal contract, grant,
23 loan or cooperative agreement.

24 ii. If any funds other than Federally-appropriated funds have been paid
25 or will be paid to any person for influencing or attempting to influence an officer or employee of
26 any agency, a Member of Congress, an officer or employee of Congress, or an employee of a
27 Member of Congress, in connection with this Federal contract, grant, loan, or cooperative
28

1 agreement, the undersigned shall complete and submit standard Form-LLL, "Disclosure Form to
2 Report Lobbying", in accordance with its instructions.

3 iii. The CITY shall require that the language provided in Section 4(e)(i)
4 and (ii) of this Agreement be included in the award documents for all sub-awards at all tiers
5 (including subcontracts, sub- grants and contracts under grants, loans, and cooperative agreements)
6 and that all sub-recipients shall certify and disclose accordingly. This certification is a material
7 representation of fact upon which reliance was placed when this transaction was made or entered
8 into.

9 (i) CITY certifies that it has adopted and is enforcing a policy prohibiting the
10 use of excessive force by law enforcement agencies within its jurisdiction against any individuals
11 engaged in non-violent civil rights demonstrations, and that it has adopted and is enforcing
12 applicable State and local laws against physically barring entrance to, or exit from, a facility or
13 location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

14 5. COMPLIANCE WITH POLICY AND PROGRAM OBJECTIVES.

15 The COUNTY’s Board of Supervisors have adopted policies and procedures to
16 ensure efficient and effective administration of the CDBG, HOME, and ESG programs. COUNTY
17 will provide these policies and procedures to CITY within a reasonable time after this Agreement’s
18 commencement date. COUNTY and City agree to comply with these said policies and program
19 objectives and to take no actions to obstruct implementation of the approved 2019-2024 and
20 subsequent Five Year Consolidated Plans.

21 6. OTHER AGREEMENTS.

22 Pursuant to Federal regulations at 24 CFR 570.501(b), CITY is subject to the same
23 requirements applicable to sub-recipients, including the requirement of a written agreement set
24 forth in Federal regulations at 24 CFR 570.503. For each fiscal year during the term of this
25 Agreement, COUNTY and CITY shall enter into an additional agreement, commonly known as a
26 Supplemental Agreement, that will have a term coinciding with a CDBG Program Year and
27 enumerate the project(s) CITY will implement with its entitlement funds. Said Supplemental
28 Agreement will set forth the time schedule for completion of said project(s) and any funding

1 sources, in addition to entitlement funds, that will be used in completing the project(s). If
2 substantial compliance with the completion schedule, due to unforeseen or uncontrollable
3 circumstances, cannot be met by CITY, the schedule for the project(s) may be extended by
4 COUNTY. If COUNTY determines that substantial progress toward drawdown of funds is not
5 made during the term of the Supplemental Agreement, the entitlement funds associated with the
6 project(s) may be reprogrammed by COUNTY, to other activities as determined by COUNTY,
7 after COUNTY provides appropriate written notice to CITY. COUNTY's decision not to extend
8 the completion schedule associated with the project(s), or to reprogram the entitlement funds
9 associated with the project(s), will not excuse CITY from complying with terms of this Agreement.

10 7. DETERMINATION OF PROJECTS TO BE FUNDED AND
11 DISTRIBUTION OF ENTITLEMENT FUNDS.

12 CITY agrees to submit to COUNTY, no later than the date specified by COUNTY
13 prior to each program year, the activities that the CITY desires to implement with its entitlement
14 funds, said designation to comply with statutory and regulatory provisions governing citizen's
15 participation. Said designation is to be reviewed by the COUNTY's Department of Housing,
16 Homelessness Prevention, and Workforce Solutions to determine that the projects are eligible
17 under Federal regulations for funding and inclusion in the One Year Action Plan of the County's
18 Five-Year Consolidated Plan and consistent with both Federal and COUNTY policy governing
19 use of Community Development Block Grant (CDBG) funds.

20 In the event that CITY fails to submit to COUNTY the identified activities that the
21 CITY desires to implement with its entitlement funds by the date specified prior to each program
22 year, the COUNTY may determine the activities to be funded, without consent of the CITY,
23 consistent with both Federal and COUNTY policy governing use of Community Development
24 Block Grant (CDBG) funds.

25 Consistent with Paragraphs 3, 4, 5, 6, and 7 of this Agreement, COUNTY's Board
26 of Supervisors will make the final determination of the distribution and disposition of all CDBG
27 funds received by COUNTY pursuant to the ACT.
28

8. COMMUNITY DEVELOPMENT BLOCK GRANT MANUAL.

CITY warrants that those officers, employees, and agents, retained by it and responsible for implementing projects funded with CDBG have received, reviewed, and will follow the Community Development Block Grant Manual that has been prepared and amended by COUNTY, and by this reference, said Manual is incorporated herein and made a part hereof.

9. REAL PROPERTY ACQUIRED OR PUBLIC FACILITY CONSTRUCTED WITH CDBG FUNDS.

When CDBG funds are used, in whole or in part, by CITY to acquire real property or to construct a public facility, CITY will comply with the National Environmental Policy Act of 1969 (42 U.S.C. §§4321, et seq.), the California Environmental Quality Act (Cal. Pub. Resources Code §§21000, et seq.), the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. §§4630, et seq.), and the California Government Code Sections 7260 et seq., as those Acts may be amended from time-to-time and any Federal or state regulations issued to implement the aforementioned laws.

In addition, the following is to occur:

(a) Title to the real property shall vest in CITY;

(b) The real property title will be held by or the constructed facility will be maintained by the CITY for the approved use until five (5) years after the date that the project is reported as "Completed" within the annual Consolidated Annual Performance and Evaluation Report.

(c) While held by CITY, the real property or the constructed facility is to be used exclusively for the purpose for which acquisition or construction was originally approved by COUNTY;

(d) CITY shall provide timely notice to COUNTY of any action which would result in a modification or change in the use of the real property purchased or improved, in whole or in part, with CDBG or HOME funds from that planned at the time of acquisition or improvement, including disposition.

1 (e) CITY shall provide timely notice to citizens and opportunity to comment
2 on any proposed modification or change;

3 (f) Written approval from COUNTY must be secured if the property or the
4 facility is to be put to an alternate use that is or is not consistent with Federal regulations governing
5 CDBG funds;

6 (g) Should CITY desire during the five (5) year period to use the real property
7 or the constructed facility for a purpose not consistent with applicable Federal regulations
8 governing CDBG funds or to sell the real property or facility, then:

9 (i) If CITY desires to retain title, it will have to reimburse either COUNTY
10 or the Federal government an amount that represents the percentage of current fair market value
11 that is identical to the percentage that CDBG funds initially comprised to when the property was
12 acquired or the facility was constructed;

13 (ii) If CITY sells the property or facility, or is required to sell the property
14 or facility, CITY is to reimburse the COUNTY an amount that represents the percentage of
15 proceeds realized by the sale that is identical to the percentage that CDBG funds comprised of the
16 monies paid to initially acquire the property or construct the facility. This percentage amount will
17 be calculated after deducting all actual and reasonable cost of sale from the sale proceeds.

18 10. DISPOSITION OF INCOME GENERATED BY THE EXPENDITURE
19 OF CDBG FUNDS.

20 CITY shall inform COUNTY of any income generated by the expenditure of
21 CDBG funds received by CITY from COUNTY. CITY may not retain any program income so
22 generated. Any and all program income shall be returned to the County and may only be used for
23 eligible activities in accordance with all CDBG requirements, including all requirements for citizen
24 participation.

25 The COUNTY is required by HUD to monitor and report the receipt and use of all
26 program income. CITY is required to track, monitor, and report any and all program income as
27 requested by COUNTY.
28

11. TERMINATION.

Except as provided for in Paragraph 2, CITY and COUNTY cannot terminate or withdraw from this Agreement while it remains in effect.

12. FORMER AGREEMENTS UTILIZING COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS BETWEEN COUNTY AND CITY.

All agreements between CITY and COUNTY regarding the use of CDBG funds for fiscal years 1975-76 through 2020-2021, and any Supplemental Agreements thereunder, shall remain in full force and effect. If the language of this Agreement is in conflict or inconsistent with the terms of any prior said agreements between CITY and COUNTY, the language of this Agreement will be controlling.

13. INDEMNIFICATION

CITY agrees to indemnify, defend and hold harmless COUNTY and its authorized officers, employees, agents, and volunteers from any and all claims, actions, losses, damages, and/or liability arising from CITY acts, errors or omissions and for any costs or expenses incurred by COUNTY on account of any claim therefore, except where such indemnifications is prohibited by law. CITY shall promptly notify COUNTY in writing of the occurrence of any such claims, actions, losses, damages, and/or liability. CITY shall indemnify and hold harmless COUNTY against any liability, claims, losses, demands, and actions incurred by COUNTY as a result of the determination by HUD or its successor that activities undertaken by CITY under the program(s) fail to comply with any laws, regulations, or policies applicable thereto or that any funds billed by and disbursed to CITY under this Agreement were improperly expended.

14. COMPLIANCE WITH LAWS AND REGULATIONS.

By executing this Agreement, the Parties hereby certify that they will adhere to and comply with all applicable Federal, state, and local laws, regulations, and ordinances.

15. ENTIRE AGREEMENT.

It is expressly agreed that this Agreement embodies the entire agreement of the Parties in relation to the subject matter hereof, and that no other agreement or understanding, verbal or otherwise, relative to this subject matter, exists between the Parties at the time of

1 execution.

2 16. SEVERABILITY.

3 Each paragraph and provision of this Agreement is severable from each other
4 provision, and if any provision or part thereof is declared invalid, the remaining provisions shall
5 remain in full force and effect.

6 17. ASSIGNMENT.

7 The Parties will not make any sale, assignment, conveyance or lease of any trust
8 or power, or transfer in any other form with respect to this Agreement, without prior written
9 approval of the other Party.

10 18. INTERPRETATION AND GOVERNING LAW.

11 This Agreement and any dispute arising hereunder shall be governed by and
12 interpreted in accordance with the laws of the State of California. This Agreement shall be
13 construed as a whole according to its fair language and common meaning to achieve the objectives
14 and purposes of the Parties hereto, and the rule of construction to the effect that ambiguities are
15 to be resolved against the drafting Party shall not be employed in interpreting this Agreement, all
16 Parties having been represented by counsel in the negotiation and preparation hereof.

17 19. WAIVER.

18 Failure by a Party to insist upon the strict performance of any of the provisions of
19 this Agreement by the other Party, or the failure by a Party to exercise its rights upon the default
20 of the other Party, shall not constitute a waiver of such Party’s right to insist and demand strict
21 compliance by the other Party with the terms of this Agreement thereafter.

22 20. JURISDICTION AND VENUE.

23 Any action at law or in equity arising under this Agreement or brought by a Party
24 hereto for the purpose of enforcing, construing or determining the validity of any provision of this
25 Agreement shall be filed in the Superior Court of California, County of Riverside, State of
26 California, and the Parties hereto waive all provisions of law providing for the filing, removal or
27 change of venue to any other court or jurisdiction.

21. PROHIBITION OF CDBG FUND TRANSFER

The CITY may not sell, trade, or otherwise transfer all or any portion of the CDBG funds to another such cooperating city, metropolitan city, urban county, or Indian tribe, that directly receives CDBG funds in exchange for any other funds, credits, or non-Federal considerations. CITY must use the CDBG funds for activities eligible under Title I of the ACT.

22. EMERGENCY SOLUTIONS GRANT FORMULA ALLOCATION

CITY acknowledges that while participating in the COUNTY’s Urban County program, CITY can only receive a formula Emergency Solutions Grant (ESG) allocation from the Urban County program and only at such times as authorized by the Board of Supervisors. The CITY and COUNTY may also apply for ESG funds from the State of California, if permitted by the State.

23. HOME INVESTMENT PARTNERSHIP ACT FORMULA ALLOCATION

CITY acknowledges that while participating in the COUNTY’s Urban County program, CITY can only receive a formula HOME allocation from the Urban County program and only at such times as authorized by the Board of Supervisors. The CITY and COUNTY may also apply for HOME funds from the State of California, if permitted by the State.

24. AMENDMENTS

No change, amendment, or modification to the Agreement shall be valid or binding upon CITY or COUNTY unless such change, amendment, or modification is in writing and duly executed. CITY and COUNTY agree to adopt any necessary amendments to this Agreement to incorporate changes required by HUD as set forth in the Urban County Qualification Notice. Amendments must be submitted to HUD as provided in the Urban County Qualification Notice and failure to do so will void the automatic renewal for such qualification period.

24. AUTHORITY TO EXECUTE.

The persons executing this Agreement or exhibits attached hereto on behalf of the Parties to this Agreement hereby warrant and represent that they have the authority to execute this Agreement and warrant and represent that they have the authority to bind the respective

1 Parties to this Agreement to the performance of its obligations hereunder.

2 25. INCORPORATION OF RECITALS

3 The Parties hereby affirm the facts set forth in the recitals above. Said recitals are
4 incorporated herein and made an operative part of this Agreement.

5 **IN WITNESS WHEREOF**, the COUNTY and CITY have executed this
6 Agreement on the date shown below.

7
8 Date: _____

9
10 COUNTY OF RIVERSIDE,
11 a political subdivision of the
12 State of California

CITY OF COACHELLA,
a general law city

13 BY: _____
14 Heidi Marshall, Director
15 Housing, Homelessness Prevention
16 & Workforce Solutions

BY: _____
Mayor

17 APPROVED AS TO FORM:
18 Gregory P. Priamos, County Counsel

ATTEST:

19
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21 By: _____
22 Amrit Dhillon, Deputy County Counsel

BY: _____
City Clerk

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24 APPROVED AS TO FORM:

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26 BY: _____
27 City Attorney
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COUNTY COUNSEL CERTIFICATION

The Office of County Counsel hereby certifies that the terms and provisions of this Agreement are fully-authorized under state and local law and that the Agreement provides full legal authority for the COUNTY to undertake, or assist in undertaking, essential community development and housing assistance activities specifically urban renewal and publicly assisted housing.

Gregory P. Priamos
County Counsel

By: _____
Deputy, Amrit Dhillon

RESOLUTION NO. 2020-40

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COACHELLA
AUTHORIZING PARTICIPATION IN THE COUNTY OF RIVERSIDE’S
URBAN COUNTY PROGRAM FOR FISCAL YEARS
2021-22, 2022-2023, AND 2023-2024**

WHEREAS, the City of Coachella has elected to participate as unit of local government (Cooperating City) in the County of Riverside’s Urban County Program for Federal Fiscal Years 2021-22, 2022-23, and 2023-24; and

WHEREAS, the Cooperation Agreement will allow the County and City to carry-out activities which are funded by Community Development Block Grant (CDBG), Home Investment Partnership Program (HOME) funds, and Emergency Solutions Grant (ESG); and

WHEREAS, the Cooperation Agreement will allow the Cooperating City to participate in the Urban County Consolidated Planning Programs.

NOW, THEREFORE BE IT RESOLVED, FOUND AND DETERMINED, by the City Council of the City of Coachella sitting in regular session on June 24, 2020, that:

1. The Cooperation Agreement between the County of Riverside and the City of Coachella is hereby approved; and
2. The City Council hereby authorizes and directs the Mayor to execute the Cooperation Agreement on behalf of the City of Coachella.

PASSED, APPROVED and ADOPTED this 24th day of June 2020.

Steven A. Hernandez
Mayor

ATTEST:

Angela M. Zepeda
City Clerk

APPROVED AS TO FORM:

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Carlos Campos
City Attorney

1 STATE OF CALIFORNIA)
2 COUNTY OF RIVERSIDE) ss.
3 CITY OF COACHELLA)

4 **I HEREBY CERTIFY** that the foregoing Resolution No. 2020-40 was duly adopted by
5 the City Council of the City of Coachella at a regular meeting thereof, held on the 24th day of
6 June 2020, by the following vote of Council:

7 AYES:

8 NOES:

9 ABSENT:

10 ABSTAIN:

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13 _____
14 Andrea J. Carranza, MMC
15 Deputy City Clerk

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STAFF REPORT
6/24/2020

TO: Honorable Mayor and City Council Members

FROM: Maritza Martinez, Public Works Director

SUBJECT: Approve execution of Amendment No. 2 Maintenance Agreement between the City of Coachella and Siemens Mobility, Inc. approving an additional one-year term extension.

STAFF RECOMMENDATION:

Approve execution of Amendment No. 2 Maintenance Agreement between the City of Coachella and Siemens Mobility, Inc. approving an additional one-year term extension.

EXECUTIVE SUMMARY:

The City published a Request for Proposals (RFP) for the Traffic Signal Maintenance Project No 071317B on June 13, 2017. On October 11, 2017, City Council awarded the correspondent maintenance agreement to Siemens Mobility, Inc. for a two-year term, in the amount not to exceed \$90,000. On June 12, 2019, the City Council authorized extending the agreement for a one-year term. The RFP allows a second one-year term extension. Staff recommends awarding Amendment No. 2 to Siemens Mobility Inc., which would amend the following:

- increase the term of the original agreement by one year to reflect October 15, 2017 – October 14, 2021 (currently ending October 14, 2020);
- increase the compensation to allow for the additional year of services for an amended not to exceed amount of \$180,000.00 (currently NTE \$135,000.00);
- no change to unit rates these remain the same as those in Amendment No. 1 and referenced in Exhibit C.

FISCAL IMPACT:

The recommended action will not have a negative impact on the budget. The award amount is allocated in the recommended Fiscal Year 2020/2021 Street Divisional Budget.

Attachment:

Proposed Amendment No. 2

CITY OF COACHELLA - PROFESSIONAL SERVICES AGREEMENT AMENDMENT NO. 2

1. PARTIES AND DATE.

This Agreement is made and entered into this 24th day of June, 2020, by and between the City of Coachella, a municipal organization organized under the laws of the State of California with its principal place of business at 53-990 Enterprise Way, Coachella, California 92236 (“City”) and Siemens Mobility, Inc. (formally Siemens Industry, Inc), a corporation with its principal place of business at 2250 Business Way, Riverside CA 92501 (“Consultant”). City and Consultant are sometimes individually referred to as “Party” and collectively as “Parties.”

2. RECITALS.

2.1 City. City is a municipal corporation organized under the laws of the State of California, with power to contract for services necessary to achieve its purpose.

2.2 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 **Traffic Signal Maintenance** services to public clients, is licensed in the State of California, and is familiar with the plans of City.

2.3 Project. City desires to engage Consultant to render such services for the **Traffic Signal Maintenance Services** project (“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 **Traffic Signal Maintenance** consulting services necessary for the Project (“Services”). The Services are more particularly described in Exhibit “A” attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, 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 October 15, 2017 to October 14, 2021, unless earlier terminated as provided herein. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines. Consultant shall complete the Services within the applicable Term of the Agreement, and shall meet any other established schedules and deadlines as may be set by City staff on an on-call and as-needed basis from time to time.

3.2 Responsibilities of Consultant.

3.2.1 Control and Payment of Subordinates; Independent Contractor. 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. Consultant retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall also not be employees of City and shall at all times be under Consultant's exclusive direction and control. 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.

3.2.2 Schedule of Services. Consultant shall perform the Services expeditiously, within the term of this Agreement, and in accordance with the Schedule of Services set forth in Exhibit "B" attached hereto and incorporated herein by reference. Consultant represents that it has the professional and technical personnel required to perform the Services in conformance with such conditions. In order to facilitate Consultant's conformance with the Schedule, City shall respond to Consultant's submittals in a timely manner. Upon request of City, Consultant shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

3.2.3 Conformance to Applicable Requirements. All work prepared by Consultant shall be subject to the approval of City.

3.2.4 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. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to the City, or who are determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property, shall be promptly removed from the Project by the Consultant at the request of the City. The key personnel for performance of this Agreement are as follows: **Michael Hutchens**.

3.2.5 City's Representative. The City hereby designates **City Manager**, or his or her designee, to act as its representative for the performance of this Agreement ("City's Representative"). City's Representative shall have the power to act on behalf of the City for all purposes under this Contract. Consultant shall not accept direction or orders from any person other than the City's Representative or his or her designee.

3.2.6 Consultant's Representative. Consultant hereby designates **Michael Hutchens**, or his or 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 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.

3.2.7 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.

3.2.8 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 subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Finally, Consultant 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. As provided for in the indemnification provisions 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 sub-consultants 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.

3.2.9 Laws and Regulations. 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 Services. If the Consultant performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the City, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold City, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.2.10 Insurance.

3.2.10.1 Time for Compliance. Consultant shall not commence the Services 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 subcontractor to commence work on any subcontract until it has provided evidence satisfactory to the City that the subcontractor has secured all insurance required under this section.

3.2.10.2 Minimum Requirements. Consultant shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Consultant, its agents, representatives, employees or subcontractors. Consultant shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

(A) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto); and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

(B) Minimum Limits of Insurance. Consultant shall maintain limits no less than: (1) *General Liability*: One Million Dollars (\$1,000,000) per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability*: One Million Dollars (\$1,000,000) per accident for bodily injury and property damage; and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation limits as required by the Labor Code of the State of California. Employer's Liability limits of One Million Dollars (\$1,000,000) per accident for bodily injury or disease.

3.2.10.3 Professional Liability. Consultant shall procure and maintain, and require its sub-consultants to procure and maintain, for a period of five (5) years following completion of the Services, errors and omissions liability insurance appropriate to their profession. Such insurance shall be in an amount not less than \$1,000,000 per claim, and shall be endorsed to include contractual liability.

3.2.10.4 Insurance Endorsements. The insurance policies shall contain the following provisions, or Consultant shall provide endorsements on forms supplied or approved by the City to add the following provisions to the insurance policies:

(A) General Liability. The general liability policy shall be endorsed to state that: (1) the City, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the Services or operations performed by or on behalf of the Consultant, including materials, parts or equipment furnished in connection with such work; and (2) the insurance coverage shall be primary insurance as respects the City, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its directors, officials, officers, employees, agents and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way.

(B) Automobile Liability. The automobile liability policy shall be endorsed to state that: (1) the City, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Consultant or for which the Consultant is responsible; and (2) the insurance coverage shall be primary insurance as respects the City, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its directors, officials, officers, employees, agents and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way.

(C) Workers' Compensation and Employers Liability Coverage. The insurer shall agree to waive all rights of subrogation against the City, its directors, officials, officers, employees, agents and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Consultant.

(D) All Coverages. Each insurance policy required by this Agreement shall be endorsed to state that: (A) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City; and (B) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the City, its directors, officials, officers, employees, agents and volunteers.

3.2.10.5 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the City, its directors, officials, officers, employees, agents and volunteers.

3.2.10.6 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. Consultant shall guarantee that, at the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its directors, officials, officers, employees, agents and volunteers; or (2) the Consultant shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

3.2.10.7 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A-:VII, licensed to do business in California, and satisfactory to the City.

3.2.10.8 Verification of Coverage. Consultant shall furnish City with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to the City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the City if requested. All certificates and endorsements must be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

3.2.11 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. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and life saving equipment and procedures; (B) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3.3 Fees and Payments.

3.3.1 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 total compensation shall not exceed **One Hundred Eighty Thousand Dollars and No Cents (\$180,000.00)** without written approval of City's City Council. Extra Work may be authorized, as described below; and if authorized, said Extra Work will be compensated at the rates and manner set forth in this Agreement.

3.3.2 Payment of Compensation. Consultant shall submit to City a monthly itemized statement which indicates work completed and hours of Services rendered by Consultant. The statement shall describe the amount of Services and supplies provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. City shall, within forty-five (45) days of receiving such statement, review the statement and pay all approved charges thereon.

3.3.3 Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized in writing by City.

3.3.4 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 City's Representative.

3.3.5 Prevailing Wages. Consultant is aware of the requirements of California Labor Code Sections 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. As the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and since the total compensation is One Thousand Dollars (\$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. Consultant shall defend, indemnify and hold the City, its elected officials, officers, employees, volunteers and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

3.4 Accounting Records.

3.4.1 Maintenance and Inspection. 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.

3.5 General Provisions.

3.5.1 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.

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 documents 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.

3.5.2 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:

City
 City of Coachella
 1515 Sixth Street
 Coachella, CA 92236
 Attn: **Maritza Martinez**

Consultant
Siemens ITS Riverside Office
2250 Business Way
Riverside, CA 92501
 Attn: **Michael Hutchens**

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.

3.5.3 Ownership of Materials and Confidentiality.

3.5.3.1 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”). Consultant shall require all subcontractors to agree in writing that City is granted a non-exclusive and perpetual license for any Documents & Data the subcontractor 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 provided to Consultant by the City. City shall not be limited in any way in its use of the Documents & Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at City’s sole risk.

3.5.3.2 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and 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.

3.5.4 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.

3.5.5 Attorney’s 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 attorney's fees and all other costs of such action.

3.5.6 Indemnification. Consultant 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 or incident to any negligent acts or omissions or willful misconduct of Consultant, its officials, officers, employees, agents, consultants and contractors arising out of or in connection with the performance of the Services, the Project or this Agreement, including without limitation the payment of all consequential damages and attorneys' fees and other related costs and expenses. Consultant shall defend, at Consultant'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. Consultant shall pay and satisfy any such 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. Consultant 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. Consultant'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.

3.5.7 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. This Agreement may only be modified by a writing signed by both Parties.

3.5.8 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Riverside County.

3.5.9 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.5.10 City's Right to Employ Other Consultants. City reserves right to employ other consultants in connection with this Project.

3.5.11 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the Parties.

3.5.12 Assignment or Transfer. Consultant shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the City. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.5.13 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 subcontractors 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.

3.5.14 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

3.5.15 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.

3.5.16 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.5.17 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.

3.5.18 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. Further, 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. 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.

3.5.19 Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, 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 any City's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

3.5.20 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 Workers' 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.

3.5.21 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.

3.5.22 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.6 Subcontracting.

3.6.1 Prior Approval Required. Consultant shall not subcontract any portion of the work 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.

[SIGNATURES ON FOLLOWING PAGE.]

CITY OF COACHELLA

Siemens Mobility Inc.

By: _____
William B. Pattison, Jr., City Manager

By: _____

Attest:

By: _____
Angela M. Zepeda, City Clerk

Approved as to Form:

****Approved Form****
Best Best & Krieger LLP
City Attorney

EXHIBIT “A”

SCOPE OF SERVICES

A. General Description

The traffic signal maintenance contractor (“Contractor”) shall perform routine scheduled maintenance, extraordinary, emergency repairs and technical support for the City of Coachella’s (“City”) traffic signal systems, interconnect, flashing warning lights, illuminated street name signs, highway safety lighting, and all appurtenant equipment. Contractor shall furnish and have accessible all required tools, equipment, apparatus, facilities, skilled labor, services, and material, to perform all work necessary to maintain in a good and workmanlike manner traffic signal facilities in accordance with the proposal and the defined scope of work. Traffic signal systems shall include but not be limited to all traffic signal indications, traffic signal controllers, electrical service, battery back-ups, electrical or mechanical traffic control or traffic devices, traffic poles, emergency vehicle pre-emption equipment, interconnect, cabinets, splice pedestals, street lights, and all related hardware at all City signalized intersections.

As specified herein, the Contractor shall maintain traffic signal systems to eliminate or reduce the incidences of malfunctions, reduce operational complaints, and maintain equipment in proper working order. Required normal working hours for maintenance coverage is from 7:00 a.m. to 5:00 p.m. Monday through Friday; however, twenty-four-hour (24), on-call response to City’s request for maintenance and repair services is required. In general, routine responses related to these maintenance functions during normal working hours and maintenance requiring scheduled night-rides shall be considered normal scheduled maintenance work. All extraordinary and emergency work performed outside these specified hours and on holidays shall be paid at the approved overtime rates.

All identified City intersections per this agreement shall be regularly patrolled by Contractor or its representative with verified monthly inspections per an established checklist. The Contractor shall recognize these traffic signals, warning devices, and highway safety lighting as critical safety devices to the public; timely response to requests and completion of final repairs is imperative.

B. Specifications

All signal work shall be performed in accordance with the current Standard Plans and Section 86 of the Standard Specifications for the State of California, Department of Transportation (latest edition), and “Greenbook” Standard Specifications for Public Works Construction (latest edition), and the current City Standard Plans. All work performed or equipment or parts supplied by Contractor shall be subject to applicable Federal and State Standards, approved proposals, contract documents, City inspection, and approval by the City, its Director of Public Works, or his authorized representative.

Failure to pass inspection on any maintenance, repair and service item will result in non-payment for that item until such time as the Contractor can complete the item to the satisfaction of the City.

C. Compensation for Maintenance

City will compensate Contractor for monthly routine maintenance at the contract monthly unit price (lump sum). Said compensation shall include all labor, materials, equipment, overhead and profits to perform the routine service and no extra compensation will be allowed.

Extraordinary maintenance shall be invoiced at the established rates per Exhibit C of the Agreement and shall include all labor, materials, equipment and profit. All items not covered shall require a negotiated price and approval by the Director of Public Works or authorized representative. All extraordinary maintenance requires City authorization prior to beginning the work unless the work is an emergency repair required to restore the safe operation of the traffic signal system. Contractor shall still submit the appropriate documentation for subsequent authorization of the emergency work including photos of any visible damage with details of any final repairs that might be required including a schedule for completion. City reserves the right to separately bid extraordinary maintenance work to other firms in the event a negotiated price or schedule of completing repairs cannot be reached which is acceptable to both parties or is deemed by the City to exceed the terms of the current Contract. Contractor may be required to assist or support other firms selected by the City as requested.

I. CONTRACTOR REQUIREMENTS

A. Facilities

The Contractor shall at all times maintain local facilities where assigned personnel have access to all required tools, equipment, apparatus, facilities, skilled labor, services, and material, to perform all work within the required response times necessary to maintain in a good and workmanlike manner all traffic signal systems, interconnect, flashing warning lights, illuminated street name signs, highway safety lighting, City owned street lights, and all appurtenant equipment in accordance with the proposal and the defined scope of work.

The Contractor shall be equipped with spare parts sufficient to return a defective signal to operation following ordinary trouble calls. The Contractor shall have on-hand at least one (1) spares each of McCain 2070E/ATC eX 2070 (includes controller software updates) and one (1) spare McCain Conflict Monitors available for deployment within the City. The Contractor shall also have at least two (2) spare battery sets to replace failed Battery Back-Up Units.

The Contractor shall provide to the technicians assigned to the City digital cameras that can clearly record damaged or inventoried equipment and provide visual records relating to work requests submitted to the City.

The Contractor shall have available adequately skilled personnel and proper lab testing facilities to perform inspection of new controller mechanisms including controller units, auxiliary equipment, and traffic control appurtenances. All testing and test facilities shall conform to State of California, Department of Transportation (Caltrans) current specifications for McCain controllers.

B. Personnel

The Contractor shall provide at least one (1) full-time Transportation System Electrician to perform normal scheduled and extraordinary/emergency maintenance duties. Normal scheduled maintenance services shall be provided during the 7:00 a.m. to 5:00 p.m. weekday working hours of this contract. In addition, these positions may be required to perform extra work or additional repairs at the request of the Director of Public Works or designee. The Transportation System Electricians shall be certified or licensed according to State of California requirements for electrical workers, and shall have current certification of at least Level II Traffic Signal Technician or higher from the International Municipal Signal Association (IMSA) throughout the entire duration of the contract. They shall also be trained in the operation and repair of McCain 2070, ATC eX 2070, including software compatibility and timing functions.

The Contractor shall provide City with documentation on the approved electricians including copies of their licenses or certifications, assigned service vehicle information and contact information. All technicians shall be equipped to perform all required duties of the trade at all times. Reports accounting for one-hundred percent (100%) of assigned technician time shall be submitted monthly as outlined in this scope of work.

The Contractor shall also provide support personnel of an appropriate craft to complete work not requiring the services of a certified Transportation System Electrician to be deployed on an as-needed basis such as re-lamping, lens cleaning, underground services alert responses, painting, night inspections for Illuminated Street Name Signs (ISNS), safety lighting, City owned street lights, or other work as required. Night inspections for safety lighting, City owned street lights, Battery Backup Systems, and ISNS will be conducted after dusk and overtime rates shall not apply to these activities.

All personnel shall be trained in Equal Employment Opportunity policies and shall conduct themselves in a respectful and professional manner at all times. The City reserves the right at all times to concur with the Contractor's assignment of personnel to the City. If requested by the City, the Contractor shall replace any personnel assigned to the City whose performance or conduct is considered unacceptable by the City, or the standards established per the contract.

C. Service Requests 24-Hour Phone Access

The Contractor shall maintain a single, attended (real person contact) local telephone number where they can be reached twenty-four (24) hours a day, seven days a week to provide maintenance and repair services as requested by the City, including replacement of burned-out vehicle indications, adjustments of turn signal heads, repair of controller malfunctions or any damage creating a public hazard. This telephone number shall be made available to all persons designated by the City.

The Contractor shall maintain and provide mobile communication that permits City direct phone and email communications with all supervisors and technicians assigned to the City and their designated representatives. This includes providing equipment for their receipt and responses to emails in addition to phone calls while in the field.

The Contractor shall subscribe to Underground Services Alert (USA) on-line interconnect notifications to receive direct request or notices for identification of City underground facilities.

D. Response Criteria for Requested Services

Whenever the Contractor receives requested service calls from the City or its designated representatives, Contractor shall provide immediate response to emergency calls and dispatch the qualified personnel and equipment to reach the site within one (1) hour of notification during normal working hours of the Contact, and within two (2) hours during non-working hours of the Contact, including Saturdays, Sundays, and holidays. Contractor is required to provide the reporting party with an estimated time of arrival.

As part of emergency response, Contractor may be required to respond to accidents at signalized intersections to inspect and/or repair traffic signal system, equipment, and operation. Contractor shall perform a complete preventive maintenance check as outlined in this scope of work, thoroughly examining and inspecting all equipment at the location for physical damage or equipment malfunctions including a complete check of the controller and conflict monitor. Photos shall be taken of any damage and submitted with a written report summarizing the results of the examination and inspection. These reports and photos shall be submitted within five (5) calendar days. A request for authorization for the emergency work and needed repairs shall also be submitted with the required report and photos.

E. Additions to Traffic Signal System

Contractor shall maintain, at the same unit price, additional traffic signals and appurtenant devices as they are installed or become a part of the maintenance requirements of the City. In the event that notification is made of a new installation at other than the beginning of a monthly period, the unit cost of routine maintenance will be prorated from the day the Contractor is notified.

F. Maintenance Records

Contractor shall maintain a record of all service calls and work performed upon the signal equipment listing dates, hour of day, and description of work or work performed. All proposed forms shall be submitted by the Contractor to the City for its approval prior to use.

1. **Each Intersection.** The Contractor shall keep current, a permanent operational record of each and every piece of traffic control or safety equipment which the Contractor is required to maintain by this contract, including but not limited to, vehicle and pedestrian timing sheets, detectors, cabinet wiring, interconnect equipment, pre-emptive control, or similar equipment.

The Contractor shall maintain a separate record at each intersection detailing monthly maintenance, inspections, and repairs of controller and related equipment. All entries shall be made on a standardized form, legible and made in chronological order on the sheet in indelible ink. The required entry shall include date, time, reason for visit, observations and/or work performed, and initials of individual making the entry. A copy of such record shall be maintained at all times within the controller cabinet at each signal location.

2. **Office Records.** The Contractor shall maintain a complete set of records for all locations noting all inspections and repairs completed. A separate daily log or diary for every person and vehicle employed on the contract shall also be maintained. Said log or diary shall fully describe the work or service performed by each individual on each piece of equipment and show all chargeable time to this contract for every twenty-four-hour (24) period. This record shall include the date and time of day the work was performed at each intersection, the description of work performed, and the name of the technician(s) that performed the work.

Upon request, the Contractor shall provide monthly summaries accounting for one hundred percent (100%) of the work hours of the assigned technicians and related staff assigned to the City. This shall include all assignments per the City's scope of work and any shared time staffing other contracts. Failure to comply will delay payment of the monthly invoices.

3. **Activities Report.** Two monthly reports providing a complete record of all work performed on the City's Traffic Signal Facilities and a status of pending work orders shall be attached to each associated monthly invoice. The Activities Report is considered part of the routine monthly maintenance; therefore, invoices will not be paid until these summary reports have been received. The monthly Activities Report submitted with each invoice shall include:

- Location of each separate service
- Date and approximate time for the service
- Reason for the service
- Identification of the type of service (Routine, Extraordinary and/or Emergency)
- Status of repair (complete or temporary)
- For Temporary – Estimated date of final repairs
- Who called in the request for service
- Name of technicians(s) performing the service
- Number of hours spent for each service

With each monthly invoice, the Contractor shall provide a monthly status report of open or incomplete work orders. This shall include any work that has been identified pending approved maintenance/repairs, temporary repairs, or maintenance pending delivery of equipment. The report shall include:

- Location of pending work
- Date of authorization
- Reason the work is incomplete
- Estimated date when the service will be completed

4. Citywide Underground References.

Contractor shall be responsible to maintain copies of City records for performing the required underground marking of facilities including, but not limited to, traffic signal and interconnect plans. The Contractor shall also note any corrections to these records or location of traffic signal facilities that have been identified by Contractor for future use. Copies of these updates to the records shall be transmitted to the City with the monthly invoices.

G. City Notification of Changes in Traffic Signal Equipment or Operation

Contractor shall notify by telephone and/or email within twenty-four (24) hours of the next business day the Director of Public Works or designee regarding alterations of the operation of any signal or the installation/removal of any substitute controller or component.

H. Shut Downs

Contractor shall notify Coachella's Police Services (Riverside County Sheriff's Department) and the Director of Public Works or authorized representative of any signal turn-offs or turn-ons necessitated by his operations and shall not make said turnoffs or turn-ons until a staff member is present or unless given permission to proceed without staff presence by the Director of Public Works or authorized representative.

I. Type of Signal System Equipment

The fee prices for both the routine and extraordinary maintenance shall apply to all types of signal controllers, accessories and systems as may exist in the City now or that may be installed during the life of the Contract. At no additional compensation, the Contractor shall provide training and certifications to the personnel assigned to the City in maintenance and operation of the current City traffic signal equipment and related systems as needed.

J. Warranty Service

Newly installed traffic signal components typically carry a one (1) year warranty provided by the manufacturer and/or installing company. During the warranty period, Contractor is expected to coordinate warranty repairs with the appropriate manufacturer and/or installing firm. The Contractor shall notify the City of any undue delays in response by these other responsible parties in responding to warranty requests and provide a detail summary of the incident.

K. Traffic Control

Contractor shall provide safe and continuous passage for pedestrian and vehicular traffic at all times and conduct its operation as to cause the least possible obstruction and inconvenience to public traffic. No lane closures will be permitted between the hours of 7:00 a.m. and 9:00 a.m. or 3:00 p.m. to 6:00 p.m. unless an emergency exists and such a closure is necessary to safeguard the traveling public.

The Contractor shall furnish, erect and maintain such fences, barriers, lights, warning devices and signs in compliance with Part 6 “Temporary Traffic Control” of the current “California Manual of Uniform Traffic Control Devices” (MUTCD–Latest Version) published by the State of California, Department of Transportation, the standards as contained in the “Work Area Traffic Control Handbook” (WATCH–latest edition) published by Building News Inc. or as may be deemed necessary by the Director of Public Works or designee to give adequate warning to the public at all times that the road or street is obstructed and of any abnormal conditions to be encountered as a result thereof.

All trucks shall be equipped with a minimum of four (4) STOP signs and small barricades or stands that can be placed in the intersection during an emergency response or “blackout” intersection as needed. Each vehicle used to place and remove components shall be equipped with a flashing arrow board, which shall be in operation when the vehicle is being used for placing, maintaining, or removing components.

II. ROUTINE MAINTENANCE

The Contractor shall provide a continuing, comprehensive, routine maintenance program designed to eliminate or reduce the incidents of malfunctions, operational complaints and extend the useful life of the existing traffic signal control equipment. Contractor shall inspect, clean, and if necessary adjust all traffic signal control equipment to meet manufacturer’s original specifications at each signalized intersection once each calendar month. The monthly inspection and cleaning of cabinets shall include the repair/replacement of parts in controller cabinet, detector loop patching, cleaning and realignment of signal indications, continuity checks, testing of the City's signal interconnect system, testing and repair of battery back-up systems, LED and pedestrian indication replacements (labor), rewiring, concrete and foundation repairs, and lamping to maintain existing operation. The Contractor shall be financially responsible for equipment determined to be damaged or affected due to neglected regularly scheduled maintenance.

A. Monthly Inspection

Contractor shall inspect, clean, adjust and make a routine inspection of each traffic signal location once per month per the approved proposal. Contractor agrees that it will maintain a record in each controller cabinet showing the date and time checked. Controllers shall not be replaced, except for repair, without prior approval of the City.

The Contractor shall submit a standard checklist for inspections and tasks that are conducted at each intersection, which shall include but not be limited to the following:

1. Clean the inside and outside of all controller cabinet assemblies, electrical service, battery back-up cabinets, and interconnect cabinets, removing any foreign material including graffiti. Tighten all electrical termination and check all Ethernet connections. Inspect/protect all related facilities for/from ant, bug, or rodent infiltration. Rust and water damage shall be reported to the City in the monthly report.
2. Check the timing of individual signal phasing and integral timing circuits for the correct operation per the timing sheet.
3. Check and verify timing of yellow (clearance) intervals on all phases by stopwatch per the timing sheet.
4. Check and set, if necessary, all real-time digital clocks to the National Bureau of Standard time.
5. Check detector units and systems including but not limited to inductive loops, video detection, and pedestrian push buttons for correct detection of both vehicles and pedestrians and adjust or repair as necessary to restore intended operation. This includes the splicing(or re-splicing)of detector loops and the replacement of pedestrian buttons as needed.
6. Inspect all relays, clocks, dials, motors, switches, and similar equipment for all components of the traffic signal systems. Make routine adjustments or minor repairs as needed.
7. Walk all approaches of the intersection and visually inspect all signal poles, mast arms, signal head and indications (including programmed visibility indications), traffic control signs, pedestrian signals, illuminated street name signs, loop sealants, pull box covers, and any other devices to verify the correct condition, placement, and/or operation. Any traffic signal or illuminated indication that is burned out or has reached 80 percent depletion curve shall be replaced. All traffic heads and pedestrian heads found out of alignment shall be properly aligned and secured. Check all traffic signal indication visibility at approach distances, remedy, or report visibility deficiencies to the City immediately. Missing signs including pedestrian push button plates shall be replaced. Cracked or damaged loop sealants shall be re-sealed. All other equipment found loose, missing or damaged shall be secured, replaced, or repaired.

8. Immediately correct all safety deficiencies found during routine inspection and submit work authorizations request to the City to schedule non-emergency work.
9. Check all traffic signal controller communication equipment for proper operation, verify correct IP addresses (controller) and adjust or repair as needed. Replacement of Ethernet switches shall be coordinated with the City and subject to its approval. Contractor shall verify the grounds and connections of the copper twisted pairs at those locations using this communication system. Contractor shall test and make any repairs or adjustments. The City reserves the right to contract this work out to others. Contractor may be required to provide assistance to the City or other firms selected by the City to trouble-shoot Ethernet connections as requested.
10. Check Battery Back-up Systems for proper operations and connections including checking and recording operational voltage range of all batteries, and adjust or repair as needed. The date of new battery installations shall be recorded in the traffic signal cabinet and in the monthly status reports to track the frequency of their required maintenance. The Contractor shall notify the City of non-operable or low-output batteries within twenty-four (24) hours. The replacement of batteries shall be considered extra work and will require approval by the City. If batteries are found to be “exploded” or cracked, the Contractor may be responsible for the cost of the replacement if it is determined that they have not been properly inspected or maintained.
11. Inspection of illuminated street name signs, safety lights, and City owned street lights shall include at least one night-time inspection each month with replacement lamps as required in addition to the timely replacement of burned-out lamps as reported or observed. The Contractor shall notify the City of any sign panels or housing in need of refurbishment or replacement.
12. Inspect the operation of the flashing beacons and make any repairs or replacement of lights as required. For some locations, Contractor shall be responsible for updating the programming on an annual basis based on local school bell schedule. Contractor shall also update the programming for daylight savings twice per year.

B. Quarterly Maintenance (Every Three Months)

1. Cabinet door locks and padlocks shall be lubricated with graphite lubricant or equivalent and maintained in good working order. Any missing or damaged locks shall be replaced and/or repaired.

C. Semi Annual Maintenance (Every Six Months)

1. Air Filters

Contractor shall replace the air filter elements in all cabinets so equipped every six (6) months.

2. Battery Back-Up System

Traffic signal battery back-up systems shall be checked by electrical bypass for appropriate operation per the manufacturer's specifications. The City shall approve the schedule prior to the commencement of work. Contractor shall also review and prepare a report of annual replacement of batteries by location and submit to the City.

D. Yearly Maintenance

The following tasks required once a year shall be included in the established monthly fees for routine maintenance.

1. Conflict Monitor

Contractor shall test conflict monitors using the MT-180 or equivalent conflict monitor tester on an annual basis. Contractor shall supply a report for each test conducted. The test shall be conducted utilizing a replacement monitor (like kind) to monitor the intersection while the test is being conducted. The testing shall take place on a schedule approved by the City. Testing of conflict monitors shall be included in the lump sum bid for extraordinary maintenance. Any conflict monitor that does not pass the test shall be repaired or replaced and billed as extraordinary maintenance.

2. Emergency Vehicle Pre-emption (EVP)

The optical detector lens shall be cleaned according to the manufacturer's specifications at all signalized intersections and fire-house installations throughout the City. Contractor shall test EVP system on an annual basis. Contractor shall supply a report for testing of EVP system at each intersection. Testing shall take place on a schedule approved by the City. Testing of EVP equipment shall be included in the lump sum bid for extraordinary maintenance. Any EVP equipment shall be repaired or replaced and billed as extraordinary maintenance.

3. Traffic Signal Controller Software

Contractor shall annually verify and update records of current software or firmware for the McCain 2070 controllers/McCain ATC 2070 eX systems. This includes the spare controllers that the Contractor maintains for emergency replacement of failed traffic signal controllers. All updates of controllers that require shut-down of the signal shall be coordinated

with the City and may be required to be conducted at night. Software updates may be required as needed more frequently than once a year.

4. Painting

Contractor shall prepare and submit an annual work authorization request to the City listing cabinets (i.e., controller, splice pedestals, service) and signal head equipment that need painting as identified during the monthly maintenance reviews. Special notification shall be provided regarding rusting or water damage. Authorization for Contractor to proceed on the painting shall be subject to authorization per the terms of Extraordinary Maintenance. Painting to remove graffiti on signal equipment shall be performed by Contractor within twenty-four (24) hours of the observation or report. Contractor shall use the City's current paint standard color and apply paint coverage to provide uniform color on the equipment.

E. Repair and Replacement

Contractor shall replace or repair any and all defective parts of the signal system which cause signal failure or malfunction, as the occasion arises per the routine maintenance, such as the signal controller, flashers, burned-out lamps, detector loops, video detection cameras and/or units, push buttons, sensing units and wiring system, communication internal modems and/or interface units, unless the failure or malfunction falls in the category of extraordinary maintenance as defined in this Request for Proposal.

The Contractor shall complete all work within a timely manner notifying the City within twenty-four (24) hours of the next working day when any equipment is replaced with temporary replacements pending permanent repairs.

F. Loop Detector Replacement

Once it is determined by the City that the sawcut has deteriorated to a point that applying more sealant is insufficient, the loop detector shall be replaced at the bid price stated in the proposal per extraordinary maintenance.

G. Lamps and Lighting

Contractor shall furnish and replace all illuminated street name sign lamps and safety lighting lamps at all traffic signals and flashers based upon an 80% depletion curve. Contractor shall clean all LED modules, test for luminescence and report any that fall outside acceptable levels according to the specifications.

ISNS lamps shall be Signmaster LED T12 Lamp Bi-Directional. Safety lighting shall be replaced with an approved equivalent per the existing safety lamp (Leotek GreenCobra LED Light GCL1-60G-MV-NW-3R-GY-530-SC); must meet ITE standards and registered on the Caltrans qualified products list.

Contractor shall clean all LED and programmed visibility lenses, align signal heads and adjust all mast-arm-mounted street name signs as needed. The monthly routine maintenance bid price shall include lamp replacement of burned-out lights as needed. LED modules and pedestrian indication replacement modules (equipment only) are billed under extraordinary maintenance.

H. Conflict Monitors

Contractor shall test conflict monitors using the MT-180 or equivalent conflict monitor tester on an annual basis. Contractor shall supply a report for each test conducted. The test shall be conducted utilizing a replacement monitor (like kind) to monitor the intersection while the test is being conducted. The testing shall take place on a schedule approved by the City. Testing of conflict monitors shall be included in the lump sum bid for extraordinary maintenance. Any conflict monitor that does not pass the test shall be repaired or replaced and billed as extraordinary maintenance.

I. Battery Back-up Systems

Battery Back-up Systems including back-up unit and batteries shall be tested monthly in accordance with the manufacturer's recommended maintenance as a part of routine maintenance. Battery Back-Up Units and Battery Back-Up Systems' batteries shall be replaced at the bid price stated in the proposal per extraordinary maintenance.

J. Emergency Service

Contractor shall maintain a 24-hour-per-day emergency service per the provision of routine maintenance for the replacement of burned-out lamps, turned heads, and controller malfunctions. The Contractor shall make the required repairs to restore or maintain the traffic signal in good working condition. Temporary repairs may be required in the event of an accident or failure that may be covered under extraordinary maintenance. The intersections where said traffic signals are located shall be regularly patrolled by Contractor or his representatives.

Contractor shall make immediate service calls on an emergency basis, responding within one (1) hour of notification during normal working hours of the Contact, and within two (2) hours during non-working hours of the Contact, including Saturdays, Sundays, and holidays in the event of malfunctions of the controller or signal system or turned head. Contractor is required to provide the reporting party or Contact with an estimated time of arrival. The replacement of burned-out lamps need not be on emergency basis provided that there are at least two (2) indications still operative for each direction of travel. Such replacement shall be handled as soon as possible in a routine manner.

K. Payment for Routine Maintenance

Contractor shall submit separate monthly billings for routine maintenance at the Contract lump sum price per flashing beacon, per radar speed sign and per signalized intersection which shall include highway safety lights and illuminated street name signs, per month. Said compensation shall include all labor, materials, equipment, overhead and profits for routine services in the price bid per intersection, per month, and no extra compensation will be allowed.

III. EXTRAORDINARY MAINTENANCE

Extraordinary/emergency maintenance involves the repair or replacement of equipment damaged by vehicle collisions, vandalism, civil disorder, windstorm, natural disasters, street construction or excavation. Extraordinary/emergency maintenance also includes replacements based on obsolescence, required MUTCD updates, or other unusual factors when the labor and materials necessary to ensure the safe and efficient operation of the City's traffic signal system goes beyond routine maintenance, as defined in Section III.

Contractor shall provide extraordinary/emergency maintenance for the City's traffic signal system and related equipment. The Contractor shall prepare and submit a work order to the City providing the details and justification for the needed repairs. The work shall be subject to City authorization and will be scheduled during regular hours whenever possible, City reserves the right to separately bid extraordinary maintenance work to other firms in the event a negotiated price or schedule of completing repairs cannot be reached which is acceptable to both parties or is deemed by the City to exceed the terms of the current Contract. Contractor may be required to assist or support other firms selected by the City as requested.

Generally, extraordinary/emergency maintenance of the City's traffic signal equipment and systems will include but not be limited to:

1. Repair and/or replacement of a failed or malfunctioning signal system caused by collisions, vandalism, civil disorder, windstorm, natural disasters, street construction or excavation.
2. Modifications to traffic signal equipment such as, but not limited to, upgrades of controller cabinets and controller components
3. Replacement of batteries for battery back-up systems
4. LED module replacements
5. Pedestrian indication replacements
6. Painting of cabinets and signal heads
7. New lenses and framework
8. Signal loop detectors
9. Video detection cameras
10. Interconnect installation, repair, terminations, and testing of same (excludes monthly testing)
11. Replacement when said equipment becomes obsolete or deteriorates beyond repair.

Other Extraordinary Scope of Work

Contractor response to all Underground Service Alert (USA) requests/notices relating to traffic signals and interconnect shall be billed as extraordinary maintenance as authorized by the City.

Contractor may be required to assist in the final inspection of new installation or provide interim emergency response or repairs of signals not currently owned by the City as authorized by the City.

A. Notifications

The Contractor shall report to the Director of Public Works or authorized representative the conditions and provide satisfactory evidence that replacement is necessary per terms of Extraordinary Maintenance with cost estimates, including labor, to perform said work. Contractor shall also submit to the City photo records of damaged equipment requiring repair or replacement resulting from collisions. No work shall proceed without the Director of Public Works' or his authorized representative's written authorization, except in emergencies and/or when the immediate replacement or repairs are required to prevent injury to persons or property damage.

All items of work requested in said Extraordinary Maintenance work orders shall be completed by the Contractor to the City's satisfaction within ten (10) calendar days with exemption consideration given to work orders requiring materials to be purchased or unless specifically directed otherwise by the City. The completion of final repairs subsequent to the Contractor's initial temporary repairs shall be subject to the same ten (10) calendar days completion requirements. Should the Contractor be unable to complete the extra work within the specified time, the Contractor shall submit to the City a written explanation for the delay and an anticipated completion date for said work.

B. Emergencies

The Contractor shall respond immediately to emergency calls, such as a total blackout, when directed by the City and dispatch the qualified personnel and equipment to reach the site within one (1) hour under normal circumstances. For the emergency repair of a signal which is totally blacked out, the following procedure of traffic control shall apply:

1. The Contractor shall dispatch qualified personnel and equipment to reach the site within one (1) hour under normal circumstances. The Contractor's vehicle shall carry traffic cones, etc., which shall be used when directing traffic during an emergency and/or when deemed necessary by the signal technician, the Director of Public Works or his representative.
2. If no police officer is present and temporary stop signs have been set up when the Contractor arrives at the site, the Contractor shall set up more traffic warning and control devices, if deemed necessary, and proceed to repair the signal. After the signal is back in operation, the Contractor shall remove all of the temporary traffic control devices and return those devices owned by the City.

3. If the Contractor representative must leave a blacked out signal location that has stop signs, the technician shall set a flash operation when the power is restored. Contractor shall schedule a follow- up visit to turn off the flash and restore normal traffic signal operation when the power is available.

C. Underground Service Alert

The Contractor shall be the designated City representative in response to all Underground Service Alert (USA) requests/notices or at the request of City staff for the marking and protection of traffic signal underground facilities such as traffic signal and electrical conduit, interconnect facilities, loops, and other appurtenant equipment which might conflict with other right-of-way construction or repairs.

The Contractor shall be responsible for equipping its technicians with the proper locating devices and for maintaining an up-to-date or current inventory of as-builts (City to provide a set of its current records) for these facilities including field verification using these locating devices. All updates shall be transmitted to the City in a format adequate for its records.

In the event underground equipment is damaged by construction due to the Contractor's failure to properly mark the underground facilities per the records or reasonable effort using the appropriate equipment as determined by the City Engineer, the costs for repairs shall be the sole responsibility of the Contractor for facilities which were not properly marked. It shall also be the Contractor's responsibility to contact requesting party in the event the scope of work is vague or incomplete.

D. Traffic Signal Master/Interconnect

Contractor shall provide trained technicians/personnel in the field who have training in the operation and integration of the McCain and Iteris traffic signal master or equivalent and the related interconnect or communication system. Technicians assigned to the installation or repair of the City's interconnect shall have training or be directly supervised by a technician with experience in the installation and handling of copper, and Ethernet equipment. If this work is subcontracted, this information shall be supplied and subject to the approval of the City. Costs for additional assistance shall be assumed per the unit price for related interconnect.

E. Painting

Contractor shall repaint all metal standards, signal heads, back plates, visors, and controller housings as directed by the City. Repainting shall be conducted by spray painting methods with colors consistent with traffic signal standards and as approved by the City. Contractor shall annually prepare as part of the routine maintenance, a list of locations where painting may be necessary and submit to the City for work authorization for painting per extraordinary maintenance.

EXHIBIT “B”
SCHEDULE OF SERVICES

Initial Term - October 15, 2017 – October 14, 2019

Extended Term 1 – October 15, 2019 – October 14, 2020

Extended Term 2 - October 15, 2020 – October 14, 2021

EXHIBIT “C”

COMPENSATION – INITIAL TERM RATES

Revised 8/29/2017

Routine Maintenance

Item No.	Item Description	Unit Quantity	Unit Price	Total Monthly Price
1	Routine inspection, preventative maintenance and repairs of traffic signal systems, interconnect, safety lights and illuminated street name signs. Per Intersection, Per Month	20	\$66.00	\$1,320.00
2	Routine inspection, preventative maintenance and repairs of flashing beacons. Per Location, Per Month	5	\$22.00	\$110.00
Grand Total Cost for Monthly Routine Maintenance				\$1,430.00

Extraordinary Maintenance

Item No.	Item Description	Unit Quantity	Unit Price	Total Price
Signal Heads				
1	Replace Red Ball LED	1	\$100.00	\$100.00
2	Replace Yellow Ball LED	1	\$100.00	\$100.00
3	Replace Green Ball LED	1	\$100.00	\$100.00
4	Replace Red Arrow LED	1	\$100.00	\$100.00
5	Replace Yellow Arrow LED	1	\$100.00	\$100.00
6	Replace Green Arrow LED	1	\$100.00	\$100.00
7	Replace Red Programmable Visor LED	1	\$121.00	\$121.00
8	Replace Yellow Programmable Visor LED	1	\$121.00	\$121.00
9	Replace Green Programmable Visor LED	1	\$145.00	\$145.00
10	Installation of 3 Section 12" LED Signal Head	1	\$275.00	\$275.00
11	Installation of 4 Section 12" LED Signal Head	1	\$335.00	\$335.00
12	Installation of 5 Section 12" LED Signal Head	1	\$475.00	\$475.00

Controller, Cabinet & Appurtenances				
Item	Item Description	Unit	Unit Price	Total
1	Installation of New, Fully Wired Type P Cabinet	1	\$2,150.00	\$2,150.00
2	Installation of New McCain 2070 Controller	1	\$200.00	\$ 200.00
3	Major Upgrade of Existing Cabinet (excluding controller) such as painting, rewiring & auxiliary equipment upgrades	1	\$1,795.00	\$1,795.00
4	Type II Service	1	\$2,515.00	\$2,515.00
5	Replacement of Detectors as needed	5	\$ 275.00	\$1,375.00
6	Installation of New Signal Monitor Unit as needed	1	\$1,250.00	\$1,250.00
7	Operation and Certification Testing of New Cabinet and Controllers and Appurtenances (in accordance with State of California testing procedures)	1	\$1,075.00	\$1,075.00
8	Annual Conflict Monitor Testing and Controller	25	\$47.00	\$1,175.00
9	Annual Emergency Vehicle Pre-emption devices	25	\$47.00	\$1,175.00
10	Replacement of Inoperable Conflict Monitors	1	\$420.00	\$1,260.00
Pedestrian Heads & Equipment				
1	Replace LED Pedestrian Module Kits (countdown only)	1	\$200.00	\$200.00
2	Replace ADA compliant Pedestrian Push Buttons	1	\$105.00	\$105.00
3	Replace Pedestrian Push Button Signage	1	\$105.00	\$105.00
4	Replace APS Pedestrian Push Button	1	\$55.00	\$55.00
Painting				
1	Clean, Primer and Repaint Controller Cabinet and Type II Electric Service Cabinet with City Approved Paint Color, Per Intersection	1	\$950.00	\$950.00
2	Clean, Primer and Repaint Signal Head and Mounting Surfaces with Industry Standard, City Approved Paint Color, Per Intersection	1	\$300.00	\$300.00
3	Clean, Primer and Repaint Pedestrian Heads and Framework, Per Intersection	1	\$150.00	\$150.00
Detection				
1	Replace Type C Loop Including Lead-In and Splicing	1	\$420.00	\$420.00
2	Replace Type D Loop Including Lead-In and Splicing	1-4	\$2,100.00	\$2,100.00
3	Replace Type D Loop Including Lead-In and Splicing	5-10	\$420.00	\$2,100.00
4	Replace Type E Loop Including Lead-In and Splicing	1-4	\$2,100.00	\$2,100.00
5	Replace Type E Loop Including Lead-In and Splicing	5-10	\$420.00	\$2,100.00
6	Video Detection Camera	1	\$3,250.00	\$3,250.00
Battery Back-Up System				
1	Replace Battery Back-Up Unit	1	\$2,250.00	\$2,250.00
2	Replace Batteries, Per location	6	\$205.00	\$1,230.00

Traffic Signs, Safety Lights, ISNS				
Item	Item Description	Unit	Unit Price	Total Price
1	Installation/Replacement of Traffic Signs on Poles or Mast Arms (sign cost not included)	1	\$165.00	\$165.00
2	Replacement of 6' ISNS Panel	1	\$300.00	\$300.00
3	Replacement of 8' ISNS Panel	1	\$365.00	\$365.00
4	Replacement of Inoperable ISNS Housing Light	1	\$81.00	\$81.00
5	Replacement of Inoperable Safety Light	1	\$81.00	\$81.00
6	Replacement of City owned streetlight pole	1	\$605.00	\$605.00
8	Replacement of City owned streetlight mast arm (single)	1	\$200.00	\$200.00
7	Replacement of City owned streetlight mast arm (double)	1	\$200.00	\$200.00
8	Replacement of City owned streetlight luminaire	1	\$67.00	\$67.00
Underground Service Alert				
1	Response to USA Requests/Notices or at the request of the City for the marking and protection of traffic signal underground facilities such as traffic signal and electrical conduits, interconnect facilities, loops, and other appurtenant equipment which might conflict with other right-of-way construction or repairs.	1	\$250.00	\$250.00

Labor & Equipment Rates

Item No.	Item Description	Regular Time	Overtime
Labor Rates			
1	Signal Maintenance Superintendent	\$110.50	\$145.00
2	Signal Maintenance Technician	\$110.50	\$135.00
3	Field Traffic Signalman	\$110.50	\$134.80
4	Laborer	\$77.00	\$94.00
5	Painter	\$79.00	\$97.00
Equipment Rates			
1	Aux Lift (Hydraulic Boom)	\$28.00	X
2	Pickup Truck	\$20.00	X
3	Service Truck	\$25.00	X
4	Service Ladder Truck	Not Used/Not OSHA Compliant	
5	Boom Ladder Truck (Man Lift)	\$28.00	X
7	Compressor with Tools	\$10.00	X
8	Crane	\$55.00	X

COMPENSATION – EXTENDED TERM RATES

City of Coachella

Routine Maintenance Rates

Item #	Item Description	Unit	Quantity	Unit Price	Monthly Total	Annual Total
1	Routine inspection, preventative maintenance and repairs of traffic signal systems, interconnect, safety lights and illuminated street name signs. Per Intersection, Per Month:	EA	20	\$ 67.98	\$ 1,359.60	\$ 16,315.20
2	Routine inspection, preventative maintenance and repairs of flashing beacons. Per Location, Per Month	EA	5	\$ 22.66	\$ 113.30	\$ 1,359.60
Total					\$ 1,472.90	\$ 17,674.80

Extraordinary Maintenance

Item No.	Item Description	Unit Quantity	Unit Price	Total Price
Signal Heads				
1	Replace Red Ball LED	1	\$103.00	\$103.00
2	Replace Yellow Ball LED	1	\$103.00	\$103.00
3	Replace Green Ball LED	1	\$103.00	\$103.00
4	Replace Red Arrow LED	1	\$103.00	\$103.00
5	Replace Yellow Arrow LED	1	\$103.00	\$103.00
6	Replace Green Arrow LED	1	\$103.00	\$103.00
7	Replace Red Programmable Visor LED	1	\$124.63	\$124.63
8	Replace Yellow Programmable Visor LED	1	\$124.63	\$124.63
9	Replace Green Programmable Visor LED	1	\$149.35	\$149.35
10	Installation of 3 Section 12" LED Signal Head	1	\$283.25	\$283.25
11	Installation of 4 Section 12" LED Signal Head	1	\$345.05	\$345.05
12	Installation of 5 Section 12" LED Signal Head	1	\$489.25	\$489.25

Controller, Cabinet & Appurtenances

1	Installation of New, Fully Wired Type P Cabinet	1	\$2,214.50	\$2,214.50
2	Installation of New McCain 2070 Controller	1	\$206.00	\$206.00
3	Major Upgrade of Existing Cabinet (excluding controller) such as painting, rewiring & auxiliary equipment upgrades	1	\$1,848.85	\$1,848.85
4	Type II Service	1	\$2,585.45	\$2,585.45
5	Replacement of Detectors as needed	5	\$278.10	\$1,390.50
6	Installation of New Signal Monitor Unit as needed	1	\$1,287.50	\$1,287.50
7	Operation and Certification Testing of New Cabinet and Controllers and Appurtenances (in accordance with State of California testing procedures)	1	\$1,107.25	\$1,107.25
8	Annual Conflict Monitor Testing	25	\$48.41	\$1,210.25
9	Annual Emergency Vehicle Pre-emption devices	25	\$48.41	\$1,210.25
10	Replacement of Inoperable Conflict Monitors	3	\$432.60	\$1,297.80

Pedestrian Heads & Equipment				
1	Replace Pedestrian Module Kits (countdown only)	1	\$206.00	\$206.00
2	Replace ADA compliant Pedestrian Push Buttons	1	\$108.15	\$108.15
3	Replace Pedestrian Push Button Signage	1	\$108.15	\$108.15
4	Replace APS Pedestrian Push Button	1	\$56.65	\$56.65

Painting				
1	Clean, Primer and Repaint Controller Cabinet and Type II Electric Service Cabinet with City Approved Paint Color, Per Intersection	1	\$978.50	\$978.50
2	Clean, Primer and Repaint Signal Head and Mounting Surfaces with Industry Standard, City Approved Paint Color, Per intersection	1	\$309.00	\$309.00
3	Clean, Primer and Repaint Pedestrian Heads and Framework, Per Intersection	1	\$154.50	\$154.50

Detection				
1	Replace Type C Loop Including Lead-In and Splicing	1	\$432.60	\$432.60
2	Replace Type D Loop Including Lead-In and Splicing	1	\$2,163.00	\$2,163.00
3	Replace Type D Loop Including Lead-In and Splicing	5	\$432.60	\$2,163.00
4	Replace Type E Loop Including Lead-In and Splicing	1	\$2,163.00	\$2,163.00
5	Replace Type E Loop Including Lead-In and Splicing	5	\$432.60	\$2,163.00
6	Video Detection Camera	1	\$3,347.50	\$3,347.50

Battery Back-Up System				
1	Replace Battery Back-Up Unit	1	\$2,317.50	\$2,317.50
2	Replace Batteries, Per Location	6	\$211.15	\$1,266.90

Labor & Equipment Rates

Item No.	Item Description	Regular Time	Overtime
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Labor Rates			
1	Signal Maintenance Superintendent	\$113.82	\$149.35
2	Signal Maintenance Technician	\$113.82	\$149.05
3	Field Traffic Signalman	\$113.82	\$138.84
4	Laborer	\$79.31	\$96.82
5	Painter	\$81.37	\$99.91

Equipment Rates			
1	Aux Lift (Hydraulic Boom)	\$28.84	X
2	Pickup Truck	\$20.60	X
3	Service Truck	\$25.75	X
4	Service Ladder Truck	Not Used/Not OSHA Compliant	X
5	Boom Ladder Truck (Man Lift)	\$28.84	X
7	Compressor with Tools	\$10.30	X
8	Crane	\$56.65	X

MATERIAL MARK UP COST + 15%

Traffic Signs, Safety Lights, ISNS				
1	Installation/Replacement of Traffic Signs on Poles or Mast Arms (sign cost not included)	1	\$169.95	\$169.95
2	Replacement of 6' ISNS Panel	1	\$309.00	\$309.00
3	Replacement of 8' ISNS Panel	1	\$375.95	\$375.95
4	Replacement of Inoperable ISNS Housing Light	1	\$83.43	\$83.43
5	Replacement of Inoperable Safety Light	1	\$83.43	\$83.43
6	Replacement of City owned streetlight pole	1	\$623.15	\$623.15
7	Replacement of City owned streetlight mast arm (single)	1	\$206.00	\$206.00
8	Replacement of City owned streetlight mast arm (double)	1	\$206.00	\$206.00
9	Replacement of City owned streetlight luminaire	1	\$69.01	\$69.01

Underground Service Alert				
1	Response to all USA Requests/Notices or at the request of the City for the marking and protection of traffic signal underground facilities such as traffic signal and electrical conduits, interconnect facilities, loops, and other appurtenant equipment which might conflict with other right-of-way construction or repairs.	1	\$257.50	\$257.50



STAFF REPORT
6/24/2020

TO: Honorable Mayor and City Council Members

FROM: Maritza Martinez, Public Works Director

SUBJECT: Authorize award of a Maintenance Agreement to West Coast Arborist for Tree Trimming Maintenance, in the amount not to exceed \$75,000.

STAFF RECOMMENDATION:

Authorize award of a maintenance agreement to West Coast Arborist for tree trimming maintenance, in the amount not to exceed \$75,000.

BACKGROUND:

The City of Coachella Public Works Departments require annual tree trimming services. These services are budgeted for in the fiscal year 2020-2021 budget and will exceed \$15,000 between the parks and city street right-of-way areas. As per the City's Purchasing Procedures and Regulations all purchases in excess of \$15,000 require City Council approval and that the award include completion of a formal bid process.

DISCUSSION/ANALYSIS:

Staff has reached out to West Coast Arborist whom is the current tree trimming contractor for the LLMDs and requested a proposal that would allow the City of Coachella to piggyback off the completed formal bid process in 2017. West Coast Arborist has provided staff with a letter proposal (Exhibit A), which will hold the pricing of fifty-two dollars (\$52.00) for all grid tree trimming (the grid will include trees located in: city parks, city right-of-ways and common areas).

Staff requests authorization to award West Coast Arborist a maintenance agreement, attached as Exhibit B, in the amount not to exceed \$75,000 for tree trimming services. The contract term would be from July 1, 2020 – June 30, 2021.

FISCAL IMPACT:

The recommended action would not have a financial impact as the funds recommended for award have been allocated in the proposed FY2020/21 budget.

Attachments:

Exhibit A – Piggyback Proposal

Exhibit B – Maintenance Agreement



May 20, 2020

City of Coachella
ATTN: Maritza Martinez, Public Works Director
53462 Enterprise Way
Coachella, CA 92236

RE: Tree Maintenance Services

Dear Ms. Martinez,

We appreciate our long-standing partnership in the care of Coachella’s street trees. Together, we have forged a very productive and cohesive working relationship. Today our common goal remains the same; to preserve the integrity and health of the City’s urban forest.

As we approach FY2020-21, we propose to provide tree maintenance services under a “piggyback” approach on the City of Coachella’s current contract for the Lighting & Landscape Maintenance Districts (LLMD Project No. 030619B.) In March 2019, the City of Coachella approved a new multi-year contract for their LLMDs beginning March 27, 2019.

The rates found under Coachella’s LLMD contract are nearly identical to the City’s contract rates for street tree trimming services. We agree to offer the same unit prices, terms and conditions as Coachella’s LLMD current contract. Attached to this letter is our proposed rate schedule for FY20-21.

We look forward to continuing the strong relationship built between us, and to maintaining quality urban tree care service. Should you have any questions or require additional information, please contact me at (800) 521-3714.

Sincerely,

Victor M. Gonzalez
Vice President, Marketing



Schedule of Compensation for Year 2020 - 2021

Tree Maintenance Services performed by WCA, Inc.

Item	Description	Unit	Proposed Prices
1	Grid Pruning	Each	\$52.00
2	Grid Palm Pruning	Each	\$52.00
3	Svc Rqst Pruning 0-6 DSH	Each	\$52.00
4	Svc Rqst Pruning 7-12 DSH	Each	\$82.00
5	Svc Rqst Pruning 13-18 DSH	Each	\$122.00
6	Svc Rqst Pruning 19-24 DSH	Each	\$172.00
7	Svc Rqst Pruning 25-30 DSH	Each	\$212.00
8	Svc Rqst Pruning 31+ DSH	Each	\$272.00
9	Svc Rqst Fan Palm Pruning	Each	\$75.00
10	Svc Rqst Date Palm Pruning	Each	\$175.00
11	Palm Skinning	Foot	\$12.00
12	Root Pruning	Foot	\$20.00
13	Tree & Stump Removal 0-29 DSH	Inch	\$27.00
14	Tree & Stump Removal 29+ DSH	Inch	\$33.00
15	Tree Only Removal 0-29 DSH	Inch	\$22.00
16	Tree Only Removal 29+ DSH	Inch	\$28.00
17	Stump Only Removal	Inch	\$10.00
18	Arborist Services	Man Hour	\$150.00
19	Specialty Equipment Rental	Hour	\$150.00
20	Crew Rental - per man	Man Hour	\$75.00
21	Emergency Call Out - per man	Man Hour	\$100.00

The proposed rates for FY20-21 are based on the current contract rates for the City of Coachella LLMD (Project No. 030619B.)
Upon approval, the rates will be valid through June 30, 2021.

**CITY OF COACHELLA
TREE TRIMMING MAINTENANCE SERVICES AGREEMENT**

PARTIES AND DATE.

This Agreement is made and entered into this 24th day of June, 2020 by and between the City of Coachella, a municipal organization organized under the laws of the State of California with its principal place of business at 1515 6th Street, Coachella, California 92236, (hereinafter referred to as “City”) and West Coast Arborists, Inc., a corporation with its principal place of business at 2200 E. Via Burton, Anaheim, CA 92806 (hereinafter referred to as “Contractor”). City and Contractor are sometimes individually referred to as “Party” and collectively as “Parties” in this Agreement.

RECITALS.

2.1 Contractor.

Contractor desires to perform and assume responsibility for the provision of certain maintenance services required by the City on the terms and conditions set forth in this Agreement. Contractor represents that it is experienced in providing tree trimming services to public clients, that it and its employees or subcontractors have all necessary licenses and permits to perform the Services in the State of California, and that is familiar with the plans of City.

2.2 Project.

City desires to engage Contractor to render such services for the Tree Trimming Maintenance Services Agreement (“Project”) as set forth in this Agreement.

TERMS.

3.1 Scope of Services and Term.

3.1.1 Incorporation of Documents. The “Contract Documents” include the following:

- Notice Inviting Bids
- Instructions to Bidders
- Contractor's Bid Forms
- Contractor’s Certificate Regarding Workers’ Compensation
- Bid Bond
- Designation of Subcontractors
- Information Required of Bidders
- Non-Collusion Affidavit form
- Contract
- Performance Bond
- Payment (Labor and Materials) Bond
- General Conditions

Special Provisions (or Special Conditions)
 Technical Specifications
 Greenbook Standard Specifications (Sections 1-9 Excluded)
 Addenda
 Plans and Contract Drawings
 Approved and fully executed change orders
 Any other documents contained in or incorporated into the Contract

The Contactor 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. This Contract shall supersede any prior agreement of the parties.

3.1.2 General Scope of Services. Contractor 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 tree trimming maintenance services necessary for the Project (“Services”). The Services are more particularly described in Exhibit “A” attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.3 Term. The term of this Agreement shall be from July 1, 2020 to June 30, 2021, unless earlier terminated as provided herein. Contractor shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines.

3.2 Responsibilities of Contractor.

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Contractor or under its supervision. Contractor will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. City retains Contractor on an independent contractor basis and not as an employee. Contractor retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Contractor shall also not be employees of City and shall at all times be under Contractor’s exclusive direction and control. Contractor 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. Contractor 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.

3.2.2 Schedule of Services. Contractor shall perform the Services expeditiously, within the term of this Agreement, and in accordance with the Schedule of Services set forth in Exhibit “B” attached hereto and incorporated herein by reference. Contractor represents that it has the professional and technical personnel required to perform the Services in conformance with such conditions. In order to facilitate Contractor’s conformance with the Schedule, City shall respond to Contractor’s submittals in a timely

manner. Upon request of City, Contractor shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

3.2.3 Conformance to Applicable Requirements. All work prepared by Contractor shall be subject to the approval of City.

3.2.4 City’s Representative. The City hereby designates the City Manager, or his or her designee, to act as its representative for the performance of this Agreement (“City’s Representative”). City’s Representative shall have the power to act on behalf of the City for all purposes under this Agreement. Contractor shall not accept direction or orders from any person other than the City’s Representative or his or her designee.

3.2.5 Contractor’s Representative. Contractor hereby designates Victor Gonzalez, or his or her designee, to act as its representative for the performance of this Agreement (“Contractor’s Representative”). Contractor’s Representative shall have full authority to represent and act on behalf of the Contractor for all purposes under this Agreement. The Contractor’s Representative shall supervise and direct the Services, using his 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.

3.2.6 Coordination of Services. Contractor 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.

3.2.7 Standard of Care; Performance of Employees. Contractor 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. Contractor represents and maintains that it is skilled in the professional calling necessary to perform the Services. Contractor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Finally, 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. As provided for in the indemnification provisions of this Agreement, Contractor 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 Contractor’s failure to comply with the standard of care provided for herein. Any employee of the Contractor or its subcontractors 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 Contractor and shall not be re-employed to perform any of the Services or to work on the Project.

3.2.7.1 Period of Performance and Liquidated Damages. Contractor shall perform and complete all Services under this Agreement within the term set forth in Section 3.1.2 above (“Performance Time”). Contractor shall perform the Services in strict accordance with any completion schedule or Project milestones described in Exhibits “A” or “B” attached hereto. Contractor agrees that if the Services specified in Exhibit “A”, attached hereto and incorporated herein by this reference, are not completed within the aforementioned Performance Time and/or

pursuant to any such completion schedule or Project milestones developed pursuant to provisions of this Agreement, it is understood, acknowledged and agreed that the City will suffer damage. Pursuant to Government Code Section 53069.85, Contractor shall pay to the City as fixed and liquidated damages, and not as a penalty, the sums as reflected in the General Specifications Section of the Request for Proposals for performance deficiencies.

3.2.8 Laws and Regulations. Contractor 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. Contractor shall be liable for all violations of such laws and regulations in connection with Services. If the Contractor performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the City, Contractor shall be solely responsible for all costs arising therefrom. Contractor shall defend, indemnify and hold City, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.2.9 Insurance.

3.2.9.1 Time for Compliance. Contractor 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, Contractor shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to the City that the subcontractor has secured all insurance required under this section.

3.2.9.2 Minimum Requirements. Contractor shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Contractor, its agents, representatives, employees or subcontractors. Contractor shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

(A) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability:* Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001); (2) *Automobile Liability:* Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto); and (3) *Workers' Compensation and Employer's Liability:* Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

(B) Minimum Limits of Insurance. Contractor shall maintain limits no less than: (1) *General Liability:* \$1,000,000.00 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used including, but not limited to, form CG 2503, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability:* \$1,000,000.00 per accident for bodily injury and property damage; and (3) *Workers' Compensation and Employer's Liability:* Workers' Compensation limits as

required by the Labor Code of the State of California. Employer's Liability limits of \$1,000,000.00 per accident for bodily injury or disease.

3.2.9.3 Insurance Endorsements. The insurance policies shall contain the following provisions, or Contractor shall provide endorsements on forms supplied or approved by the City to add the following provisions to the insurance policies:

General Liability. The general liability policy shall be endorsed to state that: (1) the City, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insured with respect to the Work or operations performed by or on behalf of the Contractor, including materials, parts or equipment furnished in connection with such work; and (2) the insurance coverage shall be primary insurance as respects the City, its directors, officials, officers, employees, agents, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its directors, officials, officers, employees, agents, and volunteers shall be excess of the Contractor's insurance and shall not be called upon to contribute with it in any way.

Automobile Liability. The automobile liability policy shall be endorsed to state that: (1) the City, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Contractor or for which the Contractor is responsible; and (2) the insurance coverage shall be primary insurance as respects the City, its directors, officials, officers, employees, agents, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its directors, officials, officers, employees, agents, and volunteers shall be excess of the Contractor's insurance and shall not be called upon to contribute with it in any way.

Workers' Compensation and Employer's Liability Coverage. The insurer shall agree to waive all rights of subrogation against the City, its directors, officials, officers, employees, agents, and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Contractor.

All Coverages. Each insurance policy required by this Agreement shall be endorsed to state that: (A) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City; and (B) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the City, its directors, officials, officers, employees, agents, and volunteers.

3.2.9.4 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the City, its directors, officials, officers, employees, agents, and volunteers.

3.2.9.5 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. Contractor shall guarantee that, at the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its directors, officials, officers, employees, agents, and volunteers; or (2) the Contractor shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

3.2.9.6 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A:VIII, licensed to do business in California, and satisfactory to the City.

3.2.9.7 Verification of Coverage. Contractor shall furnish City with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to the City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the City if requested. All certificates and endorsements must be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

3.2.9.8 Reporting of Claims. 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.

3.2.10 Safety. Contractor shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Contractor 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. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and life saving equipment and procedures; (B) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3.2.12 Bonds.

3.2.12.1 Performance Bond. If specifically requested by City in Exhibit "C" attached hereto and incorporated herein by reference, Contractor shall execute and provide to City concurrently with this Agreement a Performance Bond in the amount of the total, not-to-exceed compensation indicated in this Agreement, and in a form provided or approved by the City. If such bond is required, no payment will be made to Contractor until it has been received and approved by the City.

3.2.12.2 Payment Bond. If required by law or otherwise specifically requested by City in Exhibit "C" attached hereto and incorporated herein by reference, Contractor shall execute and provide to City concurrently with this Agreement a Payment Bond in the amount of the total, not-to-exceed compensation indicated in this

Agreement, and in a form provided or approved by the City. If such bond is required, no payment will be made to Contractor until it has been received and approved by the City.

3.2.12.3 Bond Provisions. Should, in City’s sole opinion, any bond become insufficient or any surety be found to be unsatisfactory, Contractor shall renew or replace the affected bond within 10 days of receiving notice from City. In the event the surety or Contractor intends to reduce or cancel any required bond, at least thirty (30) days prior written notice shall be given to the City, and Contractor shall post acceptable replacement bonds at least ten (10) days prior to expiration of the original bonds. No further payments shall be deemed due or will be made under this Agreement until any replacement bonds required by this Section are accepted by the City. To the extent, if any, that the total compensation is increased in accordance with the Agreement, the Contractor shall, upon request of the City, cause the amount of the bonds to be increased accordingly and shall promptly deliver satisfactory evidence of such increase to the City. To the extent available, the bonds shall further provide that no change or alteration of the Agreement (including, without limitation, an increase in the total compensation, as referred to above), extensions of time, or modifications of the time, terms, or conditions of payment to the Contractor, will release the surety. If the Contractor fails to furnish any required bond, the City may terminate this Agreement for cause.

3.2.12.4 Surety Qualifications. Only bonds executed by an admitted surety insurer, as defined in Code of Civil Procedure Section 995.120, shall be accepted. The surety must be a California-admitted surety with a current A.M. Best’s rating no less than A:VIII and satisfactory to the City. If a California-admitted surety insurer issuing bonds does not meet these requirements, the insurer will be considered qualified if it is in conformance with Section 995.660 of the California Code of Civil Procedure, and proof of such is provided to the City.

3.3 Fees and Payments.

3.3.1 Compensation. Contractor 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 total compensation shall not exceed **\$75,000.00 (seventy-five thousand dollars and no cents)** without written approval of City’s City Council. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

3.3.2 Payment of Compensation. Contractor shall submit to City a monthly itemized statement which indicates work completed and hours of Services rendered by Contractor. The statement shall describe the amount of Services and supplies provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. City shall, within 45 days of receiving such statement, review the statement and pay all approved charges thereon.

3.3.3 Reimbursement for Expenses. Contractor shall not be reimbursed for any expenses unless authorized in writing by City.

3.3.4 Extra Work. At any time during the term of this Agreement, City may request that Contractor 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. Contractor shall not perform, nor be compensated for, Extra Work without written authorization from City’s Representative.

3.3.5 Prevailing Wages. 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. Since the Services are being performed as part of an applicable “public works” or “maintenance” project, as defined by the Prevailing Wage Laws, and since 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.

3.4 Accounting Records.

3.4.1 Maintenance and Inspection. Contractor shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Contractor 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. Contractor 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.

3.5 General Provisions.

3.5.1 Termination of Agreement.

3.5.1.1 Grounds for Termination. City may, by written notice to Contractor, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Contractor of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Contractor shall be compensated only for those services which have been adequately rendered to City, and Contractor shall be entitled to no further compensation. Contractor may not terminate this Agreement except for cause.

3.5.1.2 Effect of Termination. If this Agreement is terminated as provided herein, City may require Contractor to provide all finished or unfinished Documents and Data and other information of any kind prepared by Contractor in connection with the performance of Services under this Agreement. Contractor 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.

3.5.2 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:

CONTRACTOR:
West Coast Arborists, Inc.
2200 E. Via Burton
Anaheim, CA 92806
Attn: Victor Gonzalez, Vice President-Marketing

CITY:
City of Coachella
53462 Enterprise Way
Coachella, CA 92236
Attn: Maritza Martinez, Public Works Department

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.

3.5.3 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.

3.5.4 Attorney’s 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 attorney’s fees and all other costs of such action.

3.5.5 Indemnification. 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 or incident to any alleged 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, the Project or this Agreement, including without limitation the payment of all consequential damages 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.

3.5.6 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. This Agreement may only be modified by a writing signed by both parties.

3.5.7 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Riverside County.

3.5.8 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.5.9 City's Right to Employ Other Contractors. City reserves right to employ other contractors in connection with this Project.

3.5.10 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties.

3.5.11 Assignment or Transfer. Contractor shall not assign, hypothecate or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the City. Any attempt to do so shall be null and void,

and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.5.12 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 Contractor include all personnel, employees, agents, and subcontractors of Contractor, 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.

3.5.13 Amendment; Modification. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

3.5.14 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.

3.5.15 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.5.16 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.

3.5.17 Prohibited Interests. Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Agreement. Further, Contractor 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 Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Contractor further agrees to file, or shall cause its employees or subcontractors 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.

3.5.18 Equal Opportunity Employment. Contractor represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor,

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. Contractor 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.

3.5.19 Labor Certification. By its signature hereunder, Contractor 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 Workers' 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.

3.5.20 Authority to Enter Agreement. Contractor 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.

3.5.21 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.6 Subcontracting.

3.6.1 Prior Approval Required. Contractor shall not subcontract any portion of the work 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.

<p>CITY OF COACHELLA</p> <p>By:</p> <p>_____</p> <p>William B. Pattison Jr. City Manager</p> <p>Attest:</p> <p>_____</p> <p>City Clerk</p> <p>Approved as to Form:</p> <p>_____</p> <p>Best, Best & Krieger City Attorney</p>	<p>WEST COAST ARBORIST INC.</p> <p>By:</p> <p>_____</p> <p>Signature</p> <p>_____</p> <p>Name</p> <p>_____</p> <p>Title</p> <p>_____</p> <p>License Number</p>
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EXHIBIT A SCOPE OF SERVICES

GRID TREE PRUNING

Any tree work performed on a City tree must be done according to the City's specifications. The criterion for pruning depends on the type or purpose of pruning.

- 1) General Specifications for hardwood tree pruning
 - a. The Contractor shall consult with the City's designated representative before making any cuts that could result in permanent disfigurement of the structure of any tree.
 - b. The Contractor shall prune trees to prevent branch and foliage interference with safe public passage. The Contractor shall maintain street clearance to a safe distance above the public right-of-way at a minimum of eighty-four (84) inches above the surface of a public sidewalk or pedestrian way. Exceptions are allowed for young trees, which would be irreparably damaged by such pruning action. If pruning to these standards would result in permanent disfiguration of a tree, the Contractor shall not prune the tree until such time direction is obtained from the City's designated representative.
 - c. The Contractor shall use best practices when removing a live branch and shall include pruning cuts in branch tissue just outside the branch bark ridge and collar, which are trunk tissue. If no collar is visible, the angle of the cut should approximate the angle formed by the branch bark ridge and the trunk.
 - d. When removing a dead branch, the final cut should be made outside the collar of live callus tissue. If the collar has grown out along the branch stub, only the dead stub should be removed, the live collar should remain intact and uninjured.
 - e. Whenever pruning involves the removal of limbs that are too large to hold securely in one hand during the cutting operation, the limb shall be cut off first at a point several feet beyond the intended final cut. The final cut shall be made in a manner to prevent unnecessary tearing back of the bark and wood. Cuts that result in tearing of tissue on limbs below cuts shall be corrected.
 - f. All final tree pruning cuts shall be made in such a manner to favor the earliest possible covering of the wound by natural callus growth. Excessively deep flush cuts, that produce large wounds or weaken the tree at the cut, shall not be made. The branch collar should not be removed.
 - g. All dead and dying branches and branch stubs shall be removed.
 - h. All broken or loose branches shall be removed.

- j. Branches that are developing in such a manner as to become larger than the limbs they originate from shall be removed.
- k. When encountering limbs that are weighted with more foliage than the limb is likely to support, branches shall be selectively pruned toward the end of the limb in order to reduce end weight and thus decrease the likelihood of limb failure.
- l. Branches that create sight line conflicts with traffic control signs and/or devices shall be selectively pruned.
- m. Branches that are within five (5) feet of a structure shall be selectively pruned.
- n. Trees of sprout or sucker growth shall be cleared to a minimum height of ten (10) feet above ground level. Exceptions are allowed for young trees, which would be irreparably damaged by such pruning action.
- o. Trees shall be pruned to maintain a balanced appearance when viewed from the opposite side of the street immediately opposite the tree, unless authorized by the City's designated representative to do otherwise.
- p. All vines entwined in trees and on tree trunks shall be removed. Vine tendrils shall be removed without injury to trees. Vines include, but are not limited to, ivy and mistletoe.
- q. Tree limbs shall be removed and controlled in such a manner to cause no damage to other parts of the tree, or to other plants or property.
- r. All tools used on a tree known to contain an infectious tree disease shall be properly disinfected immediately before and after completing work on such tree.
- s. All pest infestations relating to termites, bees, hornets, or wasps shall be promptly reported to the City's designated representative.
- t. All cutting tools and saws used in tree pruning shall be kept sharpened to result in final cuts with an un-abrasive wood surface and secure bark remaining intact.
- u. All trees six (6) inches in diameter or less shall be pruned with hand tools only.
- v. Chain saws shall not be permitted to remove any branches two (2) inches or less in diameter. This is to prevent any unnecessary abrasions to cambial tissue that may predispose a tree to insect and/or future disease/decay problems. The use of climbing spurs or spike shoes in the act of pruning trees is prohibited, unless specifically directed by the City, to aid in the safety of climbers performing the removal of a tree.

2) Crown Raising/Clearance Prune:

A Crown Raising or Clearance Prune is performed when conditions within the crown of a hardwood tree are such that a certain objective needs to be met or a certain condition needs attention. A crown raising or clearance prune does not involve the detail of work found in a full prune. Crown raising or clearance pruning may consist of one or more of the following pruning types:

- a. Crown Raising: Crown Raising consists of removing the lower branches of a tree in order to provide clearance for buildings, vehicles and pedestrians. It is important that a tree have at least one-half of its foliage on branches that originate in the lower two-thirds of its crown to ensure a well-formed, tapered structure and to uniformly distribute stress within the tree.
- b. Clearance Prune: Clearance Prune is employed as a means of eliminating limbs from the crown of a hardwood tree when an entire pruning of the tree is not warranted. Clearance pruning does not involve the fine detail work described herein as "full prune."

3) General Trimming and Shaping of Broadleaf Trees

Follows the shape indicated by the natural growth habits of each tree species. Trimming and shaping of trees shall be as directed by the City's designated representative and in accordance with the following:

1. Cut to laterals to preserve the natural form of the tree, leaving the head open enough for the branching system to show and permitting the dead material to be easily cleaned out and light to show through the head. Tree foliage shall be reduced by at least twenty-five percent (25%) and up to thirty percent (30%).
2. In specific cases the City's designated representative may direct the Contractor to reduce the size of the tree crown in an effort to limit the height of specific trees.
3. Dead wood or weak, diseased, insect-infested, broken, low, or crossing limbs shall be trimmed and removed. Branches with an extremely narrow angle of attachment should normally be removed.
4. Small limbs, including suckers and waterspouts, shall be cut close to the trunk or branch from which they arise.

Heading cuts and/or topping shall not be allowed under any circumstances. Heading, rounding over, or stubbing shall not be an accepted practice for reducing the size or the framework of any tree.

SPECIALTY PRUNE CLASSIFICATIONS FOR HARDWOOD TREES

A Full Prune is performed when conditions within the crown of a hardwood tree are such that the entire tree needs to be fully pruned. Complete pruning is recommended when the primary objective is to maintain or improve tree health and structure, and

includes pruning to reduce overall canopy mass and excessive wood weight. Trees that are identified for a Full Prune shall have no more than thirty percent (30%) of the live foliage removed. A Full Prune typically consists of one or more of the following pruning treatments:

1. Crown Cleaning: Crown Cleaning or cleaning out is the removal of dead, diseased, crowded, weakly attached and low-vigor branches and water sprouts from the entirety of the tree crown. Care must be used to avoid stripping branches of all foliage at the interior of the tree crown. This practice, known as "lion tailing" disrupts the structural integrity of the tree, making it subject to limb and branch failure, especially during high winds.

2. Crown Thinning: Crown Thinning includes crown cleaning and the selective removal of branches to increase light penetration and air movement into and through the crown. Increased light and air stimulates and maintains interior foliage, which in turn improves branch taper and strength. Thinning reduces the wind-sail effect of the crown and the weight of heavy limbs. Care must be used to avoid stripping branches of all foliage at the interior of the tree crown. Thinning the crown can emphasize the structural beauty of the trunk and branches as well as improve the growth of plants beneath the tree by increasing light penetration. When thinning the crown of mature trees, up to thirty percent (30%) of the live foliage may be removed unless directed otherwise by the City's designated representative.

3. Crown Reduction: Crown Reduction is used to reduce the height and/or spread of a tree. Crown reduction varies from topping, a destructive practice, in that cuts are not made indiscriminately, resulting in large stubbed off limbs that are subject to decay. While reducing a crown, tree workers must adhere to basic tree trimming practices involving limb/branch size relationships and use of the branch bark collar to avoid the onset of decay at cut sites.

4. Crown Restoration: Crown Restoration is a corrective pruning used to restore the form of crowns that have been previously damaged. This treatment is best performed by tree workers who have a good understanding of the effects of pruning for the cultivation of tree canopies.

PALM TREE PRUNING

Any tree work performed on a City tree must be done according to the City's specification. The criterion for pruning depends on the type or purpose of pruning. Palm Pruning consists of maintaining the crowns and trunks of palm trees including the pruning of spent or declining fronds, seed pods and the skinning or shaping of spent petiole bases into a ball or nut as applicable by palm type.

- 1) The specifications for the pruning of palm trees are as follows:

- a. While making an approach to the palm crown for pruning, the Contractor shall inspect the trunk of the palm tree for signs of decay, insect frass, bird nesting or any other condition suggestive of a structural abnormality. Upon finding any condition suggestive of a structural abnormality of the palm stem, the Contractor shall report to the City's designated representative immediately.
- b. Fronds shall be trimmed using a handsaw or pole saw that has been sterilized for no less than five (5) minutes by having the entirety of its cutting blade submersed in an equal solution of bleach and water before and after the handsaw is used to cut the fronds of any other palm tree.

At no time shall a chainsaw be used to prune any frond from any Canary Island Date Palm (*Phoenix canariensis*) in the City. The use of chainsaws to prune any frond from any Canary Island Date Palm will result in monetary penalties up to the cost of replacement of the palm. Live, healthy fronds, initiating at an angle of ninety degrees (90 °) or greater from the horizontal plane, shall not be removed. Fronds removed should be cut close to the petiole base, taking into consideration the role of petiole bases in the formation and maintenance of the ornamental ball at the base of the canopy, as applicable by species. Live trunk tissue should never be cut while pruning palm fronds.

- c. Using properly sterilized equipment as described herein, any fruit or flower structures in the crown of the palm shall be removed concurrently with frond pruning. At no time shall a chainsaw be used to cut any fruit or flower from any Canary Island Date Palm (*Phoenix canariensis*) in the City. The use of chainsaws to prune any fruit or flower structures from any Canary Island Date Palm shall result in severe penalties up to the replacement cost.

Care shall be taken in the handling of fruit and flowers as they are likely to release clear liquids that react with and can cause staining to hardscape elements. The Contractor shall be responsible for removing palm fruit related stains from private property hardscape elements.

- d. Maintenance of the ornamental ball located at the base of the palm canopy, directly below the live fronds, shall be as described by species as follows:
 1. Canary Island Date Palm (*Phoenix canariensis*): dead petiole bases shall be formed into an ornamental ball which begins directly below the lowest green fronds and acts to provide a base of support to the palm crown. This ornamental ball shall be uniform and smooth in appearance and shall extend no less than four (4) feet and no more than eight (8) feet below the lowest live frond in the crown. Ornamental balls with flattened or "stop sign" sides will not be accepted. The upper portion of the ornamental ball shall not taper in, resulting in a "pineapple" appearance as this treatment defeats the support capacity of the ball. The distal portion of the ball shall begin at a point flush with the periphery of the palm trunk and make a

gradual taper upwards until it reaches the periphery of the shaped ornamental ball. While forbidden to use chainsaws for pruning fronds, fruit and flowers from any palm tree in the City, the Contractor may use a clean chainsaw in forming and/or shaping the ornamental ball of a Canary Island Date Palm. The use of a sharpened shovel in shaping and maintaining ornamental balls often results in ornamental balls which have flat, un-tampered bottoms that are likely to relax and collapse into pedestrian and vehicular traffic zones with grave consequences.

The Contractor shall use care not to cut into live trunk tissue while maintaining the ornamental ball. The Contractor shall remove any foreign plant material that has sprouted in an ornamental ball. The Contractor shall verify that the ornamental ball meets the standard described herein each time a Canary Island Date Palm is pruned.

2. Date Palm (*Phoenix dactylifera*): spent petiole bases are left to form a supportive "base" below the lowest green fronds of the crown. Unlike the ornamental ball of a Canary Island Date Palm (*Phoenix canariensis*), the base does not require ornate shaping.

Instead, spent petiole bases are left uniformly long to form the base of the canopy, which shall extend no less than four (4) feet and no more than six (6) feet below the lowest live frond in the crown. While forbidden to use chainsaws for pruning fronds, fruit and flowers from any palm tree in the City, the Contractor may use a chainsaw in forming and/or shaping the base of a Date Palm by shortening a number of the lower petiole bases to bring the length of the nut to standard. The Contractor shall use care not to cut into live trunk tissue while maintaining the nut. The Contractor shall verify that the base meets the standard described herein each time a Date Palm is pruned.

3. Queen Palm (*Syagrus romanzoffianum*): loose petiole bases are to be removed each time the crown of a Queen Palm is maintained. Petiole bases that are attached to live trunk tissue shall be left undamaged.
4. King Palm (*Archontophoenix cunninghamiana*): loose petiole bases are to be removed each time the crown of a King Palm is maintained. Petiole bases that are attached to live trunk tissue shall be left undamaged.
5. Mexican Fan Palm (*Washingtonia robusta*): spent petiole bases are left uniformly long to form a base which shall extend no more than four (4) feet below the lowest live frond in the crown. Using hand tools, the Contractor shall skin the trunk area below the base clean without causing damage to live trunk tissue. The Contractor shall verify that the base meets the standard described herein each time a Mexican Fan Palm is pruned.

6. California Fan Palm (*Washingtonia filifera*): spent petiole bases are left uniformly long to form a nut which shall extend no more than eight (8) feet below the lowest live frond in the crown. Using hand tools, the Contractor shall skin the trunk area below the base clean without causing damage to live trunk tissue. The Contractor shall verify that the base meets the standard described herein each time a California Fan Palm is pruned.
7. *Washingtonia filifera* (California Fan Palm): spent petiole bases are left uniformly long to form a nut which shall extend no more than eight (8) feet below the lowest live frond in the crown. Using hand tools, CONTRACTOR shall skin the trunk area below the nut clean without causing damage to live trunk tissue. CONTRACTOR shall verify that the nut meets the standard described herein each time a California Fan Palm is pruned.

TREE REMOVAL

Tree removal consists of the removal of the entirety of a hardwood tree or palm tree and the removal of its root system.

1. The Contractor shall comply with all general specifications standards described herein.
2. The price given by the Contractor for tree removals shall be inclusive of all staff, materials and equipment necessary to remove trees as described herein. landscape irrigation components prior to the removal of a tree and its root system. The Contractor shall notify the City's designated representative in writing of any condition that prevents the removal of a tree and/or the grinding of its root system. The Contractor shall take all responsibility for any damage that occurs once the process of removing a tree and/or associated root grinding begins.
3. The Contractor shall comply with wildlife protection standards described herein whenever removing a tree.
4. The Contractor shall not remove any tree without first confirming that the tree being considered is indeed the tree to be removed. Any confusion should be resolved by contacting the City's designated representative for assistance. The errant removal of trees shall be penalized up to the cost of the replacement.
5. During a tree removal, the Contractor shall maintain control of the tree and its parts at all times, which shall include the selection and use of proper techniques and equipment. At no time shall branches, limbs or tree trunks be allowed to freefall and create damage of any type. The Contractor will be held liable for loss of control incidents and shall pay for all damages and associated costs.

6. Cranes and other rigging equipment shall be properly certified, with evidence of such available for inspection prior to use of said equipment in the City. Crane operators shall be certified by the National Commission for the Certification of Crane Operators (NCCCO) and shall display current certification prior to operating a crane in the City. The use of cranes and certified operators shall not result in additional charges to the City beyond the unit price for the work being performed (e.g., the price for tree removal).
7. While loading and handling debris, the Contractor shall maintain control at all times so as not to result in damage to the public rights of way or private property. In addition, the Contractor shall not drop logs or trunks as to create undue noise or shock impact related damages to public and/or private property.
8. Except in hillside areas where the stump needs to remain for soil stability, in the event that the stump is not removed the same day as tree removal, the stump shall be removed as described herein, no more than thirty (30) days from the initial tree removal. The Contractor shall be responsible for maintaining a Tree Stump Removal List on a daily basis with such list provided to the City weekly. Should the removal of any stump not occur within the thirty (30) day period, the Contractor will remove the stump, within forty-eight (48) hours of notification by the City, at the Contractor's expense. Stumps, including the root flare shall be ground to a depth of no less than eighteen (18) inches. Surface roots shall be traced and ground to a depth of no less than eight (8) inches.
9. Debris generated by stump grinding and root removal shall be removed from the site and replaced with a topsoil mix. Chips and stump grindings shall not be used as a backfill material.
10. As directed by the City's designated representative, trees on hillsides should be removed to a depth of one inch below grade, cut at the angle of the grade. The indentation shall be filled by the Contractor with wood chips.
11. The Contractor shall be responsible for the repair of any private property including any irrigation system components damaged during a tree removal or stump grinding. Repairs shall be made using components matching those that were damaged.

EXHIBIT B
SCHEDULE OF SERVICES

July 1, 2020 – June 30, 2021

**EXHIBIT C
COMPENSATION**

Awarded contract compensation is not to exceed \$75,000 and unit pricing as noted below.



CITY OF COACHELLA

Schedule of Compensation for Year 2020 - 2021

Tree Maintenance Services performed by WCA, Inc.

Item	Description	Unit	Proposed Prices
1	Grid Pruning	Each	\$52.00
2	Grid Palm Pruning	Each	\$52.00
3	Svc Rqst Pruning 0-6 DSH	Each	\$52.00
4	Svc Rqst Pruning 7-12 DSH	Each	\$82.00
5	Svc Rqst Pruning 13-18 DSH	Each	\$122.00
6	Svc Rqst Pruning 19-24 DSH	Each	\$172.00
7	Svc Rqst Pruning 25-30 DSH	Each	\$212.00
8	Svc Rqst Pruning 31+ DSH	Each	\$272.00
9	Svc Rqst Fan Palm Pruning	Each	\$75.00
10	Svc Rqst Date Palm Pruning	Each	\$175.00
11	Palm Skinning	Foot	\$12.00
12	Root Pruning	Foot	\$20.00
13	Tree & Stump Removal 0-29 DSH	Inch	\$27.00
14	Tree & Stump Removal 29+ DSH	Inch	\$33.00
15	Tree Only Removal 0-29 DSH	Inch	\$22.00
16	Tree Only Removal 29+ DSH	Inch	\$28.00
17	Stump Only Removal	Inch	\$10.00
18	Arborist Services	Man Hour	\$150.00
19	Specialty Equipment Rental	Hour	\$150.00
20	Crew Rental - per man	Man Hour	\$75.00
21	Emergency Call Out - per man	Man Hour	\$100.00

The proposed rates for FY20-21 are based on the current contract rates for the City of Coachella LLMD (Project No. 030619B.)
Upon approval, the rates will be valid through June 30, 2021.



STAFF REPORT
6/24/2020

TO: Honorable Mayor and City Council Members

FROM: Maritza Martinez, Director of Public Works

SUBJECT: Authorize the City Manager to Execute a Contract with Urban Habitat Environmental Landscapes for Landscape Maintenance within Areas 1-38 Landscape and Lighting Maintenance District (LLMD) in the amount of \$570,052.92 plus 15% contingency for vandalism and extra work necessary to maintain Districts.

STAFF RECOMMENDATION:

Authorize the City Manager to Execute a Contract with Urban Habitat Environmental Landscapes for Landscape Maintenance within Areas 1-38 Landscape and Lighting Maintenance District (LLMD) in the amount of \$570,052.92 plus contingency for vandalism and extra work necessary to maintain Districts.

BACKGROUND:

The City of Coachella annually levies and collects special assessments in order to maintain the improvements within the City's thirty-eight (38) LLMD. These Districts were formed in various years starting in 1980 and levied annually pursuant to the Landscape and Lighting Act of 1972, Part 2 Division 15 of the California Streets and Highway Code. The assessments are based on the historical and estimated costs to maintain the improvements that provide a direct and special benefit to properties within each District. The various improvements within the Districts and the costs of those improvements are identified and budgeted separately, included all expenditures, deficits, surpluses, revenues, and reserves as well as capital improvements. Each parcel within a District is assessed proportionately for only those improvements provided in that specific District, and for which the parcel receives the benefit.

DISCUSSION/ANALYSIS:






The award of the contract was based upon the qualifications, references and the bid price. These Areas went out to formal bid on February 8, 2017 and publicly opened on March 21, 2017 at 3:00 p.m. Urban Habitat was selected as the most qualified respondent based on the RFP scoring criteria for the LLMD Landscape Maintenance RFP. The current agreement allows for up to two one-year additional terms. Staff is satisfied with the current level of service and is

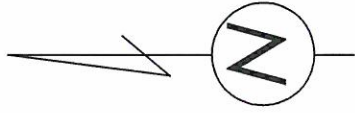
recommending award of a one-year term extension with all other terms (compensation) staying the same as original awarded maintenance agreement.

FISCAL IMPACT:

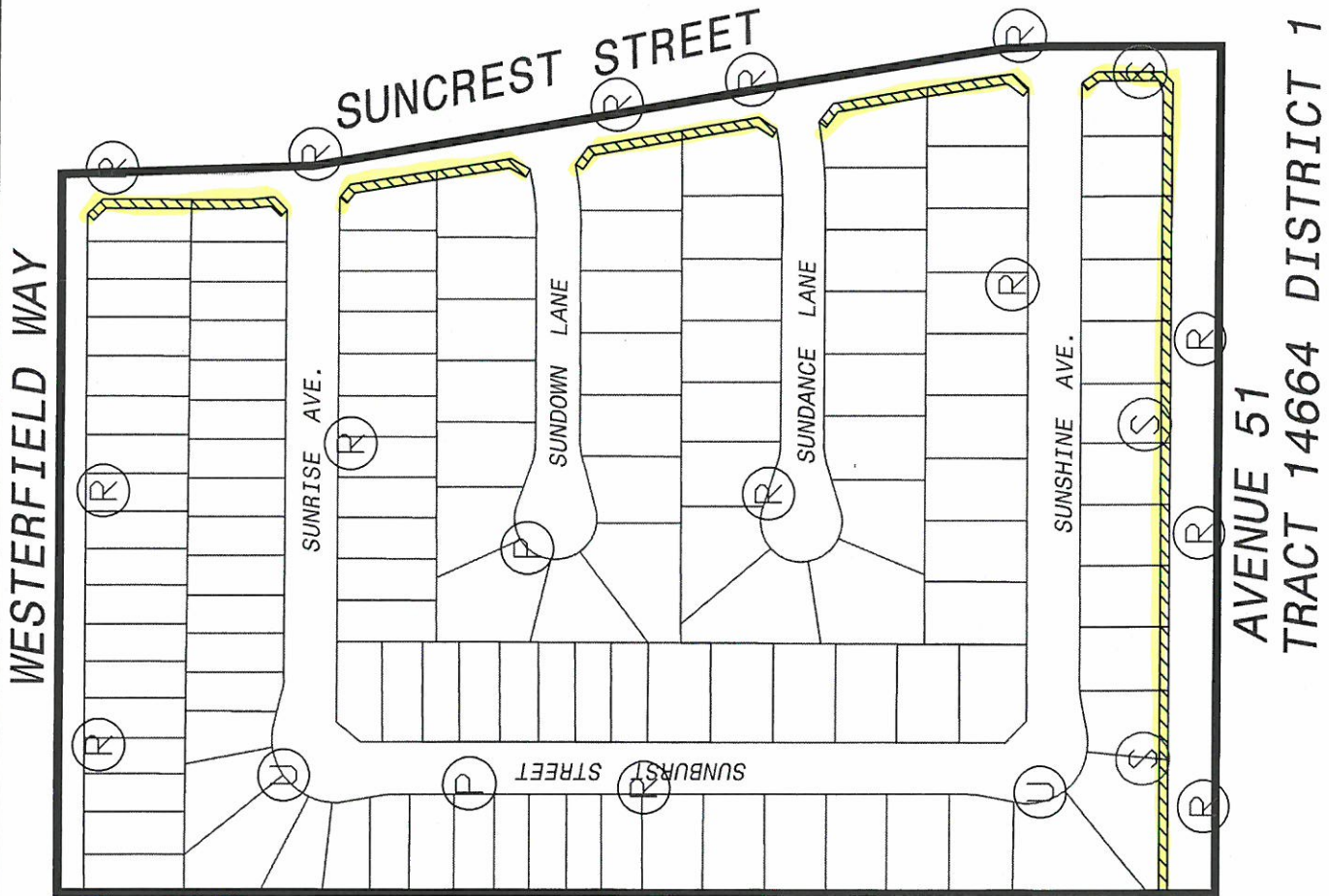
Approval of the contract would have no adverse impact to the General Fund and would be fully funded from specific LLMD Areas. A total annual amount of \$570,052.92 plus a 15% contingency for vandalism and extra work are accounted for within separate 160 fund account.

LEGEND:

-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT



LEWIS HOMES EXHIBIT "A"



AVENUE 51
TRACT 14664 DISTRICT 1

PEACOCK PALMS EXHIBIT "A"

AVENUE 50
TRACT 14472 DISTRICT 2

LEGEND:



LANDSCAPED AREA

DISTRICT BOUNDARY



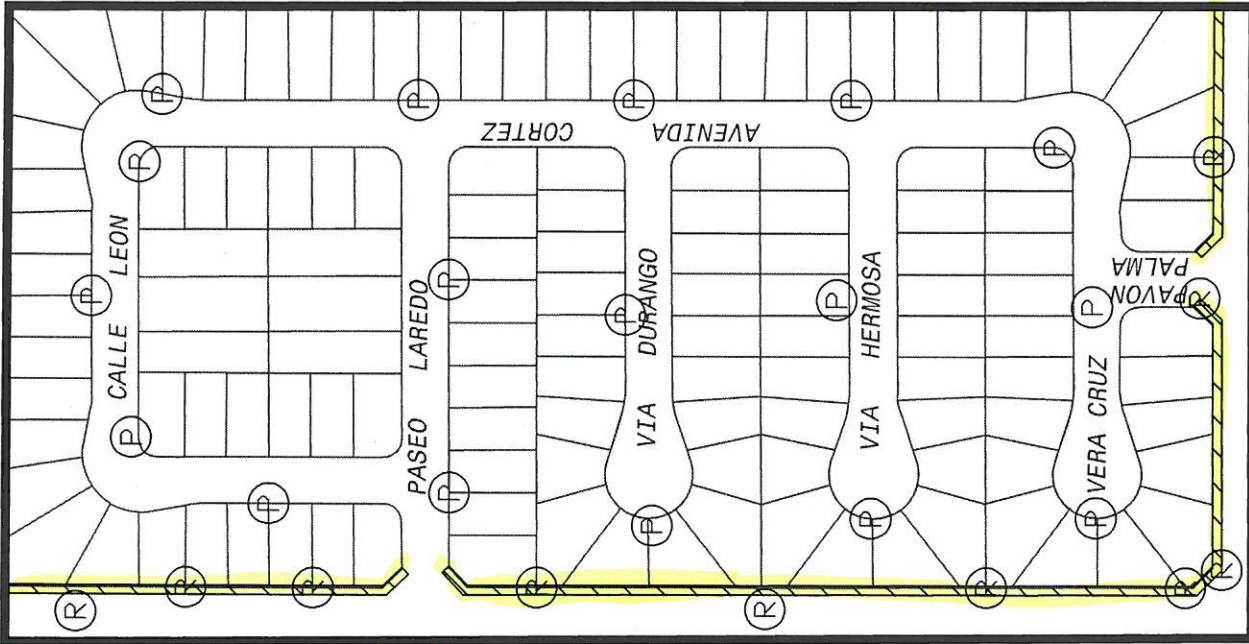
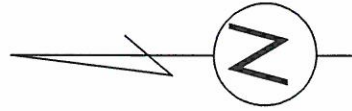
POWER METER



WATER METER








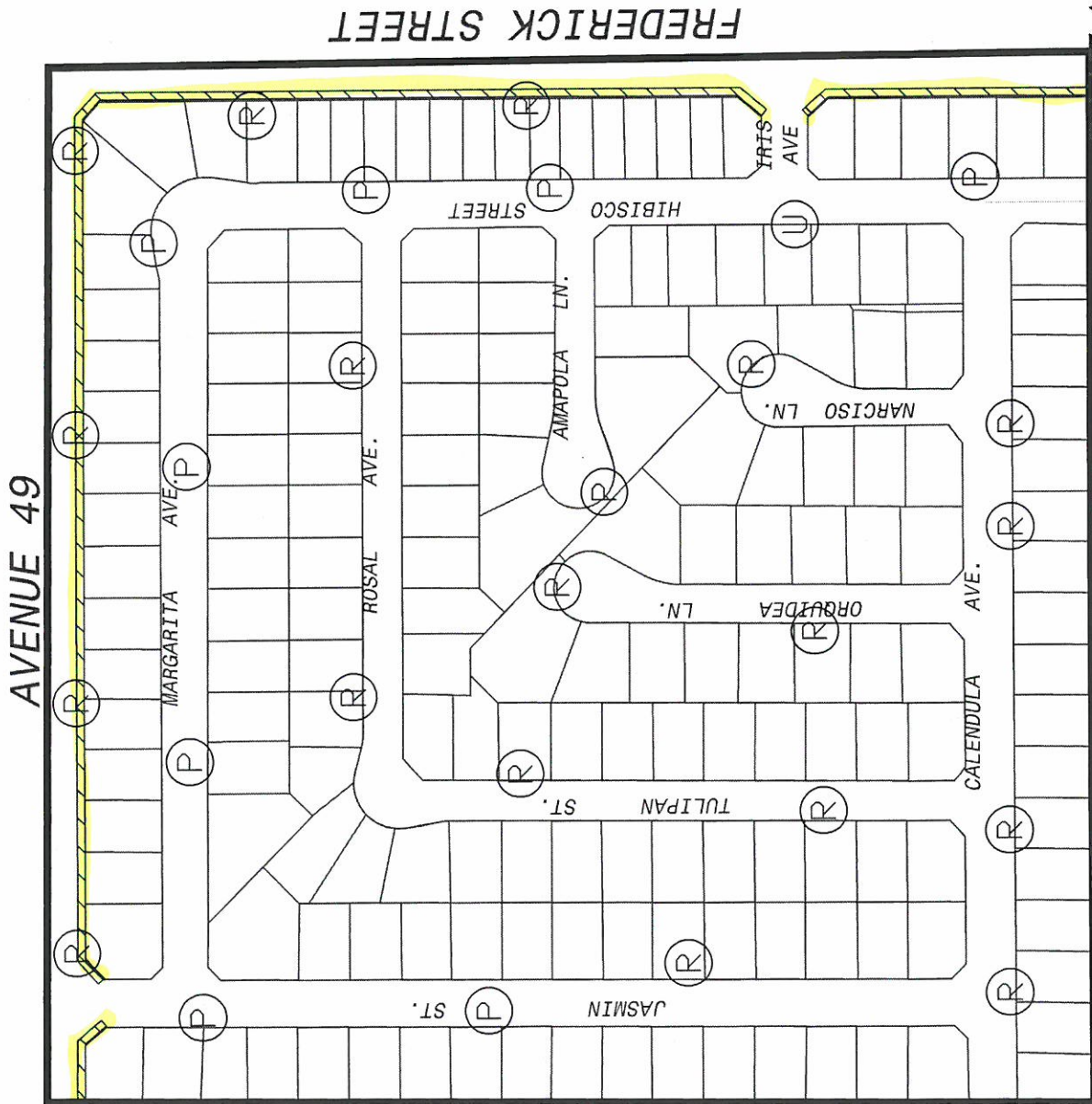
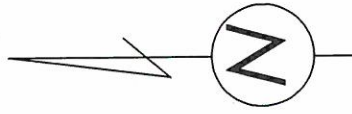
STREET LIGHT



FREDERICK STREET

LEGEND:

-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT



BUEANA VISTA HOMES EXHIBIT "A"

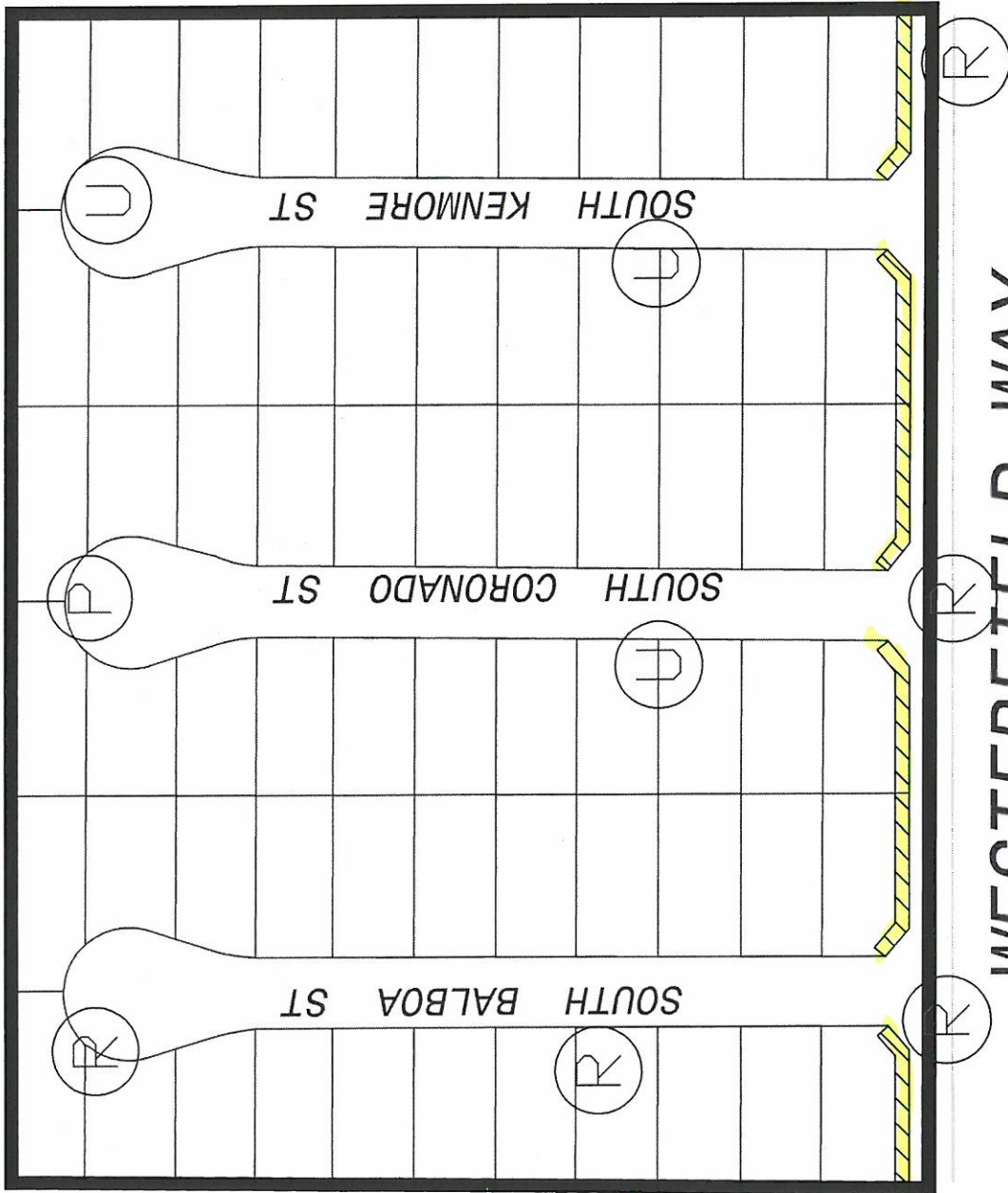
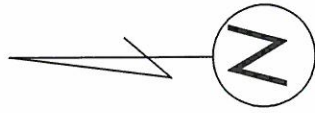
TRACT 14675
DISTRICT 3

LEGEND:






- LANDSCAPED AREA
- DISTRICT BOUNDARY
- POWER METER
- WATER METER
- STREET LIGHT

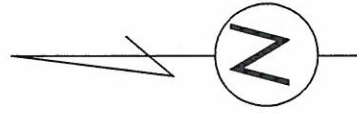
PALM DESERT DEVELOPMENT EXHIBIT "A"

WESTERFIELD WAY TRACT 18632 DISTRICT 4



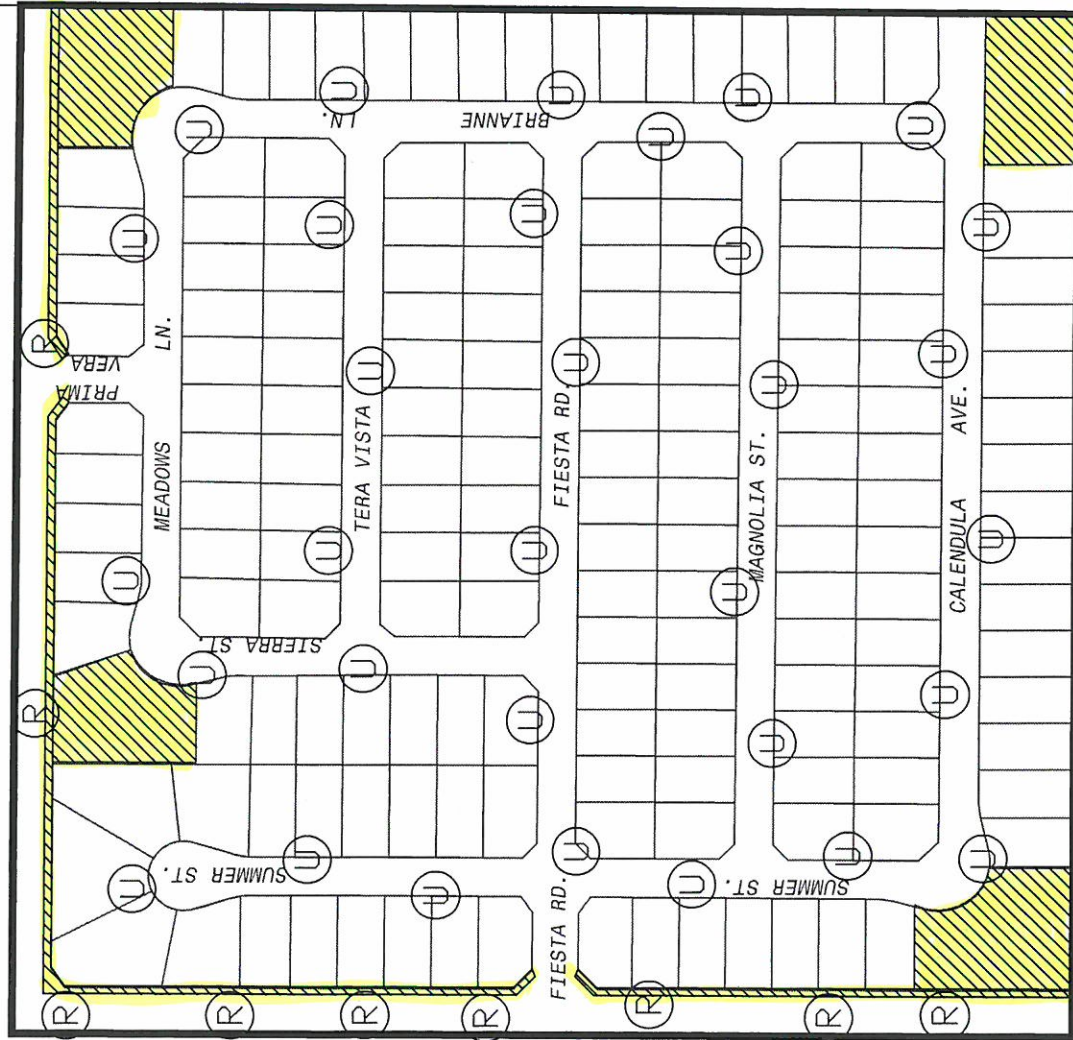
LEGEND:

-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT



FIESTA HOMES EXHIBIT "A"






AVENUE 49

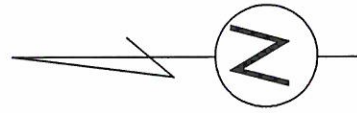


TRACT 23911
DISTRICT 6

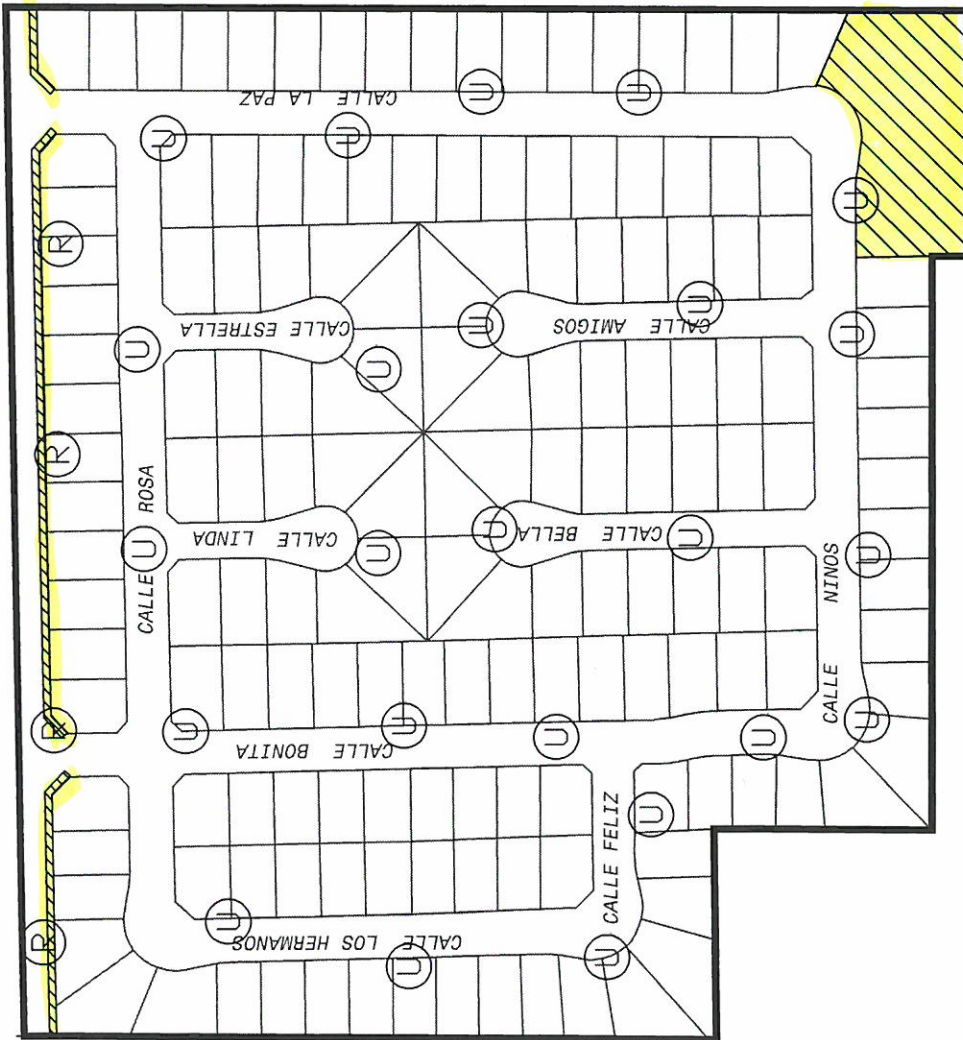
VAN BUREN STREET

LEGEND:

-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT








AVENUE 53

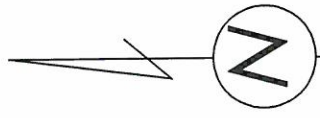


TRACT 26467
DISTRICT 7

LA PAZ HOMES
EXHIBIT "A"

LEGEND:

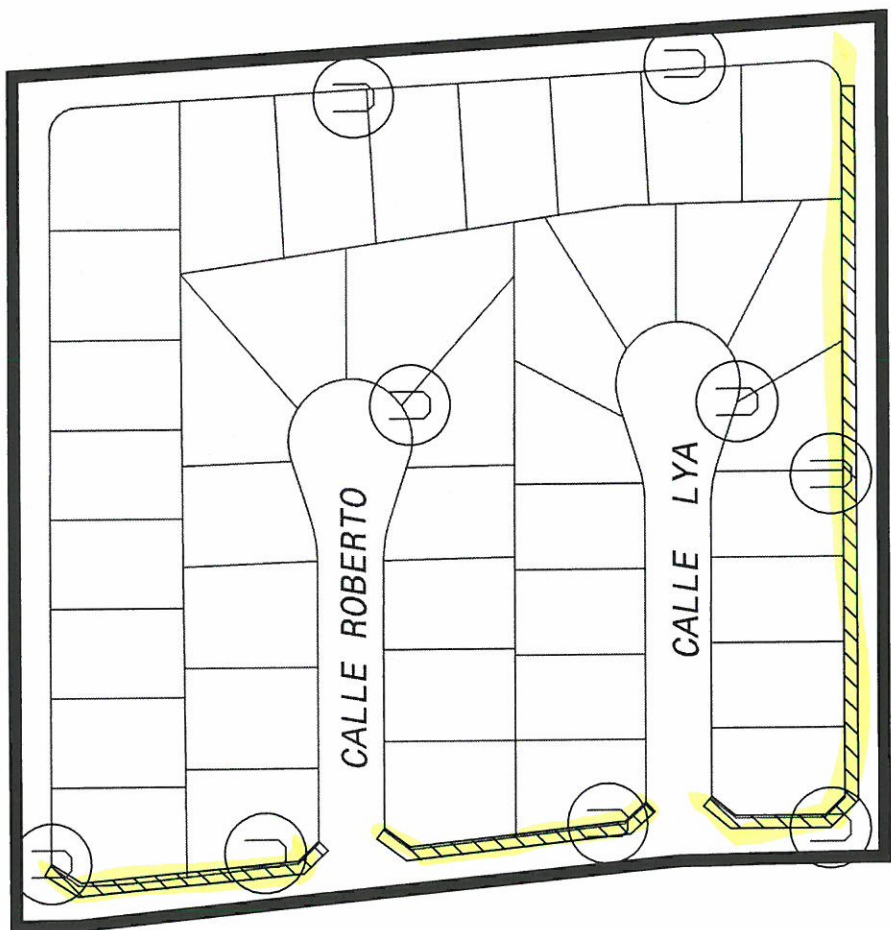
-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT



CV HOUSING
COALITION
EXHIBIT "A"

CALLE CAMACHO






CALLE VERDE



CALLE ZAMORA
TRACT 23408
DISTRICT 9

CALLE TECHA

LEGEND:

-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT








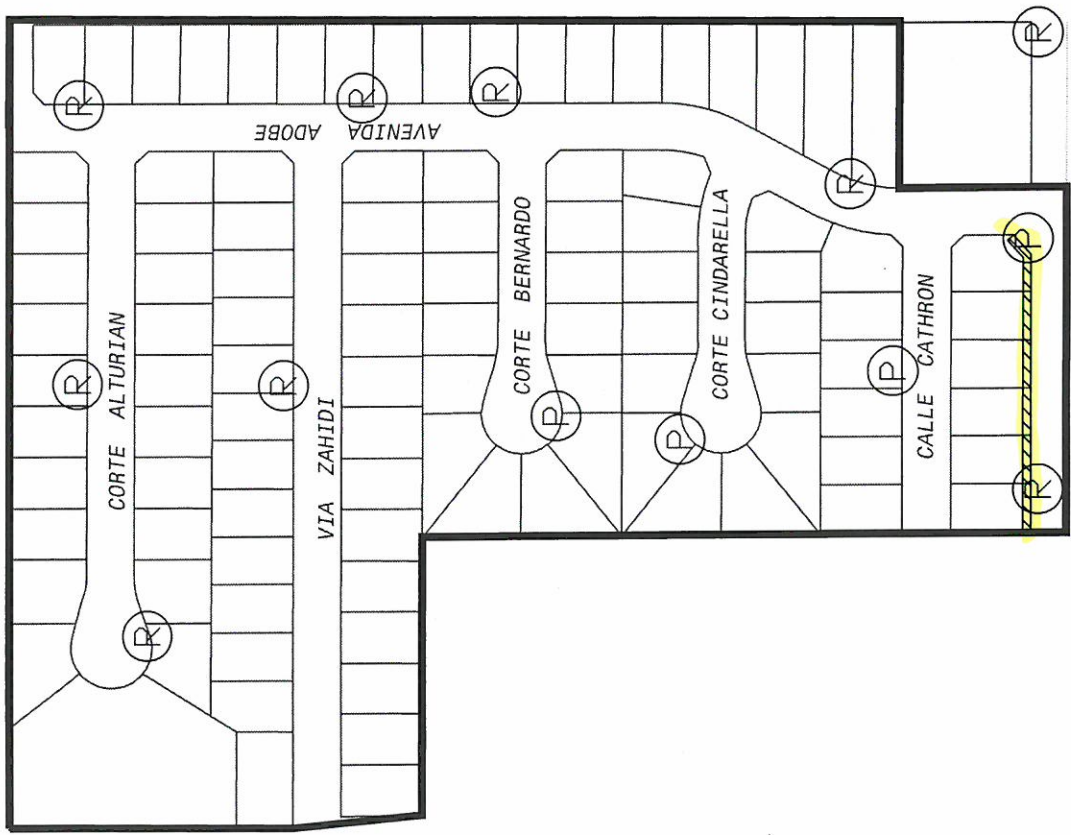
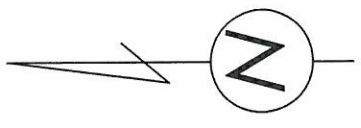
TRACT 26592
DISTRICT 10

PLAZA DEL SOL
HOMES
EXHIBIT "A"

TYLER STREET

LEGEND:

-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT








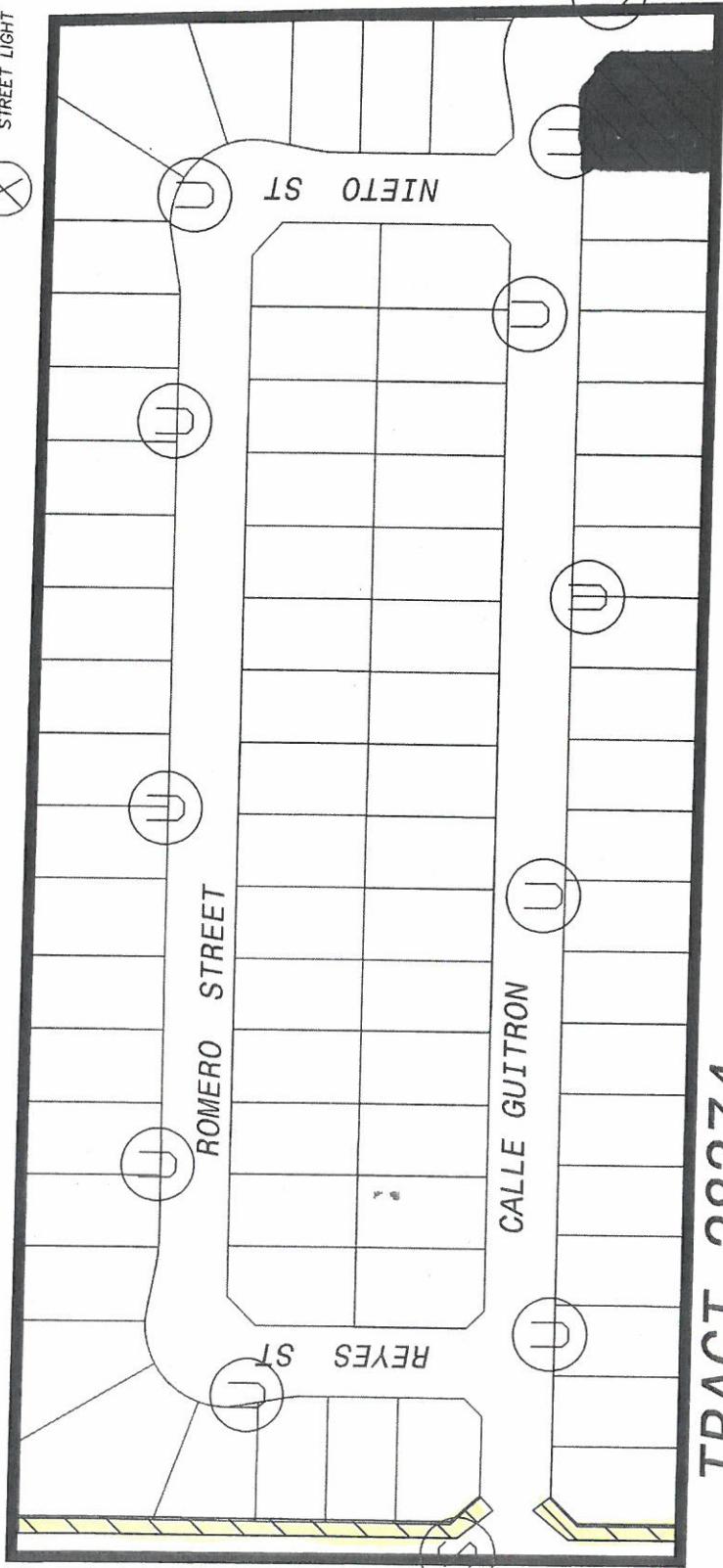
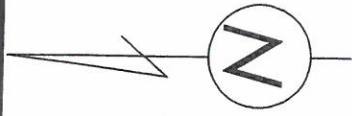
AVENUE 51

TRACT 22110
DISTRICT 11

LOMA VISTA HOMES EXHIBIT "A"

LEGEND:

-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT








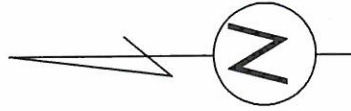
TRACT 28374

DISTRICT 12

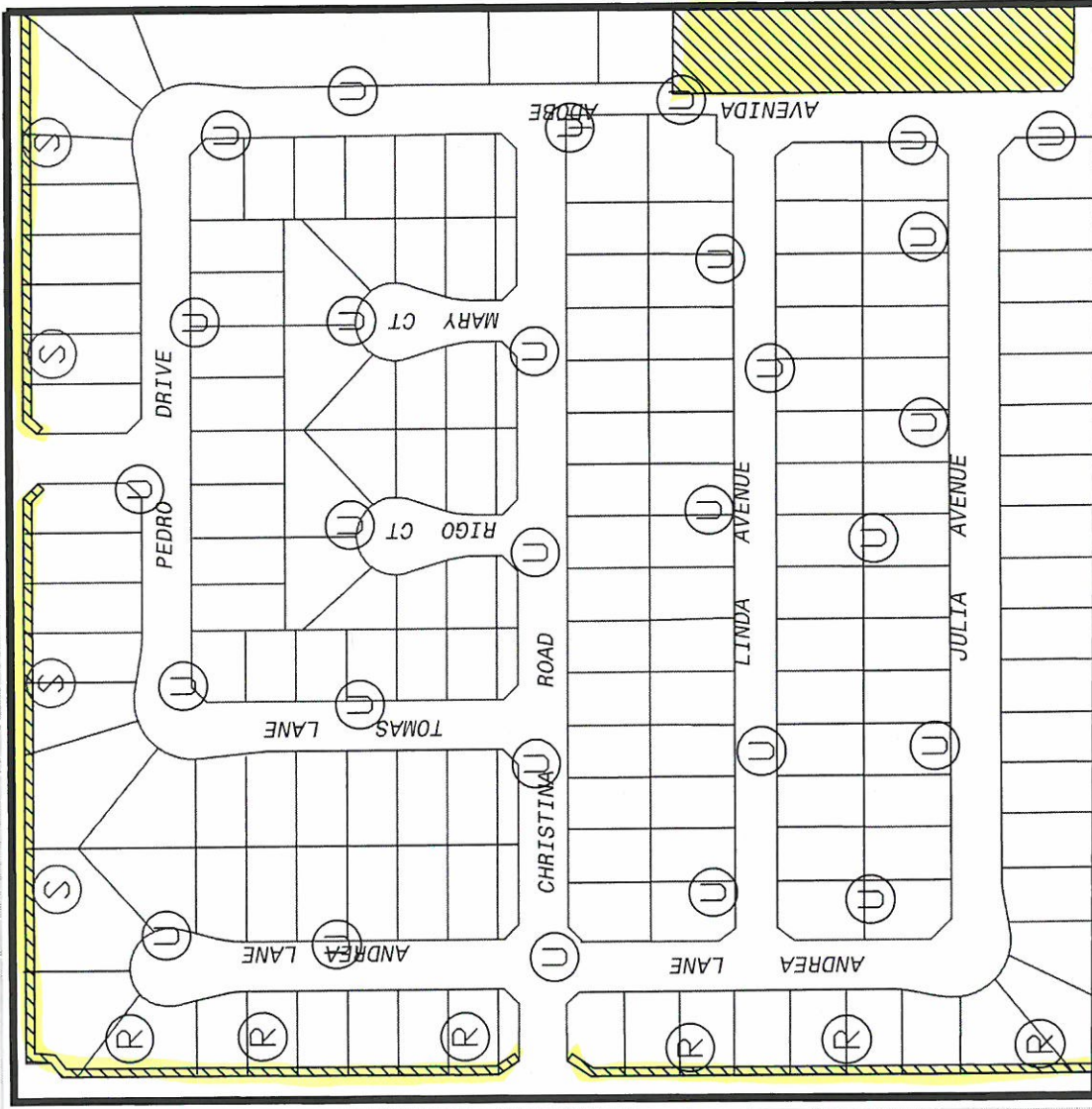
**LA PAZ HOMES
EXHIBIT "A"**

LEGEND:

-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT



AVENUE 50








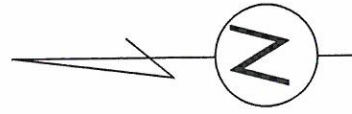
FREDERICK STREET

BARON-ZIRAICK EXHIBIT "A"

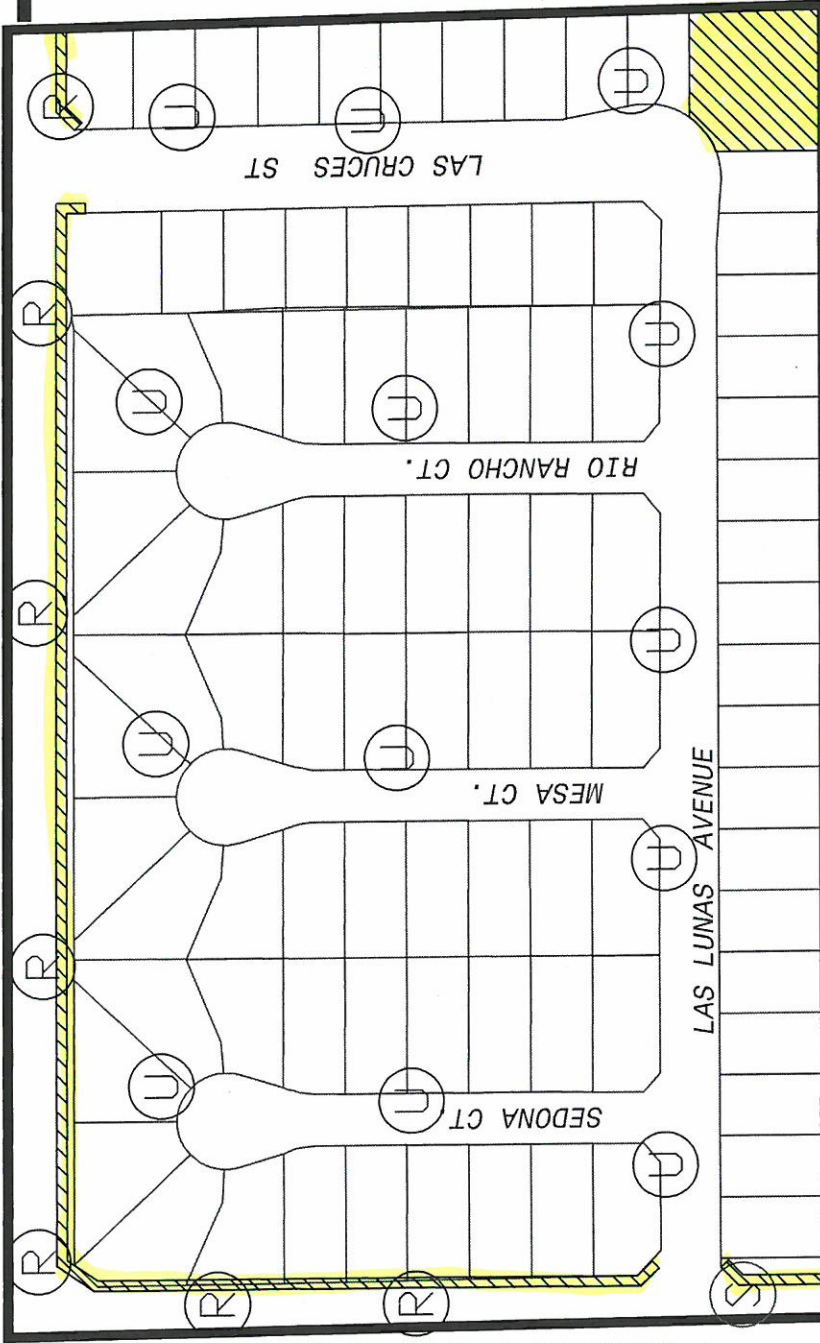
TRACT 28443
DISTRICT 13

LEGEND:

-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT








AVENUE 49



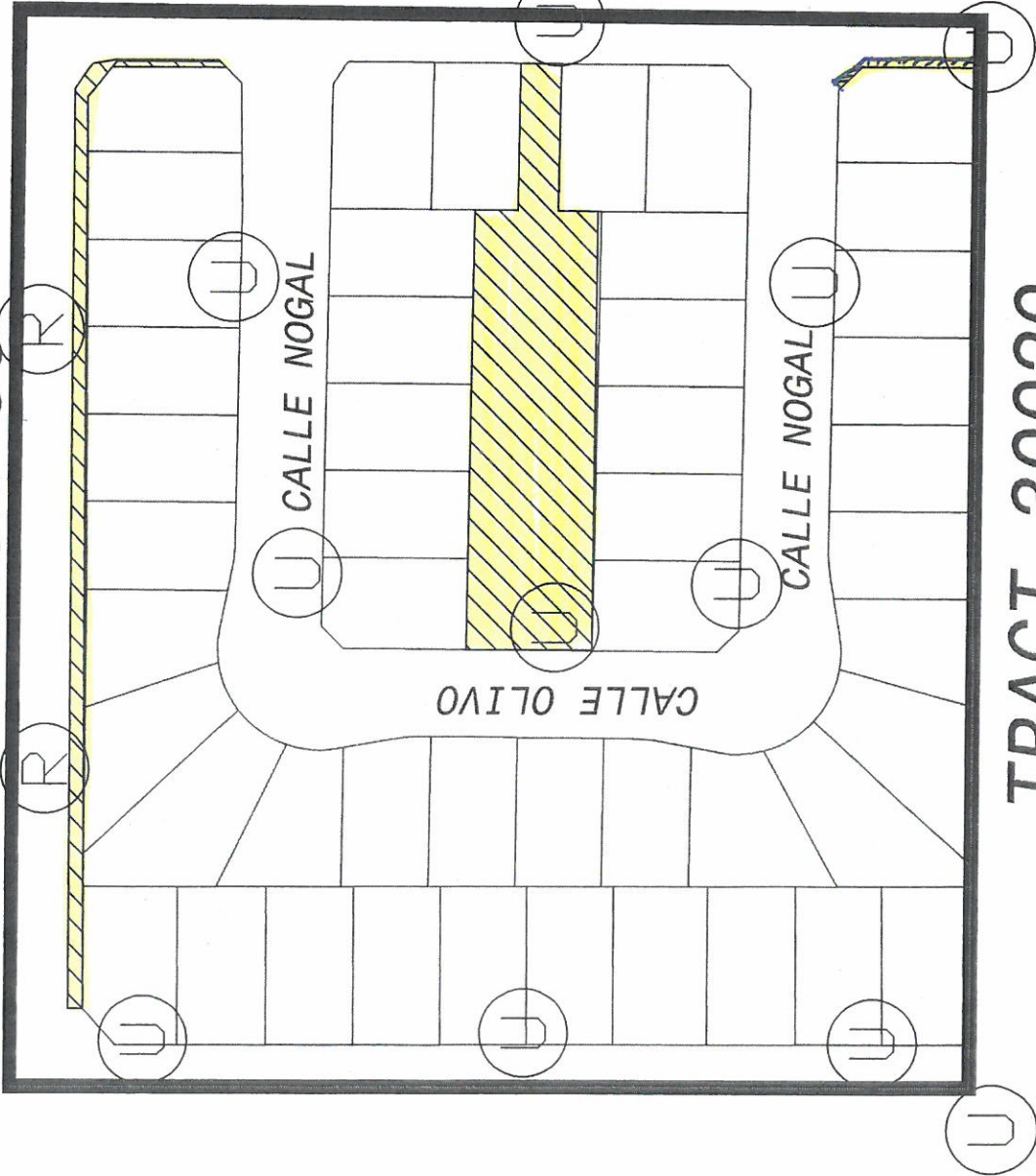
TRACT 29071
DISTRICT 14

PUEBLO DE LA PAZ
EXHIBIT "A"

LEGEND:

-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT

AVENUE 53








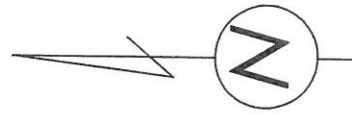
CALLE AVILA

CACHANILLAS EXHIBIT "A"

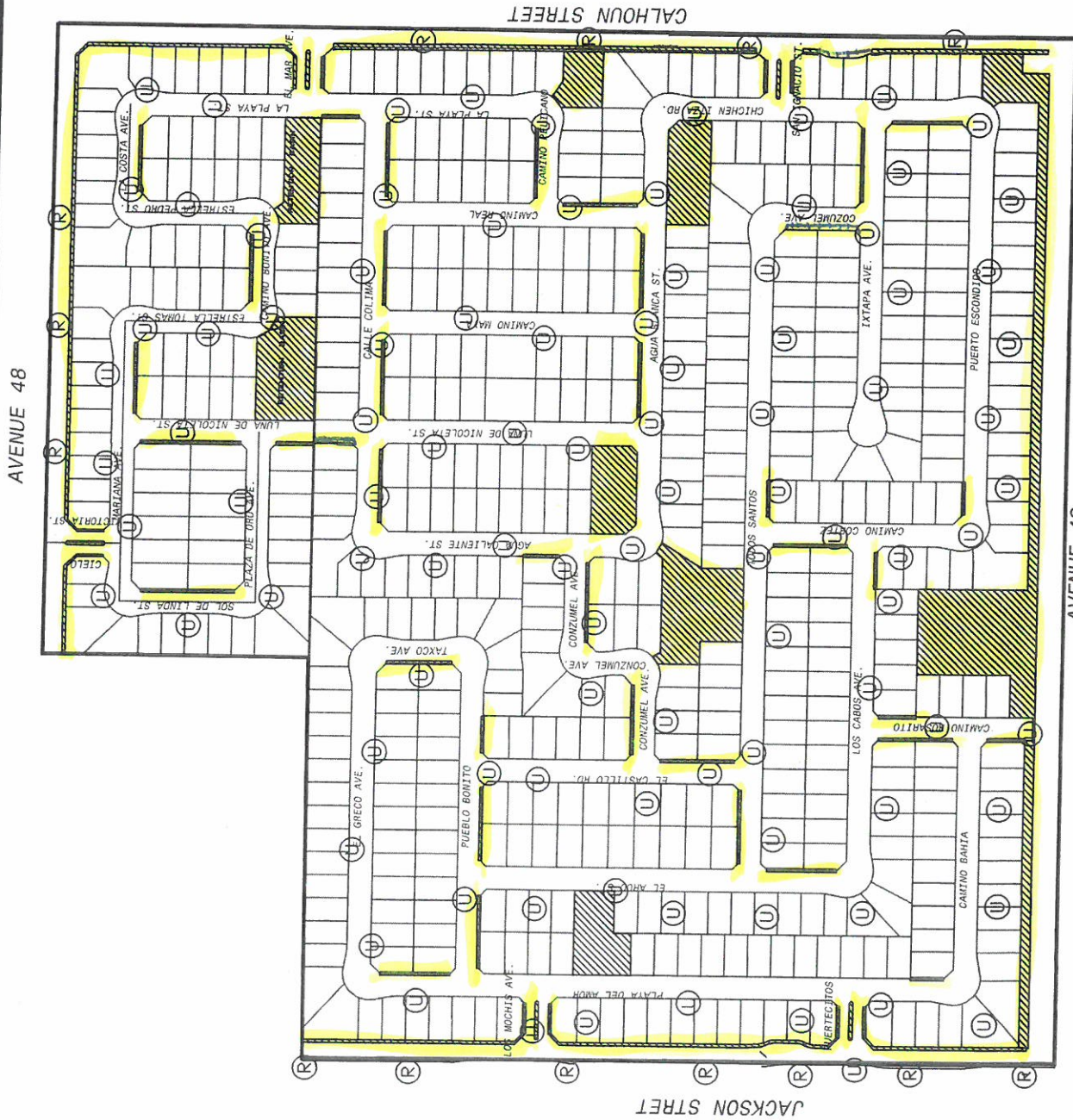
TRACT 30020 DISTRICT 15

LEGEND:

-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT








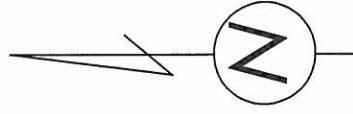
TIERRA DEL SOL EXHIBIT "A"



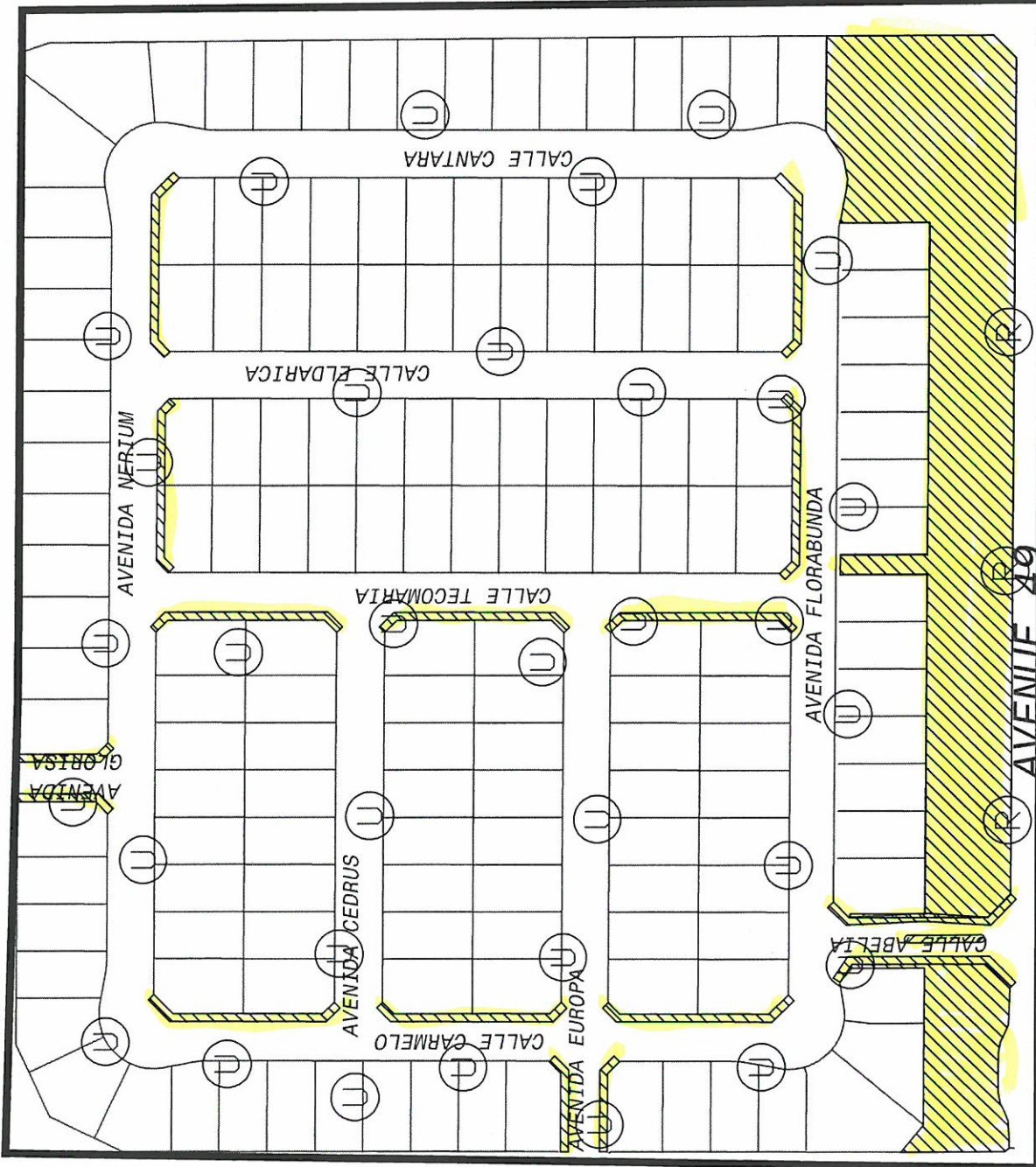
AVENUE 49
TRACT 30684/30582
DISTRICT 16

LEGEND:

-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT








FREDERICK STREET

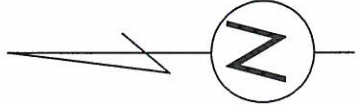


RANCHO LAS FLORES
EXHIBIT "A"

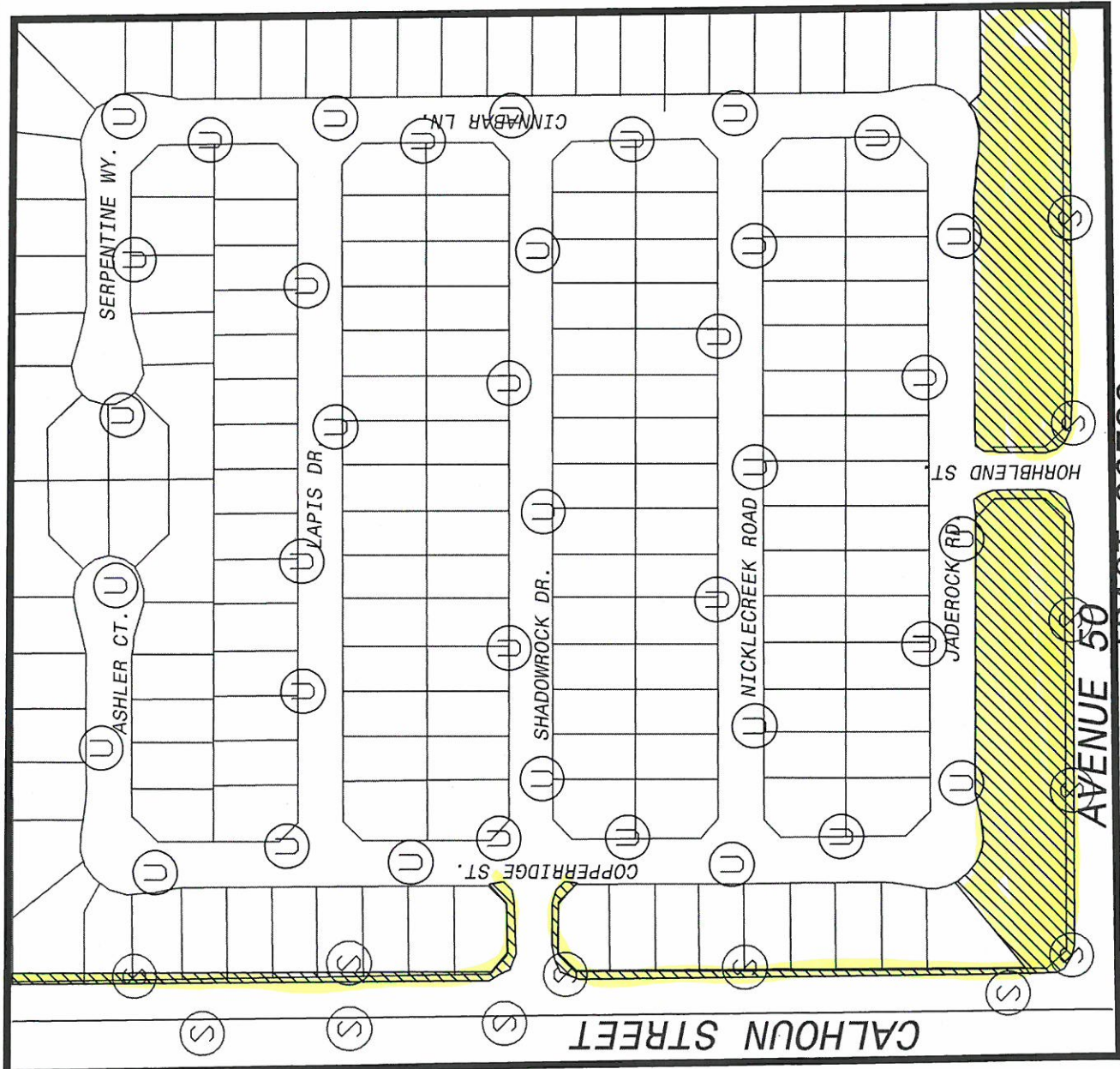
TRACT 30498-1
DISTRICT 17

LEGEND:

-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT



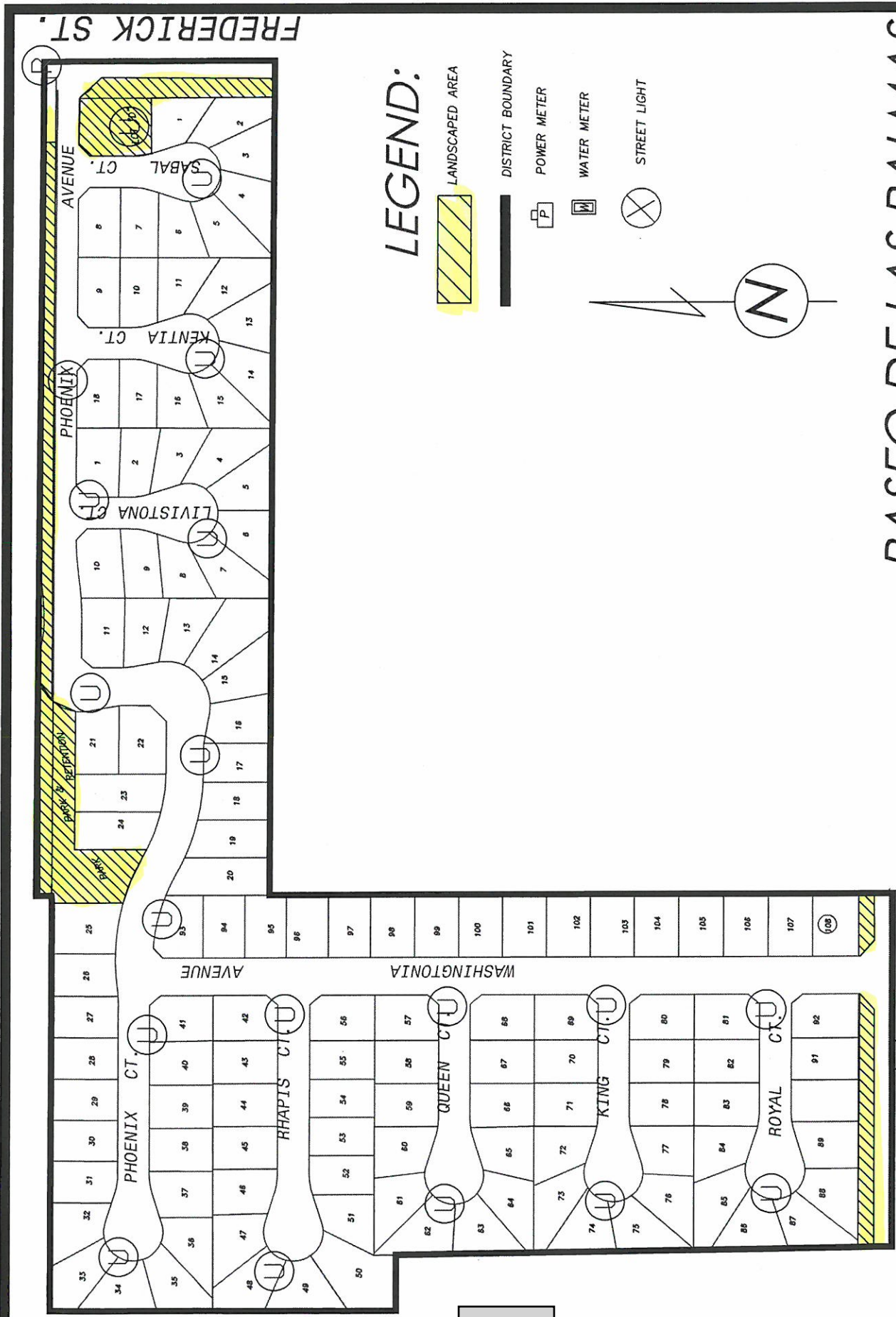
BELLA CANTO EXHIBIT "A"








TRACT 30728
DISTRICT 18

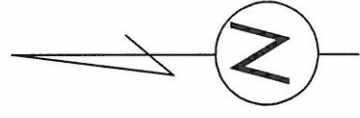
PASEO DE LAS PALMAS EXHIBIT "A"

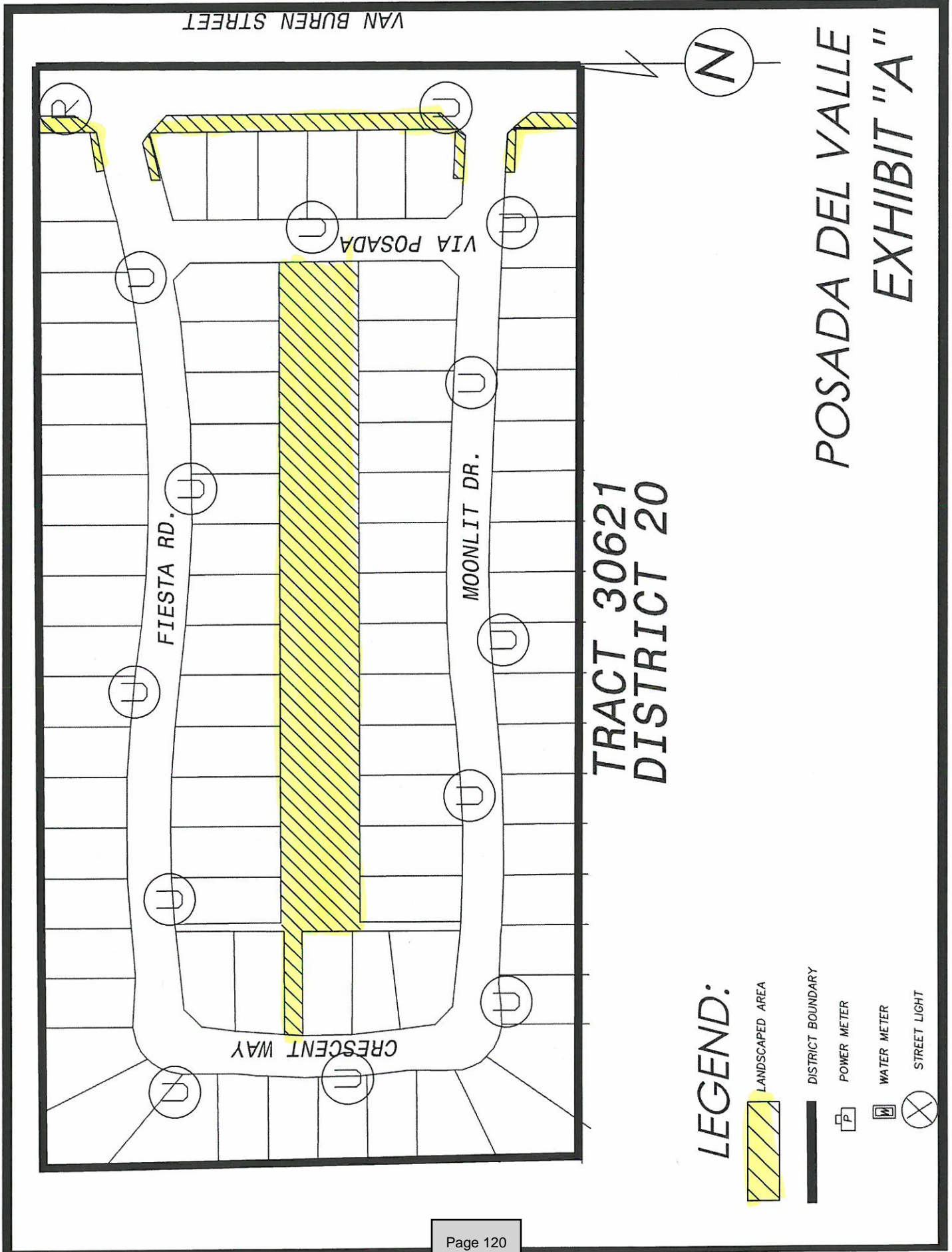
AVENUE 50
TRACT 30354
DISTRICT 19



LEGEND:

-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT















POSADA DEL VALLE
EXHIBIT "A"

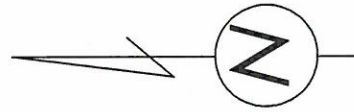
TRACT 30621
DISTRICT 20

LEGEND:

-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT

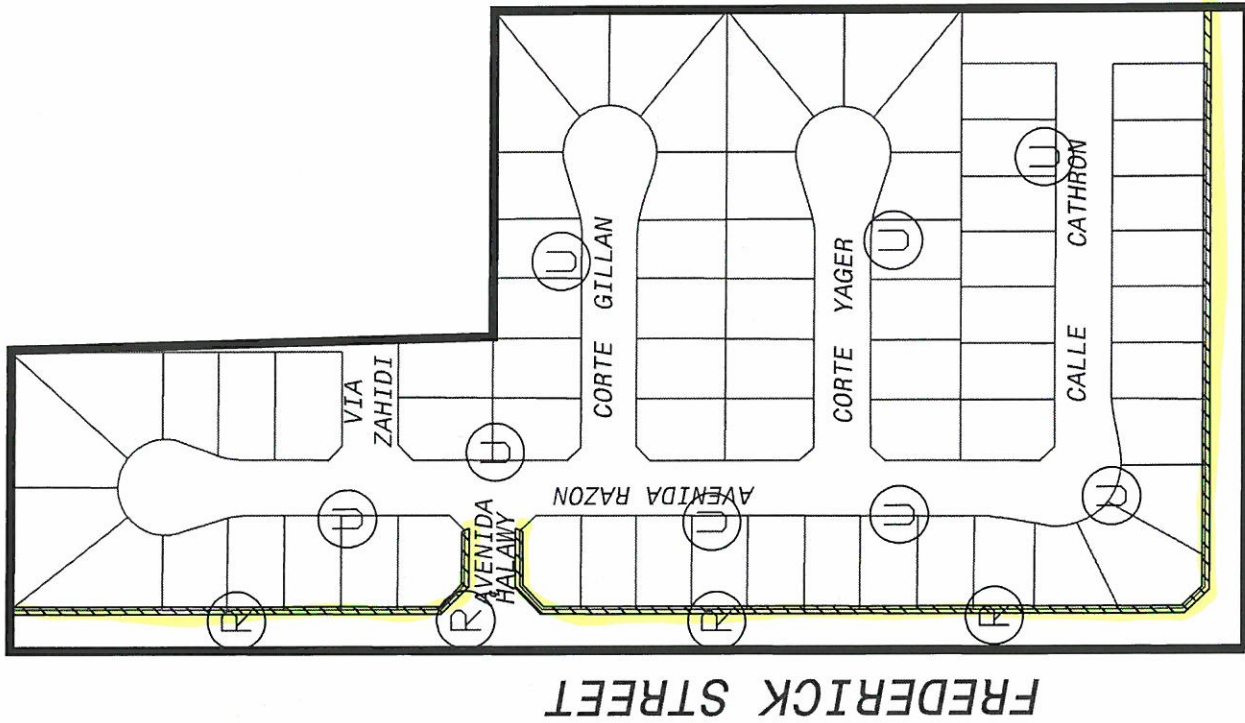
LEGEND:

-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT








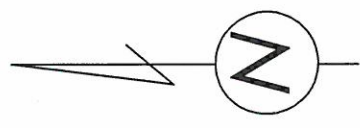
LOMA VISTA 2 EXHIBIT "A"

AVENUE 51
TRACT 22110
DISTRICT 21

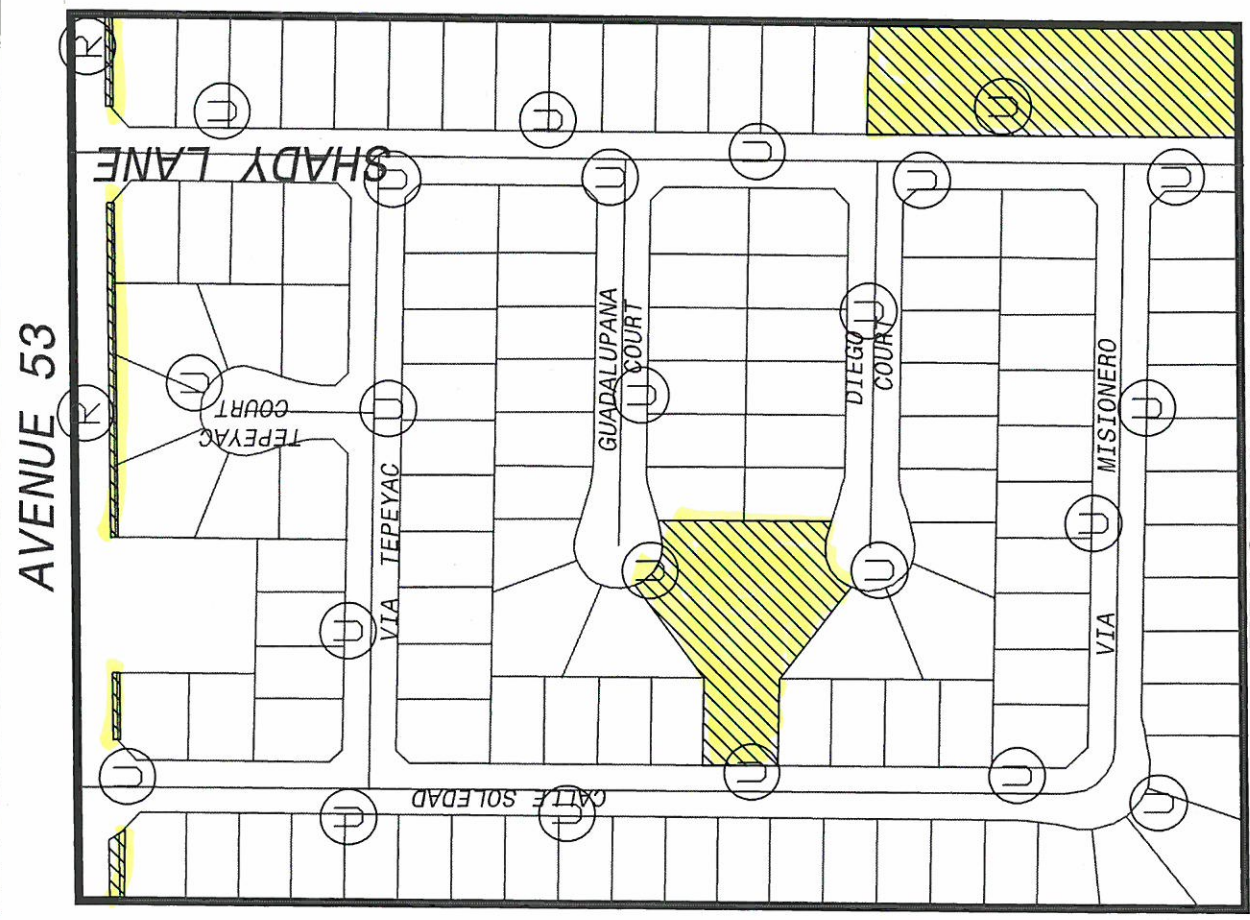


LEGEND:

-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT








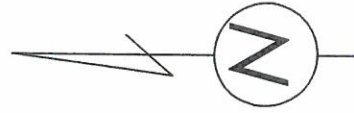
RANCHO DE LA FE EXHIBIT "A"



TRACT 30889
DISTRICT 22

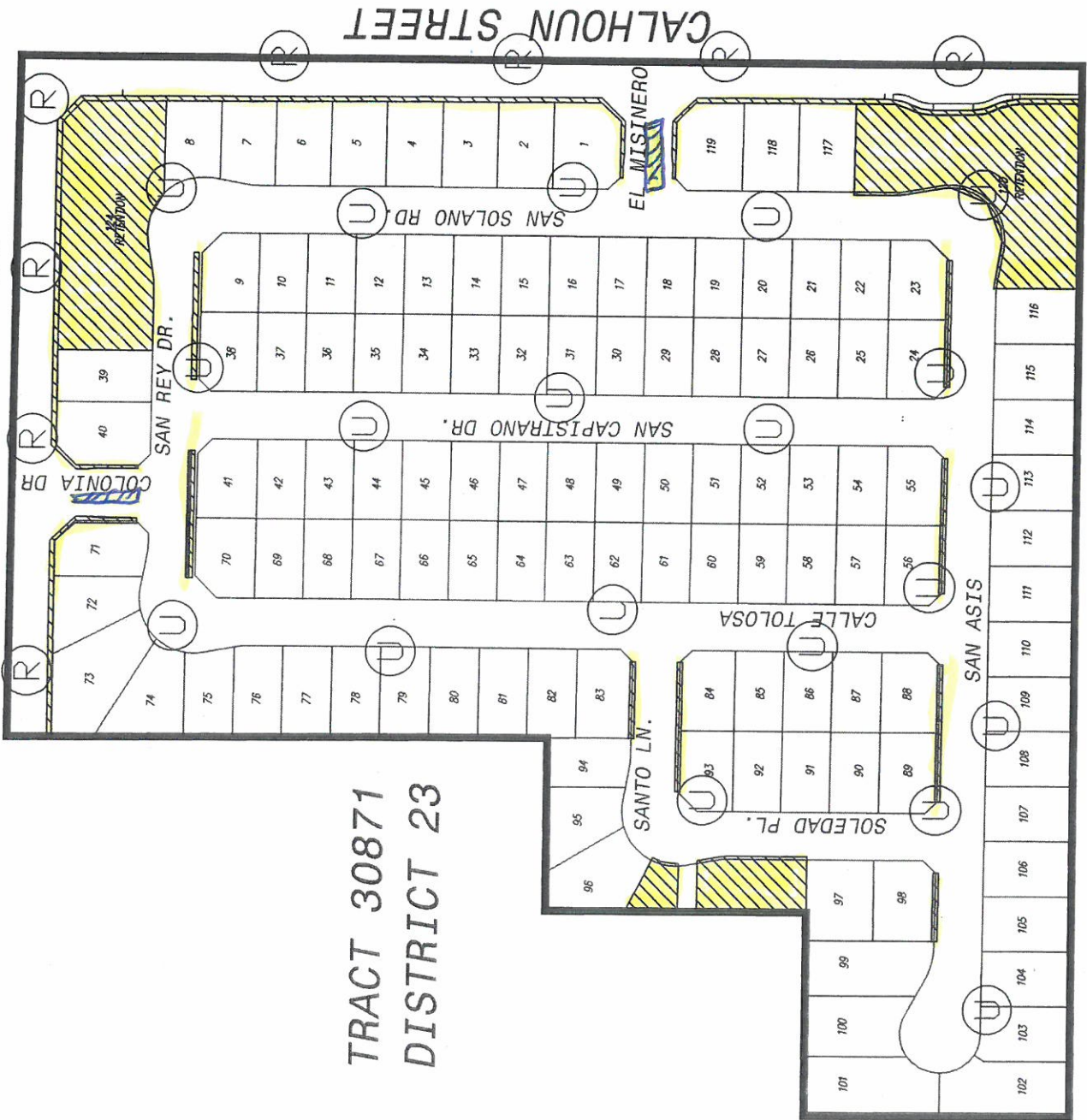
LEGEND:

-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT



LA COLONIA EXHIBIT "A"

AVENUE 50



TRACT 30871
DISTRICT 23

AVENUE 49

AVENUE 48

LA PALOMA ESTATES EXHIBIT "A"



CALHOUN STREET
TRACT 30910
DISTRICT 24



LEGEND:



LANDSCAPED AREA

DISTRICT BOUNDARY



POWER METER



WATER METER



STREET LIGHT

LEGEND:



DISTRICT BOUNDARY

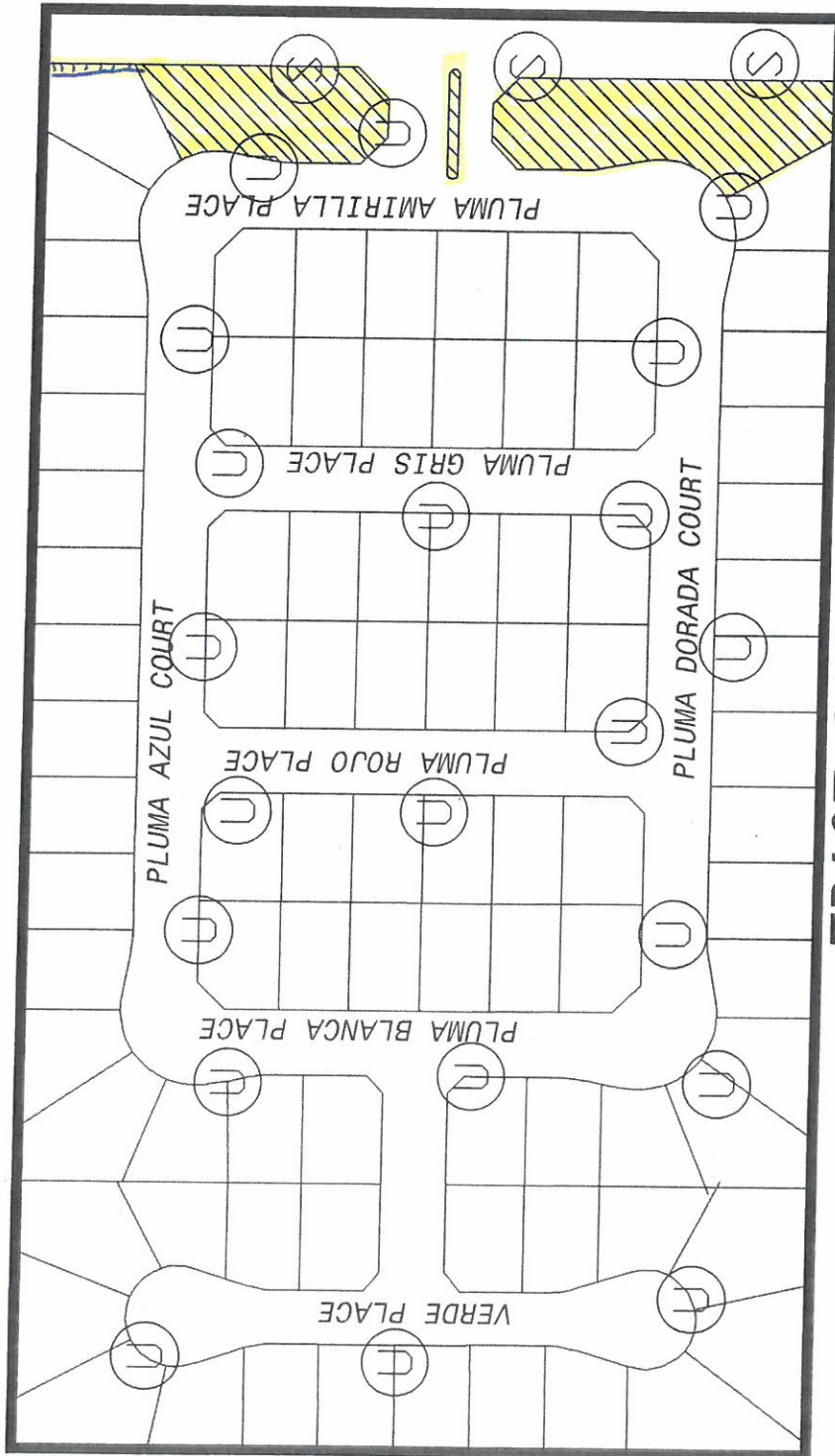
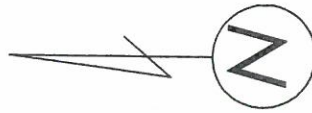
POWER METER

WATER METER

STREET LIGHT








CALHOUN STREET



LAS PLUMAS
EXHIBIT "A"

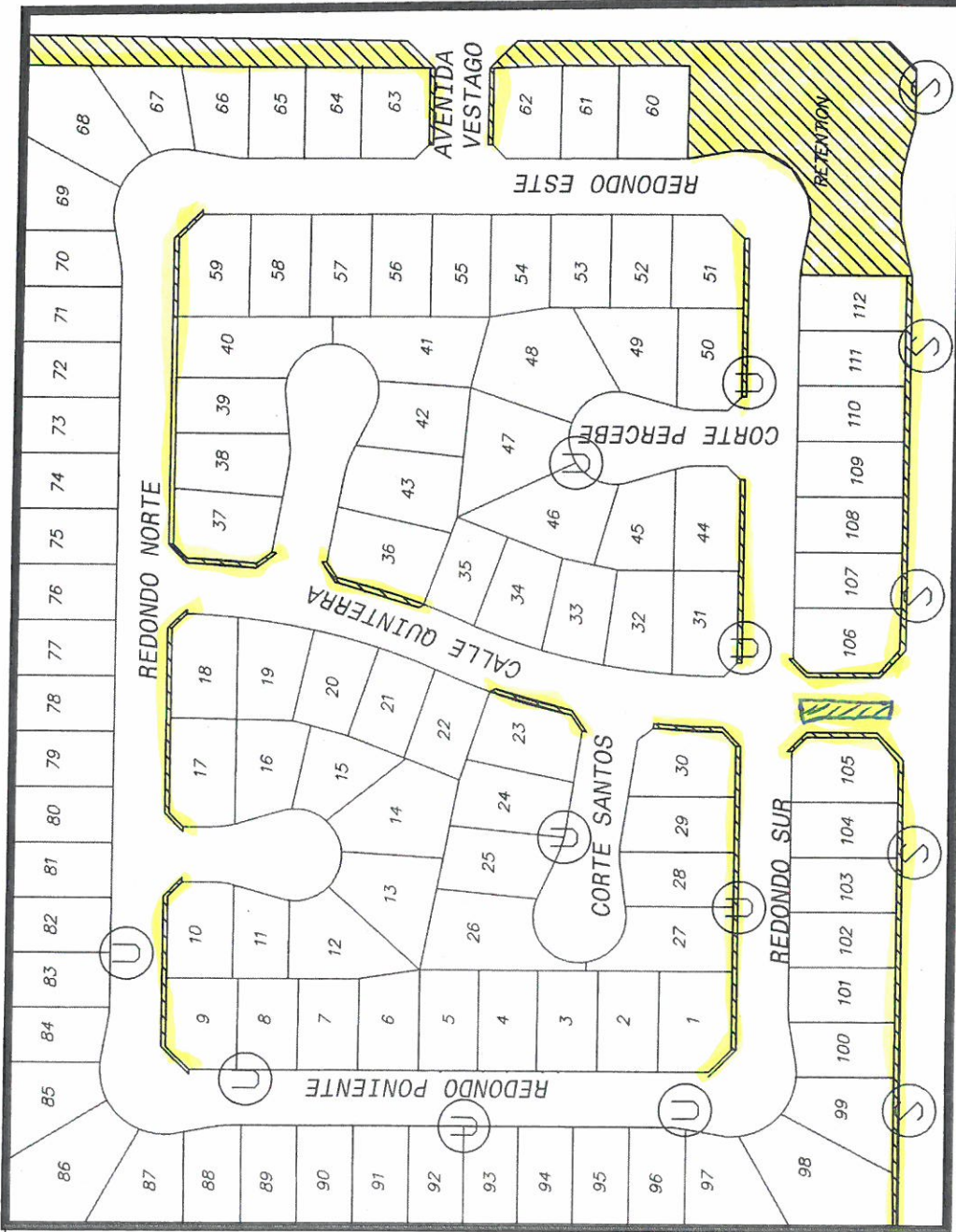
TRACT 31376
DISTRICT 25

LEGEND:

-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT








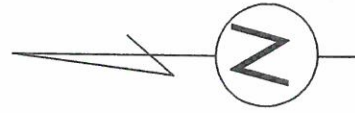
RANCHO MARIPOSA EXHIBIT "A"



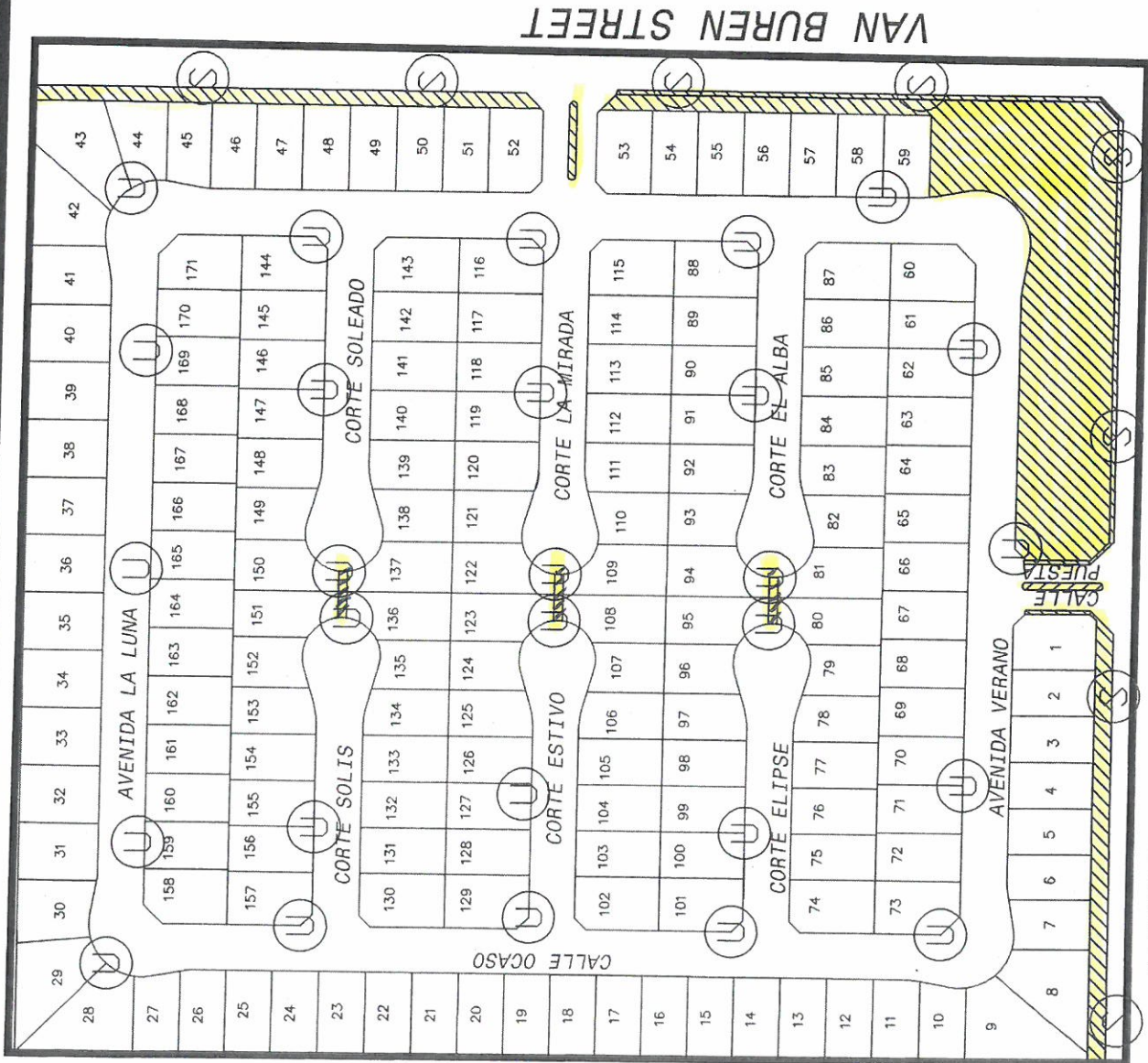
AVENUE 50
TRACT 30831
DISTRICT 27

LEGEND:

-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT








LA MORADA EXHIBIT "A"

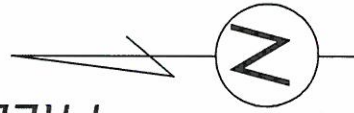


AVENUE 50 TRACT 30830
DISTRICT 28

LEGEND:

-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT

FREDERICK ST.








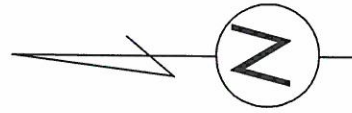
SOMERSET EXHIBIT "A"



AVENUE 54
 TRACT 31664
 DISTRICT 29

LEGEND:

-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT








SUNDATE 1 EXHIBIT "A"

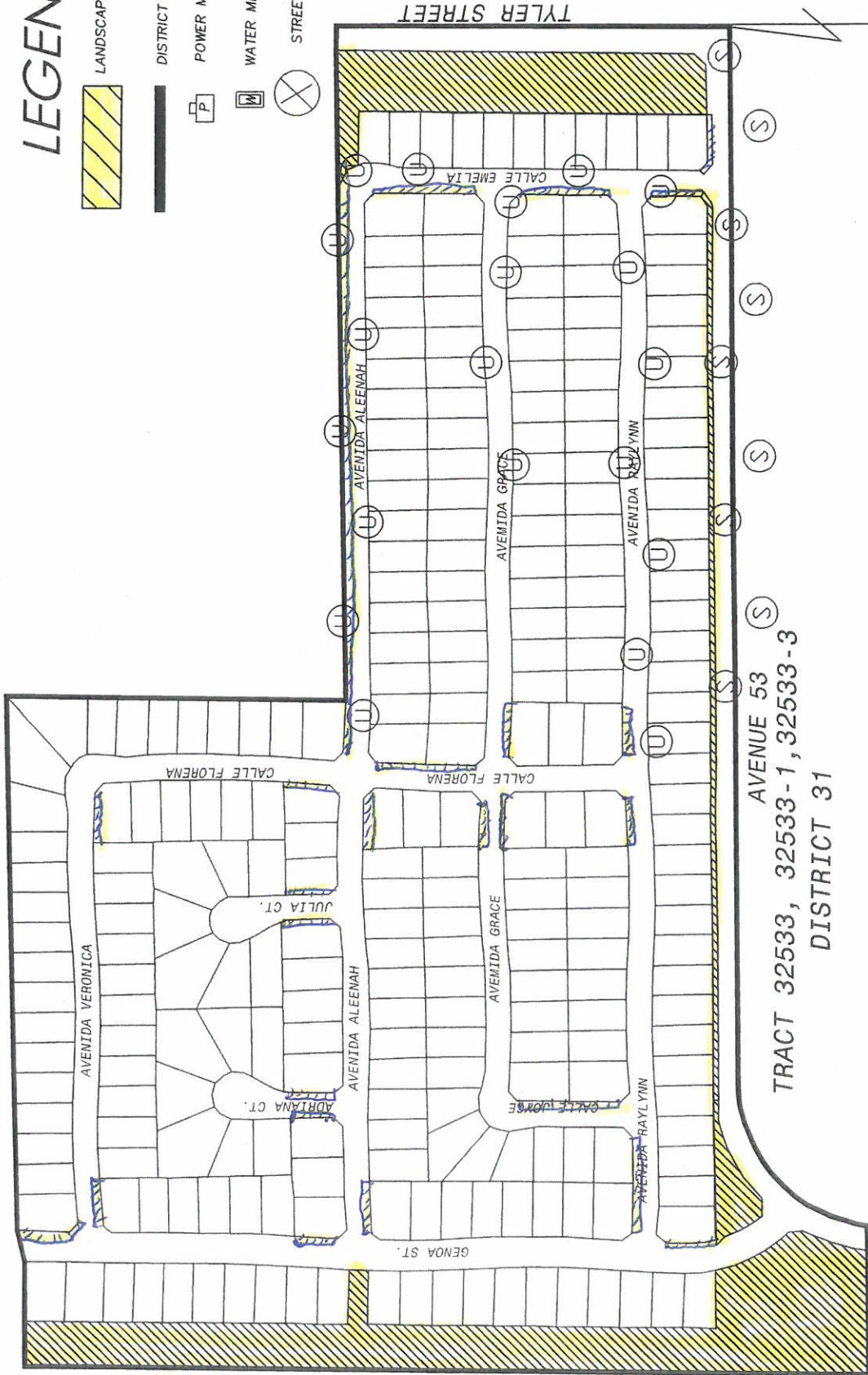
FREDERICK STREET



TRACT 31508
DISTRICT 30

LEGEND:






-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT

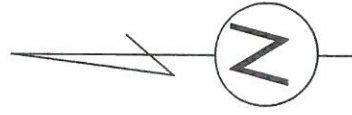


AVENUE 53 (S)
 TRACT 32533, 32533-1, 32533-3
 DISTRICT 31

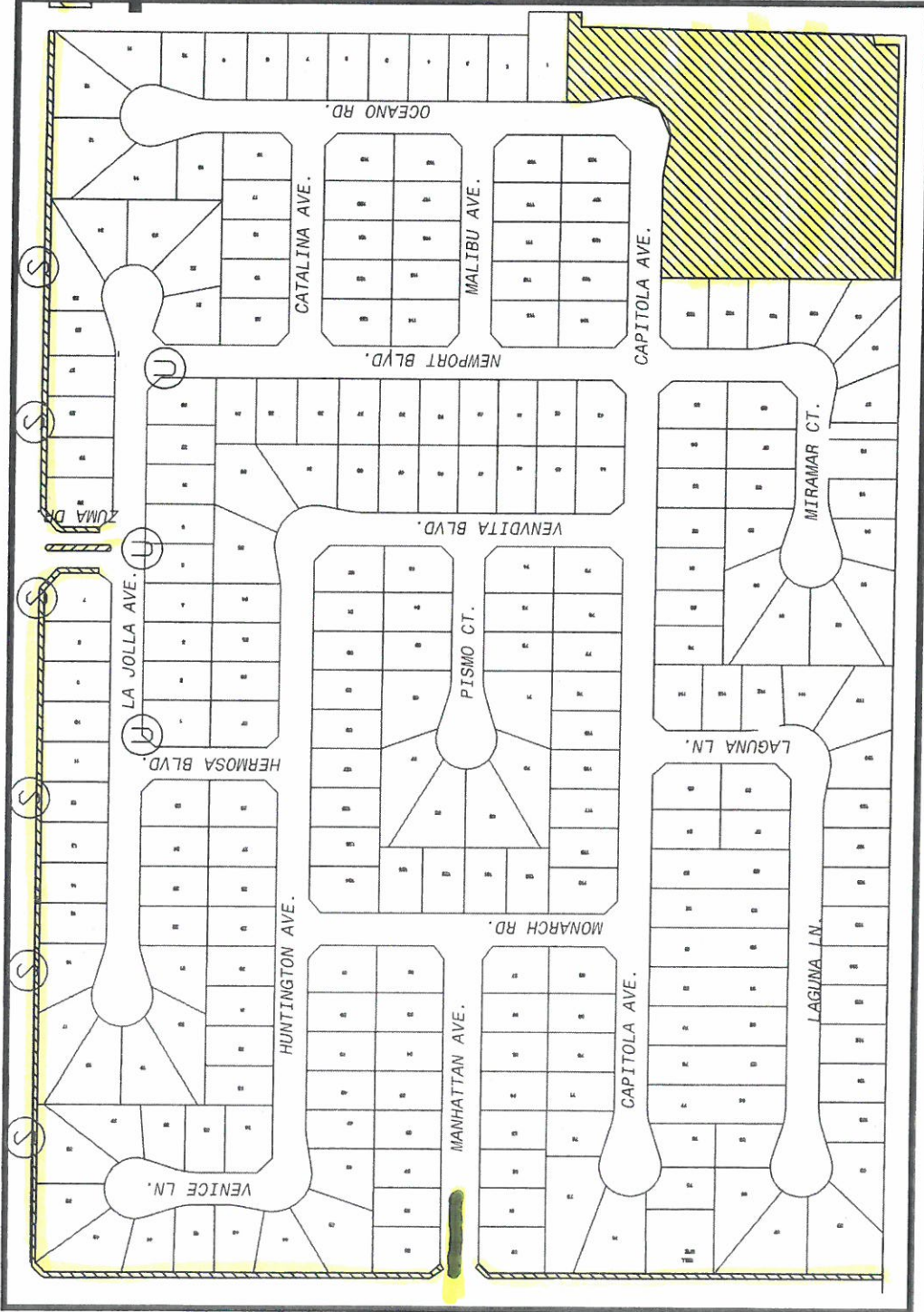
LOS JARDINES EXHIBIT "A"

LEGEND:

-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT



AVENUE 51








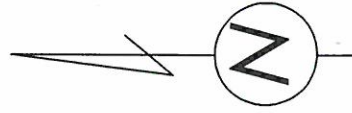
TRACT 31551
DISTRICT 32

AVENTINE EXHIBIT "A"

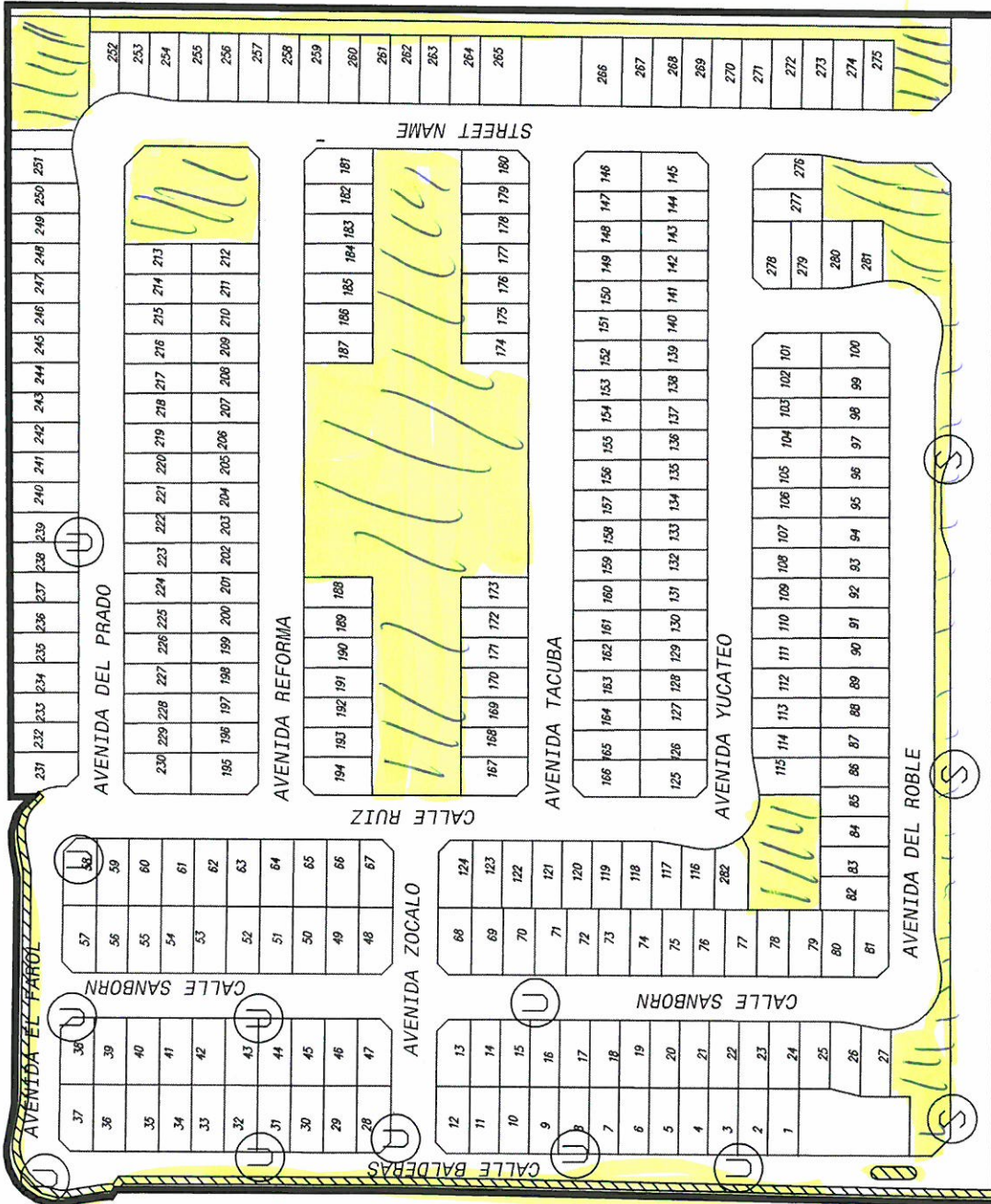
VAN BORN STREET

LEGEND:

-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT








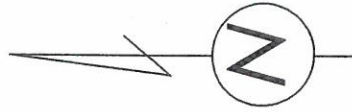
VISTA ESCONDIDA EXHIBIT "A"



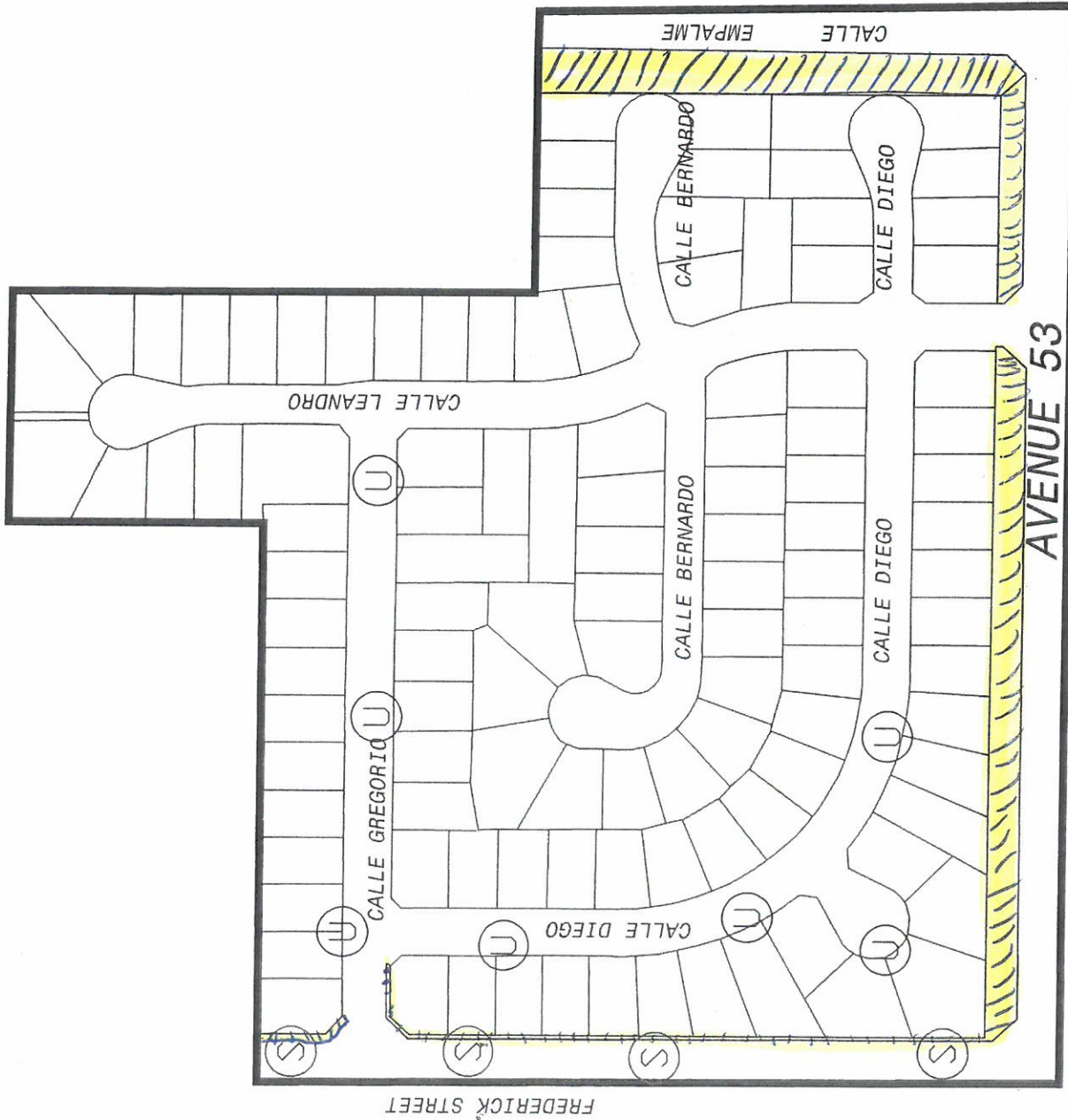
AVENUE 54
TRACT 32264
DISTRICT 33

LEGEND:

-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT








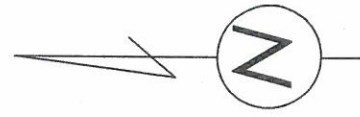
TERRA BONITA EXHIBIT "A"



TRACT 31158
DISTRICT 34

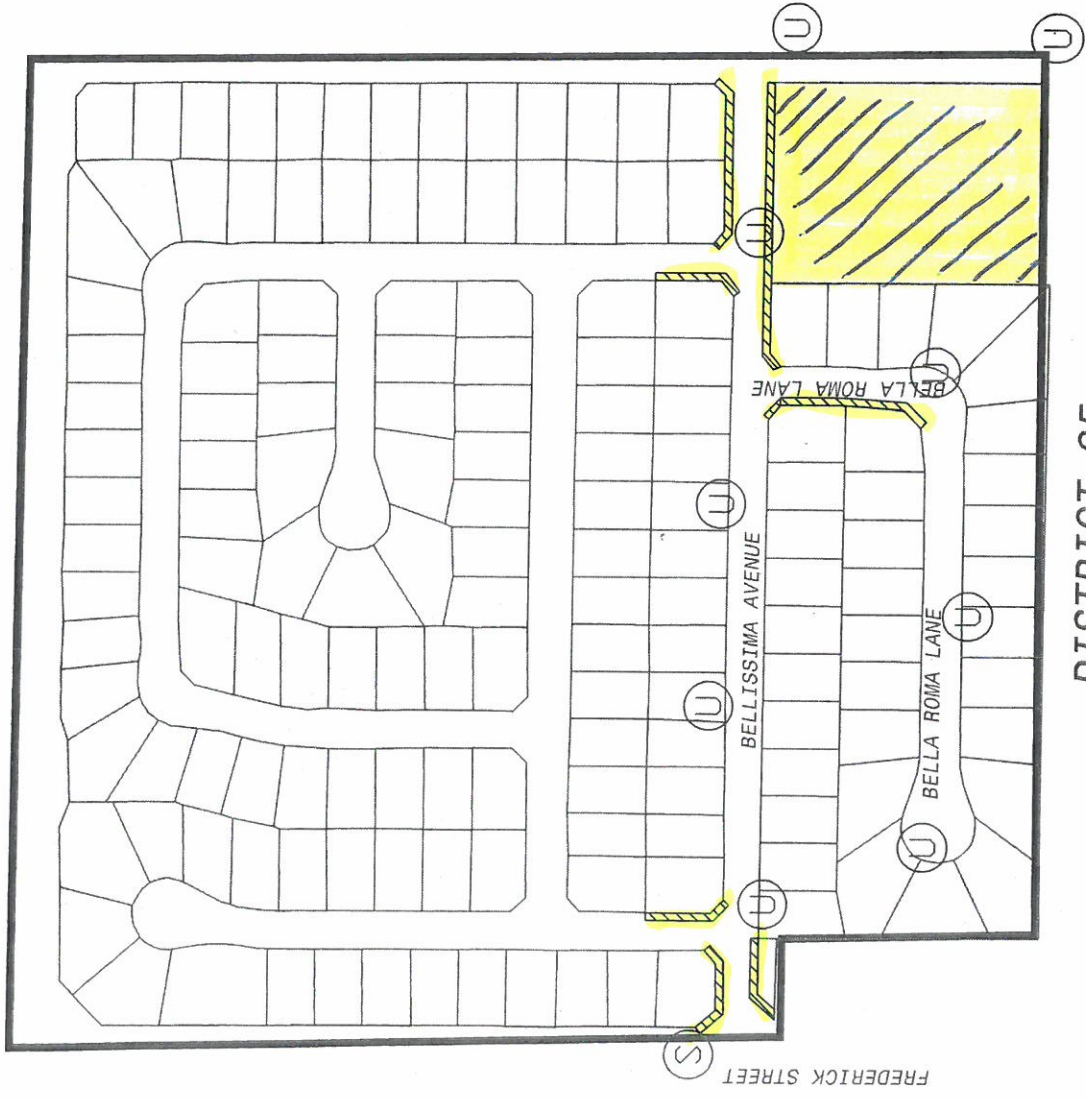
LEGEND:

-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT








BELLISSIMA EXHIBIT "A"

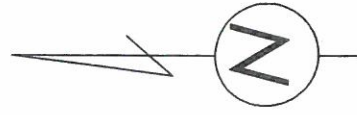
AVENUE 53



DISTRICT 35
TRACT 31978

LEGEND:






-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT

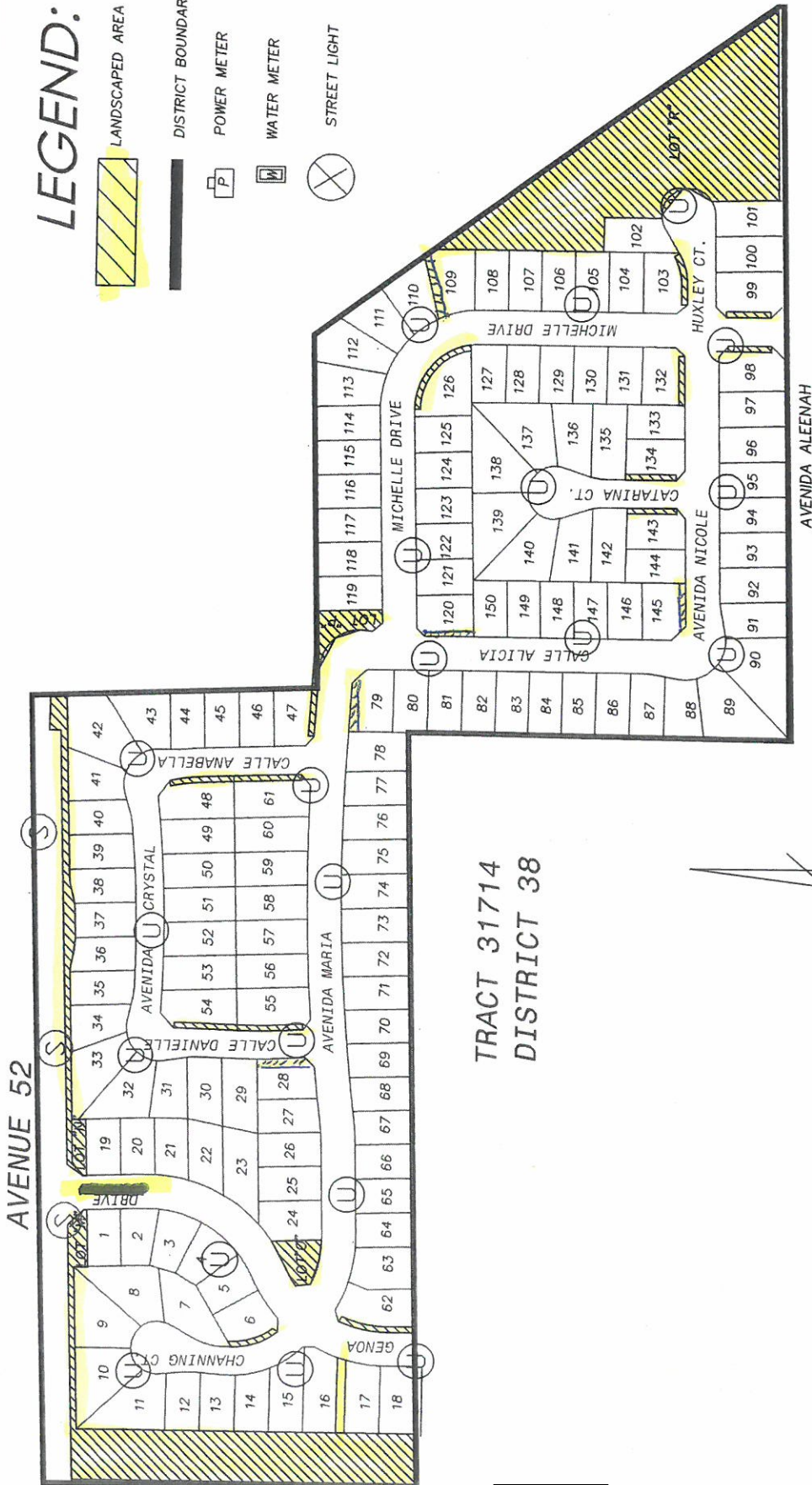


VALENCIA EXHIBIT "A"



LEGEND:

-  LANDSCAPED AREA
-  DISTRICT BOUNDARY
-  POWER METER
-  WATER METER
-  STREET LIGHT



TRACT 31714
DISTRICT 38

RANCHO CIELO EXHIBIT "A"

**CITY OF COACHELLA
FIRST YEAR EXTENSION AMENDMENT #1
MAINTENANCE SERVICES AGREEMENT
LANDSCAPE AND LIGHTING MAINTENANCE DISTRICT (LLMD)
LANDSCAPE MAINTENANCE**

1. PARTIES AND DATE.

This Agreement is made and entered into this ____ day of June, 2020 by and between the City of Coachella, a municipal organization organized under the laws of the State of California with its principal place of business at 53990 Enterprise Way, Coachella, California 92236, (hereinafter referred to as “City”) and Urban Habitat Environmental Landscapes, a Corporation with its principal place of business at 37505 Goodman Road, Indio, CA 92203 (hereinafter referred to as “Contractor”). City and Contractor are sometimes individually referred to as “Party” and collectively as “Parties” in this Agreement.

2. RECITALS.

2.1 Contractor.

Contractor desires to perform and assume responsibility for the provision of certain maintenance services required by the City on the terms and conditions set forth in this Agreement. Contractor represents that it is experienced in providing LLMD Landscape Maintenance services to public clients, that it and its employees or subcontractors have all necessary licenses and permits to perform the Services in the State of California, and that is familiar with the plans of City.

2.2 Project.

City desires to engage Contractor to render such services for the Landscape and Lighting Maintenance District (LLMD) Landscape Maintenance project (“Project”) as set forth in this Agreement.

3. TERMS.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Contractor 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 Landscape maintenance services necessary for the Project (“Services”). The Services are more particularly described in Exhibit “A” attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, 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 July 1, 2020 to June 30, 2021, unless earlier terminated as provided herein. Contractor shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines. The City alone, not the Consultant shall have the option to extend the term of this Agreement for one (1) successive one (1) year period (individually, “Subsequent Term” The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the Services.

3.2 Responsibilities of Contractor.

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Contractor or under its supervision. Contractor will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. City retains Contractor on an independent contractor basis and not as an employee. Contractor retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Contractor shall also not be employees of City and shall at all times be under Contractor’s exclusive direction and control. Contractor 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. Contractor 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.

3.2.2 Schedule of Services. Contractor shall perform the Services expeditiously, within the term of this Agreement, and in accordance with the Schedule of Services set forth in Exhibit “B” attached hereto and incorporated herein by reference. Contractor represents that it has the professional and technical personnel required to perform the Services in conformance with such conditions. In order to facilitate Contractor’s conformance with the Schedule, City shall respond to Contractor’s submittals in a timely manner. Upon request of City, Contractor shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

3.2.3 Conformance to Applicable Requirements. All work prepared by Contractor shall be subject to the approval of City.

3.2.4 City’s Representative. The City hereby designates City Manager, or his or her designee, to act as its representative for the performance of this Agreement (“City’s Representative”). City’s Representative shall have the power to act on behalf of the City for all purposes under this Agreement. Contractor shall not accept direction or orders from any person other than the City’s Representative or his or her designee.

3.2.5 Contractor’s Representative. Contractor hereby designates Theresa Brennan, or his or her designee, to act as its representative for the performance of this Agreement (“Contractor’s Representative”). Contractor’s Representative shall have full authority to represent and act on behalf of the Contractor for all purposes under this Agreement. The Contractor’s Representative shall supervise and direct the Services, using his 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.

3.2.6 Coordination of Services. Contractor 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.

3.2.7 Standard of Care; Performance of Employees. Contractor 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. Contractor represents and maintains that it is skilled in the professional calling necessary to perform the Services. Contractor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Finally, 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. As provided for in the indemnification provisions of this Agreement, Contractor 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 Contractor's failure to comply with the standard of care provided for herein. Any employee of the Contractor or its sub-contractors 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 Contractor and shall not be re-employed to perform any of the Services or to work on the Project.

3.2.7.1 Period of Performance and Liquidated Damages. Contractor shall perform and complete all Services under this Agreement within the term set forth in Section 3.1.2 above ("Performance Time"). Contractor shall 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 provided separately in writing to the Contractor. Contractor agrees that if the Services specified in Exhibit "D", attached hereto and incorporated herein by this reference, are not completed within the aforementioned Performance Time and/or pursuant to any such completion schedule or Project milestones developed pursuant to provisions of this Agreement, it is understood, acknowledged and agreed that the City will suffer damage. Pursuant to Government Code Section 53069.85, Contractor shall pay to the City as fixed and liquidated damages, and not as a penalty, the sum of **One Hundred Dollars (\$100.00) per day** for each and every calendar day of delay beyond the Performance Time or beyond any completion schedule or Project milestones established pursuant to this Agreement.

3.2.8 Laws and Regulations. Contractor 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. Contractor shall be liable for all violations of such laws and regulations in connection with Services. If the Contractor performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the City, Contractor shall be solely responsible for all costs arising therefrom. Contractor shall defend,

indemnify and hold City, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.2.9 Insurance.

3.2.9.1 Time for Compliance. Contractor 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, Contractor shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to the City that the subcontractor has secured all insurance required under this section.

3.2.9.2 Minimum Requirements. Contractor shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Contractor, its agents, representatives, employees or subcontractors. Contractor shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

(A) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto); and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

(B) Minimum Limits of Insurance. Contractor shall maintain limits no less than: (1) *General Liability*: **\$1,000,000** per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used including, but not limited to, form CG 2503, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability* **\$1,000,000**; per accident for bodily injury and property damage; and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation limits as required by the Labor Code of the State of California. Employer's Liability limits of **\$1,000,000** per accident for bodily injury or disease.

3.2.9.3 Insurance Endorsements. The insurance policies shall contain the following provisions, or Contractor shall provide endorsements on forms supplied or approved by the City to add the following provisions to the insurance policies:

(A) General Liability. The general liability policy shall be endorsed to state that: (1) the City, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insured with respect to the Work or operations performed by or on behalf of the Contractor, including materials, parts or equipment furnished in connection with such work; and (2) the insurance coverage shall be primary insurance as respects

the City, its directors, officials, officers, employees, agents, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its directors, officials, officers, employees, agents, and volunteers shall be excess of the Contractor's insurance and shall not be called upon to contribute with it in any way.

(B) Automobile Liability. The automobile liability policy shall be endorsed to state that: (1) the City, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Contractor or for which the Contractor is responsible; and (2) the insurance coverage shall be primary insurance as respects the City, its directors, officials, officers, employees, agents, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its directors, officials, officers, employees, agents, and volunteers shall be excess of the Contractor's insurance and shall not be called upon to contribute with it in any way.

(C) Workers' Compensation and Employer's Liability Coverage. The insurer shall agree to waive all rights of subrogation against the City, its directors, officials, officers, employees, agents, and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Contractor.

(D) All Coverages. Each insurance policy required by this Agreement shall be endorsed to state that: (A) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City; and (B) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the City, its directors, officials, officers, employees, agents, and volunteers.

3.2.9.4 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the City, its directors, officials, officers, employees, agents, and volunteers.

3.2.9.5 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. Contractor shall guarantee that, at the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its directors, officials, officers, employees, agents, and volunteers; or (2) the Contractor shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

3.2.9.6 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A: VIII, licensed to do business in California, and satisfactory to the City.

3.2.9.7 Verification of Coverage. Contractor shall furnish City with original certificates of insurance and endorsements effecting coverage required by this

Agreement on forms satisfactory to the City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the City if requested. All certificates and endorsements must be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

3.2.9.8 Reporting of Claims. 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.

3.2.10 Safety. Contractor shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Contractor 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. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and life saving equipment and procedures; (B) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3.2.12 Bonds.

3.2.12.1 Performance Bond. If specifically requested by City in Exhibit "C" attached hereto and incorporated herein by reference, Contractor shall execute and provide to City concurrently with this Agreement a Performance Bond in the amount of the total, not-to-exceed compensation indicated in this Agreement, and in a form provided or approved by the City. If such bond is required, no payment will be made to Contractor until it has been received and approved by the City.

3.2.12.2 Payment Bond. If required by law or otherwise specifically requested by City in Exhibit "C" attached hereto and incorporated herein by reference, Contractor shall execute and provide to City concurrently with this Agreement a Payment Bond in the amount of the total, not-to-exceed compensation indicated in this Agreement, and in a form provided or approved by the City. If such bond is required, no payment will be made to Contractor until it has been received and approved by the City.

3.2.12.3 Bond Provisions. Should, in City's sole opinion, any bond become insufficient or any surety be found to be unsatisfactory, Contractor shall renew or replace the affected bond within 10 days of receiving notice from City. In the event the surety or Contractor intends to reduce or cancel any required bond, at least thirty (30) days prior written notice shall be given to the City, and Contractor shall post acceptable replacement bonds at least ten (10) days prior to expiration of the original bonds. No further payments shall be deemed due or will be made under this Agreement until any replacement bonds required by this Section are

accepted by the City. To the extent, if any, that the total compensation is increased in accordance with the Agreement, the Contractor shall, upon request of the City, cause the amount of the bonds to be increased accordingly and shall promptly deliver satisfactory evidence of such increase to the City. To the extent available, the bonds shall further provide that no change or alteration of the Agreement (including, without limitation, an increase in the total compensation, as referred to above), extensions of time, or modifications of the time, terms, or conditions of payment to the Contractor, will release the surety. If the Contractor fails to furnish any required bond, the City may terminate this Agreement for cause.

3.2.12.4 Surety Qualifications. Only bonds executed by an admitted surety insurer, as defined in Code of Civil Procedure Section 995.120, shall be accepted. The surety must be a California-admitted surety with a current A.M. Best's rating no less than A: VIII and satisfactory to the City. If a California-admitted surety insurer issuing bonds does not meet these requirements, the insurer will be considered qualified if it is in conformance with Section 995.660 of the California Code of Civil Procedure, and proof of such is provided to the City.

3.3 Fees and Payments.

3.3.1 Compensation. Contractor 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 total compensation shall not exceed **Five Hundred Seventy Thousand Fifty-Two Dollars and Ninety-Two cents (\$570,052.92) plus a 15% contingency for vandalism and extra work** per fiscal year without written approval of City Manager or designee. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

3.3.2 Payment of Compensation. Contractor shall submit to City a monthly itemized statement which indicates work completed and hours of Services rendered by Contractor. The statement shall describe the amount of Services and supplies provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. City shall, within 45 days of receiving such statement, review the statement and pay all approved charges thereon.

3.3.3 Reimbursement for Expenses. Contractor shall not be reimbursed for any expenses unless authorized in writing by City.

3.3.4 Extra Work. At any time during the term of this Agreement, City may request that Contractor 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. Contractor shall not perform, nor be compensated for, Extra Work without written authorization from City's Representative.

3.3.5 Prevailing Wages. 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. Since the Services are being performed as part of an applicable “public works” or “maintenance” project, as defined by the Prevailing Wage Laws, and since 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.

3.4 Accounting Records.

3.4.1 Maintenance and Inspection. Contractor shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Contractor 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. Contractor 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.

3.5 General Provisions.

3.5.1 Termination of Agreement.

3.5.1.1 Grounds for Termination. City may, by written notice to Contractor, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Contractor of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Contractor shall be compensated only for those services which have been adequately rendered to City, and Contractor shall be entitled to no further compensation. Contractor may not terminate this Agreement except for cause.

3.5.1.2 Effect of Termination. If this Agreement is terminated as provided herein, City may require Contractor to provide all finished or unfinished Documents and Data and other information of any kind prepared by Contractor in connection with the performance of Services under this Agreement. Contractor 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.

3.5.2 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:

CONTRACTOR:

Urban Habitat Environmental Landscapes
Attn: Theresa Brennan
PO Box 1177
La Quinta, CA 92247

CITY:

City of Coachella
Public Works Department
53-990 Enterprise Way
Coachella, CA 92236
Attn: Maritza Martinez, Public Works 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.

3.5.3 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.

3.5.4 Attorney's 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 attorney's fees and all other costs of such action.

3.5.5 Indemnification. 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 or incident to any alleged 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, the Project or this Agreement, including without limitation the payment of all consequential damages 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.

3.5.6 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. This Agreement may only be modified by a writing signed by both parties.

3.5.7 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Riverside County.

3.5.8 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.5.9 City's Right to Employ Other Contractors. City reserves right to employ other contractors in connection with this Project.

3.5.10 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties.

3.5.11 Assignment or Transfer. Contractor shall not assign, hypothecate or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the City. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.5.12 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 Contractor include all personnel, employees, agents, and subcontractors of Contractor, 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.

3.5.13 Amendment; Modification. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

3.5.14 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.

3.5.15 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.5.16 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.

3.5.17 Prohibited Interests. Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Agreement. Further, Contractor 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 Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Contractor further agrees to file, or shall cause its employees or subcontractors 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.

3.5.18 Equal Opportunity Employment. Contractor represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, 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. Contractor 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.

3.5.19 Labor Certification. By its signature hereunder, Contractor 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 Workers' 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.

3.5.20 Authority to Enter Agreement. Contractor 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.

3.5.21 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.6 Subcontracting.

3.6.1 Prior Approval Required. Contractor shall not subcontract any portion of the work 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.

CITY OF COACHELLA

**Urban Habitat Environmental
Landscapes**

By: _____
William B. Pattison, Jr., City Manager

By: _____
Theresa Brennan, CEO

Attest:

Carlos Campos, City Attorney

Attest:

Angela Zepeda, City Clerk

EXHIBIT "A"

SCOPE OF MAINTENANCE SERVICES

REFER TO RFP, ADDENDUM #1 AND #2

Frequency of Service:**Turf Care:**

Mow/Edge/Trim – Weekly
Aeration – Bi-Annually (Spring & Fall)

Tree Care:

Annual Trim
Monthly Monitoring

Shrub Care:

Prune/Trim/ – Monthly

Ground Cover:

Prune/Trim – Monthly

Irrigation:

Monitor/Analyze – Weekly – Due to irrigation controllers not on-line, irrigation issues will be corrected within 24 hours after City notification in writing.
Irrigation system will be checked on a weekly basis for all service levels. Irrigation system should be maintained in a working order at all times. Unless City has required other information in writing.

Weed Control:

Abatement/Prevention – Monthly

Debris/Litter:

Removal – Weekly

Turf Fertilization:

Application – Three (3) times per year (February, June & October)

Shrub/Ground Cover Fertilization:

Application – Two (2) times per year (April & September)

Pre-Emergent Ground covers, shrubs & trees – Pesticide usage criteria:

Application – Two (2) times per year (Spring & Fall)

Reports:

As requested

SPECIFIC TERMS & CONDITIONS

SCOPE OF WORK

These Specific Terms and Conditions (hereinafter referred to as “specifications”) establish the City of Coachella’s standards for the maintenance of the landscaped areas listed in Contract Agreement Exhibit “B”. The Contractor shall maintain the designated landscaped areas at the level of maintenance and service defined by these specifications by integrating innovative and progressive horticultural techniques in keeping with the highest standards of quality and performance as well as the General Terms and Conditions.

Contractor shall provide all of the necessary manpower, equipment, tools, materials, services, and special skills required to maintain the areas listed in the specified locations, including but not limited to landscaped parkways, medians, retention basins, open space areas, and designated hardscape surfaces and structures.

Maintenance of the landscape shall include but not be limited to; inspections, mowing, edging, trimming, pruning, fertilization, aeration, groundcover, shrub maintenance, weed control, cultivation, pest control (including but not limited to insects and diseases), tree surgery, de-thatching, plant replacements, renovation, litter and trash removal, clean-up of drainage facilities, and operation, inspection, and maintenance of all irrigation systems associated with the specified landscape areas, including but not limited to their testing, prompt adjustment and repair, modification, and improvement.

All work shall be performed in accordance with usual and customary horticultural practices to achieve, and maintain healthy, viable landscapes. The City staff will periodically inspect all the operations and approve or reject the work performed, and methods or materials used, and make changes in work scheduling.

The Contractor shall be responsible for carefully reviewing the sites and verifying the square footage noted for each location of proposed work included in the Proposal. The Contractor shall not be relieved of his/her/its liability under this Contract, nor the District or City be held liable for any loss sustained by the Contractor as a result of any variance between conditions as referred to in the General Terms and Conditions and Specific Terms and Conditions and the actual conditions revealed during the examination of the locations of the proposed work.

All work shall be performed in accordance with the General Terms and Conditions and Specific Terms and Conditions of this Contract and in accordance with an approved service schedule, as approved by City staff. Service schedules may be modified with 30 days advance written notice by the District.

Failure to provide the manpower, equipment, tools, materials, services, and special skills necessary to accomplish above Scope of Work to the standard established by these specifications may result in a **Performance Deficiency Deduction and/or a reduction in payment.**

CONTRACTOR'S LICENSE REQUIREMENTS

- City of Coachella Business license (current)
- C-27 Landscape Contractors License (current and active)
- State of California Pesticide License QAL for chemical applications category B (current and active)
- State of California Pest Control Business License (current)
- County of Riverside Pesticide Business License Registration (current)

MANDATORY INITIAL INSPECTION & ACCEPTANCE OF DESIGNATED LANDSCAPE AREAS

The City (or designee) and the Contractor shall conduct an inspection of the designated landscape areas covered under this Contract-Agreement as soon as practicable after its execution, and prior to commencement of Contractor's operations. The purpose is to allow the Contractor and the City representative to observe and note any deficiencies or potential problems with landscape area plant materials, irrigation systems, or designated hardscape surfaces and structures.

- A. It is the Contractor's responsibility to identify unacceptable plant material before inception of the contract.
- B. City or his designee and the Contractor will perform an operational irrigation inspection.

Any corrective items that are observed during the initial inspection, and acknowledged by both parties, may be resolved with the current Contractor or with the successful Contractor on a "one time only" extra work basis. After a specified time frame for corrections the landscape area plant materials, irrigation systems, and designated hardscape surfaces and structures will be turned over to the Contractor for contract maintenance. Thereafter, failure to maintain designated landscape areas up to this established standard shall result in the District deducting payment of all or part of the Contractor's compensation, as noted in pertinent sections of these General Terms & Conditions, as well as in the Special Terms & Conditions.

CONTRACTOR'S WORK SCHEDULES

It is the intent to schedule maintenance in a manner that keeps the designated landscape areas in a state of healthy, vigorous growth.

The Contractor shall submit a Maintenance Schedule provided by the City scheduling the Maintenance Operations which includes, but is not limited to: minor tree pruning, mowing, aeration, thatching, and insecticides/herbicide application, application of all fertilization of trees, shrubs, ground cover and turf, operational irrigation inspections.

The Contractor shall notify the City in writing at least five (5) working days prior to the date and time of all "Specialty" type of maintenance operations. Specialty type of maintenance operations includes, but is not limited to:

- Fertilization
- Turf Aeration
- Application of pesticides by any method

The Contractor shall submit immediately upon issuance of notice to proceed a work schedule for each designated landscape area, which will include as minimum the following:

- a. Crew Size to be determined for the life of the contract
 - ii. Time and Date for each activity specifying when each work will be completed

At the Mandatory Initial Inspection meeting, the Contractor will present a temporary or base line schedule of work for the upcoming year. At 30 days from start of contract, a permanent schedule will be given to the City, hereinafter referred to as the FREQUENCY SCHEDULE. Failure to provide this schedule to the City in the appropriate time shall result in termination of the contract; failure to adhere to the Frequency Schedule shall result in **PERFORMANCE DEFICIENCY DEDUCTIONS**.

Monthly Walk-Through and Reports

The Contractor, as part of this agreement, will submit a monthly report with invoice. Failure to submit reports and schedules in the time specified shall result in a **\$100 Performance Deficiency Deduction** per occurrence, delay in payment, and/or termination of the contract. The Contractor may submit the monthly report and schedule using a computer based program or, the Contractor may submit the report and schedule in writing. The following information must be included on the monthly schedule:

- A. Schedule of maintenance: At the end of each month, the Contractor's representative and the City representative shall have a walk-through of the Landscape Maintenance area(s). The walk-through will focus on but not be limited to: work just completed seasonal maintenance tasks, the Frequency Schedule and its pertinent tasks, as well as any Extra Work needed. This will generate a punch list from which the contractor will develop the next month's schedule.
1. Contractor shall provide a schedule of maintenance at the start of each month identifying areas to be maintained and a time frame of when each function shall be performed. This schedule should include the Frequency Schedule as it pertains to the maintenance for that month.
 2. Monthly schedules shall be adjusted to compensate for all City-recognized holidays.
 3. Monthly schedules shall be adjusted as directed by the City representative.
- B. The Engineering Department or City staff may request to be part of the Walk-Through or at any time the City deems it necessary.
1. The City will assume that the Contractor will adhere to the schedule. The City must receive notification of changes at least 12 hours in advance of the scheduled time for performance of the work.
 2. Failure to notify the City of a schedule change and/or failure to perform an item of work on the scheduled day may result in a payment adjustment to reflect only the work actually accomplished.
 3. A monthly report, based upon the approved monthly schedule, and including an irrigation inspection and green waste recycling reports, will be turned in at the monthly walk through meeting. Failure to submit this report at the time of the monthly walk through meeting may result in a **\$100 Performance Deficiency Deduction** per occurrence.

SAFETY

Contractor shall conduct all operations performed under this Agreement in a manner that complies with all applicable federal, state, and local safety laws, rules, orders, and regulations, including but not limited to those set forth in the contract's General Terms and Conditions (Contract-Agreement Exhibit "C" (also refer to RFP)), as well as those set forth in these specifications.

PLANT MAINTENANCE

- A. All plant material shall be maintained as needed to prevent obstruction as well as possible safety concerns to vehicles, pedestrians and/or the general public. Shrubs shall be maintained to create adequate line-of-sight vision for vehicles where applicable. All vegetation shall be maintained in such a manner as to eliminate over growth beyond its designated parameter and/or encroachment onto sidewalks or curbs. Keep plants located adjacent to sidewalks at a maximum height of three (3) feet and pruned back one (1) foot from edge of sidewalk.
- B. Dead material shall be pruned from plants as they occur. There shall be no dead blossoms, stalks, branches or foliage left on an otherwise healthy plant for more than one week, unless otherwise directed by the City and/or contract.
- C. Plant material is to be pruned in a manner that is described as a two-step, naturalistic pruning procedure. The City may, at its own discretion, alter time lines or techniques, as the City deems necessary.
- D. The Contractor shall be responsible for replacing dead plant material, at no cost to the City, which dies 30 days from commencement of the contract and throughout the term of this contract due to neglect, lack of maintenance or improper care.
- E. It is the Contractor's responsibility to identify unacceptable plant material before inception of the contract. This will be accomplished during the mandatory acceptance walk through with the City representative(s) and the Contractor.

TREE MAINTENANCE

- A. Trees shall be pruned as needed to remove broken or diseased branches, or for traffic and pedestrian safety. Sidewalk clearance will be 8' eight feet and vehicular clearance 14' fourteen feet from grade. Any broken, structurally unsound or detached limb is considered a hazard. Suckers will be removed as they appear.
- B. All tree trimming shall comply with good arboreal practice for the particular species of trees being trimmed. The Contractor shall be consistent with the pruning standards as adopted by the International Society of Arboriculture (ISA) guidelines; American National Standards Institute (ANSI) standards, including, but not limited to ANSI 300 (most current revision) and ANSI Z133 (most current revision); Chapters 12.24 (Street Trees) and 12.28 (Palm

Trees) of Title 12 of the City of Coachella's Municipal Code. Accompanied by Best Management Practices, Tree Pruning (Revised 2008). The Contractor shall also meet the requirements of the American National Standards, ANSI-Z133.1-2008 entitled "Safety Requirements for Tree Pruning, Trimming, Repair or Removal," published by the Tree Care Industry Association, Inc. at 136 Harvey Road – Suite B101-110, Londonderry, NH 03035.

- C. In order to promote proper form, strength, health, and appearance consistent with their intended use, any tree pruning done at the request of the City shall be consistent with: the current and applicable International Society of Arboriculture (ISA) guidelines; American National Standards Institute (ANSI) standards, including but not limited to ANSI 300 (most current revision) and ANSI Z133 (most current revision); Chapters 12.24 (Street Trees) and 12.28 (Palm Trees) of Title 12 of the City of Coachella's Municipal Code.
- D. **NO TOPPING OF TREES WILL BE ALLOWED.**
- E. The Contractor shall be responsible for all tree staking. Ties will be monitored to prevent girdling. Remove ties and stakes as directed by the City. Broken stakes are to be removed and if appropriate, replaced. Contractor shall replace tree stakes within twenty-four (24) hours of receiving a corrective action notification from the City; failure to adhere to this specification shall result in a **\$100 Performance Deficiency Deduction** per site for each day Deficiency remains uncorrected beyond deadline. Stakes should not remain on the trees longer than 6 months. If the tree cannot stand upright once stakes are removed, the City will then determine whether or not to replace the tree.
- F. The Contractor shall remove their debris from pruning and tree maintenance the same working day as accumulated
- G. The Contractor shall be held responsible for any damages done to trees due to poor management procedures. The Contractor shall replace trees, at no cost to the City, that die 30 days after acceptance of the contract due to neglect, lack of maintenance, infestation or improper care. This does not include those trees identified on the mandatory walk with the City and the Contractor.
- H. Any trees broken or damaged as a direct result of storm damage, wind, accident or vandalism shall be pruned and/or removed within 24 hours of notification and may be considered an Extra to the Contract. Any debris blocking roadways or parking areas shall be removed within one hour of notification to Contractor. Replacement of trees and plants caused by reasons not related to contractual maintenance shall be reimbursable as an Extra Work item.
- I. An 18" radius tree well will be maintained around the trunks of trees growing in turf or ground cover areas. Shrubs and/or shrub canopies shall not be permitted to encroach within 12" of tree trunks or root crowns.

- J. Any structural weakness, decayed trunk or branches, or split crotches or limbs discovered by the Contractor during the course of trimming shall be reported to the City for determination of the appropriate course of action.
- K. The use of "lopping shears" shall be specifically approved by the City.
- L. Limbs one inch (1") in diameter or greater shall be pre-cut to prevent splitting. When there is a chance of bark tearing at the crotch, remove large limbs with three cuts. Make the first cut on the underside of the branch one foot (1') to two feet (2') from the crotch. The undercut should be at least one-third (1/3) of the diameter. Make the second cut one-inch (1") to three inches (3") further from the crotch than the first. The final cut is made at the crotch in a manner to favor the earliest possible covering of the wound by callus growth. Cuts shall not be made so large that they will prevent sap flow. All cut branches three and one-half inches (3 1/2") or larger in diameter shall be lowered by proper ropes to the ground. Any damage caused by dropping limbs shall be repaired within three (3) days at the Contractor's expense and to the satisfaction of the City. All debris resulting from tree trimming operations shall be removed from the work site on a daily basis.
- M. Removal of all vines entwined in the tree or around its trunk, and the removal of sucker growth on tree trunks is required on all trees.
- N. On all trees, including palms, known or suspected to be diseased, pruning tools and cut surfaces shall be disinfected with a ten (10) percent chlorine bleach solution after each cut and between trees where there is danger of transmitting the disease on tools. Fresh solution shall be mixed daily.
- O. Two basic classes of conifers can be found in Coachella, those with branches radiating out from the trunk in whorls such as Pine trees or Cedar trees and those that sprout branches in a random manner such as Juniper or Taxus. Conifers shall typically be pruned in late winter or early spring. Typically, no more than thirty percent (30%) of the live foliage may be removed.
- P. Contractor shall avoid damaging the central leader on all conifers. In specific cases the City may direct the Contractor to remove the central leader in an effort to limit the height of specific trees.
- Q. At the time of pruning, the arborist shall determine which trees shall have the new growth pinched back in an effort to control canopy size.
- R. To control the growth of large, mature conifers, Contractor shall be required to prune the new growth of lateral limbs.
- S. Typical pruning of conifers shall consist of removing crossed limbs, deadwood or unwanted branches from the interior of the canopy.
- T. Follow the shape indicated by the natural growth habits of each tree species. Trimming and shaping of trees shall be as directed by the City and in accordance with the following cuts to laterals to preserve the natural form of the tree, leaving the head open enough for the branching system to show and permitting the dead material to be easily cleaned out and light to show through the head. Tree foliage shall be reduced by at least twenty-five percent (25%) but no more than fifty percent (50%). Trim to remove dead

wood or weak, diseased, insect-infested, broken, low, or crossing limbs. Branches with an extremely narrow angle of attachment should normally be removed. Small limbs, including suckers and waterspouts, shall be cut close to the trunk or branch from which they arise. Heading cuts and/or topping will not be allowed under any circumstances. Heading, rounding over, or stubbing shall not be an accepted practice for reducing the size or the framework of any tree.

E. General Trimming and Shape

1. The objective is to control canopy size and basic structure while maintaining an aesthetically pleasing appearance.
2. City trees in the LLMD Districts shall be pruned on an annual cycle. The objective is to prune the trees in a manner that will provide clearance for sidewalks and homes while maintaining the natural shape and beauty of individual street trees. Contractor shall be required to meet the schedule requirements as outlined.

H. Trimming for Traffic Clearances

Tree trimming for traffic clearances shall provide clearances of at least fourteen feet (14') and no greater than sixteen feet (16') above finish grade for moving vehicles within the traveled roadway, for pedestrians on sidewalks. Clearances for adjacent structures and their connecting utility lines (service drops), shall be determined by the City and conform to the following:

1. The maximum clearance under trees within the street right-of-way shall be sixteen feet (14') over the traveled road, and ten feet (8') over the curb line and the sidewalk side of the tree. When pruning the bottom branches, care shall be given to obtain a balanced appearance when viewed from across the street immediately opposite the tree.
2. Cut to laterals to preserve the natural form of the tree. Remove lateral branches at their point of origin, or shorten the length of a branch by cutting to a lateral, which is large enough to assume leadership.
3. When cutting back, avoid cutting back to small suckers. Remove smaller limbs and twigs in such a manner as to leave the foliage pattern evenly distributed.

I. Trimming Palm Trees.

Palm tree trimming shall consist of the removal of all dead fronds, dead frond sheaths, fruit clusters and other vegetation from the trunks of all palms listed in the Agreement Project Requirements in a manner selected by the Contractor and approved by the City, and in accordance with the following:

1. Dead fronds, and parts thereof, including stubs, shall be removed along the entire length of the trunk of each palm, leaving a clean unsheathed appearance slicked from the ground to approximately twenty-four to thirty-six inches (24" – 36") from the base of the green fronds at the top of the tree. The frond stubs (cut close to trunk) shall be left in place within a span of at least eighteen inches (18") but no greater than thirty-six inches (36").
2. Only the full, green, undamaged fronds shall remain at the crown of the tree. The Contractor shall be required to remove and dispose of any fallen or hanging fronds for a period of thirty (30) days after completion of the Professional Services Agreement.
3. The use of climbing spurs or spike shoes for the purpose of climbing palm trees is prohibited, unless specifically approved by the City. The Contractor shall be required to use an aerial tower with a height reach of one hundred feet (100') for the purpose of trimming City Palm trees.
4. *Trachycarpus fortunei*, *Chamaerops humilis*, and *Phoenix roebeleni* species as well as other palm trees having a trunk height not more than eight (8) feet above the ground shall be trimmed but not slicked.

K. Utility Line Clearance

During the course of this Professional Services Agreement, the Contractor may be required to perform utility line clearance in conjunction with routine or non-routine trimming activities. The Contractor shall be required to furnish all supervision, labor, equipment and materials necessary to accomplish the work in accordance with the Professional Services Agreement. The Contractor has the responsibility for compliance with safety and health standards of the California Occupational Safety and Health Act (OSHA) and all applicable rules, regulations and orders. The competency of Contractor's personnel shall be maintained through regular training. All persons performing tree work on City trees in or around primary electrical lines shall be trained to do so in accordance the "Electrical Safety Orders" of the State of California.

L. Tree Removals

1. During the course of trimming activities for a specified street, Contractor shall notify the City of any trees which may be dead, hazardous, or in need of removal for any reason. The City shall make the final determination to remove or provide public noticing for removal at a later date. Removals shall be conducted in good workmanlike manner in accordance with the standards of the arboricultural profession.
2. All wood from removed trees is the property of the City and shall be disposed of at the direction of the City. No wood shall be left along public right-of-way unless approved by the City. All tree parts are to be loaded into transport vehicles or containers. The vehicles or containers must have the front, sides and rear solid and the top shall be tarped or otherwise tightly enclosed. The transporting of tree parts must be made so that no debris escapes during the transport. Branches, suckers, bark and other tree parts that are chipped are to be covered while transported and hauled to the disposal site during the workday.
3. Contractor shall be required to call Underground Alert at least two (2) days before stumps are to be ground out. All tree stumps must be removed to at least eighteen (18) inches below the lowest soil level adjacent to the stump, or until deep roots are no longer encountered. The Contractor shall grind the stump a minimum distance of one and one half (1½') feet either side of the outer circumference of the stump, or until surface roots are no longer encountered.
4. Stumps should be cut low enough to the ground where routing can be done safely. This may be accomplished by cutting the stump at the time of grinding, or at the time of tree removal. All stumps are to be ground within forty-eight (48) hours of tree removal. Holes created by stump and root grinding must be filled the same day. The resultant chips from routing may be used to fill the hole to two (2) inches above normal ground level unless a new tree is to be planted in the same location and clean fill dirt will be required as a backfill. All excess routing chips debris will be removed and loaded into transport vehicle for disposal. Any damaged paved surfaces shall be restored to their original condition.

M. Pest Control

The City may periodically require the Contractor to treat for insects or disease. Treatment will be done only when specifically requested by the City and shall be made in the form of soil injections. Contractor shall be

required to provide the City with a written recommendation provided by a State Licensed Pest Control Advisor.

N. Crew Rental Services

Contractor shall provide a minimum standard crew of three (3) persons, one (1) chipper truck, one (1) chipper, one (1) aerial tower truck and all necessary saws and hand tools. Crew complement should also be capable of modification in order to perform miscellaneous tree care tasks.

O. Emergency Response Service

1. The Contractor shall be required to provide emergency on call response for damaged trees as a result of storms or other reasons. Emergency calls may occur at any given time. The Contractor will be provided with locations and the work to be done at each location via telephone or email from a City authorized representative. Emergency work shall begin within two (2) hours of the initial telephone call.
2. During windy conditions, the Contractor will drive the LLMD locations for signs of fallen or damaged trees.
3. Contractor shall be required to provide twenty-four (24) hour emergency phone numbers and the names of at least five (5) individuals upon award of Professional Services Agreement. Should the contact persons or their phone numbers change during the course of the Professional Services Agreement, those changes shall be submitted to the City within two (2) working days.
4. Contractor shall be required to provide all necessary traffic control during the course of emergency work. Should the work involve any high voltage power lines or any utility lines the Contractor shall be required to notify the responsible utility company.
5. Work performed under the emergency provision of this Professional Services Agreement shall be paid for on a "crew hour" basis and "emergency call out" basis. This shall include all labor, tools equipment, disposal fees and necessary materials.

P. Traffic Control

1. Contractor shall be required to supply the necessary equipment to provide adequate traffic control measures during tree trimming operations. This shall include but not be limited to high visibility arrow

boards where appropriate. The contractor must abide by the most current edition of the Work Area Traffic Control Handbook, or W.A.T.C.H. manual, for traffic control. The City, prior to use, must approve all traffic control measures.

2. Tree trimming operations may be conducted on one side of the street at a time and at no time may streets be closed unless authorized, in advance, by the City or his designee. During all tree trimming operations adequate provisions shall be made by the Contractor to accommodate normal traffic flow over public streets. Means of ingress and egress shall be provided for occupants of adjacent property with convenient access to driveways, buildings, businesses or private residences. Pedestrian traffic shall be accommodated on adjacent sidewalks.
3. Contractor shall be required to provide and maintain barriers, guards, and lights whenever and wherever necessary in order to effectively protect the public from the dangers associated with the tree trimming operations. Contractor shall be required to post proper notices and signals for the public regarding detours and the conditions of work currently in progress.

Q. Public Noticing of Tree Trimming Operations

1. Contractor shall be required to notify residents and/or businesses of scheduled tree trimming operations at least seven (7) calendar days prior to the work being performed, if requested by a City representative. Notifications shall be made in the form of door hangers, or letters mailed through the US Postal system.
1. City approved "No Parking" signs shall be posted on individual trees scheduled for trimming twenty-four (24) hours prior to the work being performed, if necessary. Signs shall be taped or tied and not nailed or stapled to the trees.

R. Disposal of Debris

All brush generated from tree trimming operations shall be recycled where practical.

S. Green Waste Report

Green waste that is transported to an offsite facility for grinding into mulch shall be documented and submitted to the City on a monthly basis. Weight slips shall be required as proof of disposal and shall be included in the monthly Green waste Report.

T. Wood Chips

Chips generated from trimming operations within the City of Coachella may be dumped and spread at a City designated site or dumped at a green waste facility at the direction of the City Staff.

At the direction of the City, wood waste generated from tree removals shall be chipped into pure wood chips with an even uniform size. These chips shall be dumped and spread in specified locations in the City or dumped at a green waste facility at the direction of City Staff.

U. Milling

At the direction of the City, large tree trunks, which meet proper specifications, will be required to be milled into lumber suitable for use in a variety of applications. Milled lumber shall be returned to the City at a cost to be included in the proposal.

V. Inspections

1. The City shall be furnished with every reasonable facility for ascertaining full knowledge of the tree maintenance operations involving the workmanship, character of materials and equipment used and employed in the work.
2. Each month, if necessary, the Contractor shall be required to submit a complete working schedule of all tree maintenance operations including but not limited to trimming, planting, removals, stump grinding and watering.
3. Inspection of the work shall not relieve the Contractor of any obligations to complete the work as outlined in this document. Defective work shall be made good even if the defective work was not pointed out during the initial inspection and the work was accepted for payment.

4. Any work found to be unacceptable will be noted in writing. Upon receipt of notice these deficiencies; the Contractor shall make a reasonable good faith effort to correct the deficiencies within ten (10) calendar days. If unacceptable conditions are not corrected within this time period the City shall have the right to deduct payment or terminate the Agreement.

SHRUB MAINTENANCE

A. Pruning

1. Shrubs shall be pruned as required for safety, removal of broken and diseased branches, general containment, and appearance.
2. All shrubbery shall be pruned, trimmed, thinned, and suckers removed to properly contain their size with respect to species, size of planters and the best health of the plant and/or as described in the Frequency Schedule. Coordinate with City.
3. Prune shrubs to retain as much of the natural informal appearances as possible, consistent with intended use. Coordinate with City.
4. Shrubs used as formal hedges or screens shall be pruned as required to present a neat appearance.
5. Remove any spent blossoms or dead flower stalks as required to present a neat appearance.
6. Shrubs and mounding shall not exceed 2 feet in height within areas required for vehicle sight distance depending upon roadway topography.

B. Shrubbery Replacement

The Contractor shall be responsible for the complete removal and replacement of shrubbery lost due to the contractor's faulty maintenance or negligence, as determined by the City.

C. Pruning Schedule

Shrubs shall be pruned and trimmed as needed or as requested by the City. Shrubs shall be pruned and trimmed using sound horticultural techniques. Shrubs shall be maintained within the limits of confined areas (i.e., narrow medians, walkways, etc.) so as not to encroach on same. In addition, all shrubs shall be trimmed to maintain horizontal clearance along all walkways and trails to prevent encroachment onto private property and to remove dead, damaged or diseased plant material.

D. Fertilization

SEE **FERTILIZER APPLICATIONS** Section below.

E. Cultivation and Mulching

Contractor shall cultivate around shrub and tree areas and tree wells sufficiently and often enough to control weed growth and maintain existing irrigation and drainage ditches. Mulch is also required to be applied in all open dirt areas and/or around trees as required by the City.

- F. Irrigation (Deep Soaking)
See **WATER MANAGEMENT** Section below.

VINE MAINTENANCE

- A. General
1. Vines and espalier plants shall be checked and retied as required. Secure vines with appropriate ties to promote directional growth on supports.
 2. Do not use nails to secure vines on masonry walls.
 3. Deep water vines in pockets not provided with sprinklers as required, promoting optimum growth. See also **WATER MANAGEMENT** Section below.
 4. Pruning of vines will be in accordance with good horticulture practices.
 5. Vines shall be trimmed as required for safety, disease, general containment or appearance (or as directed by the City City).
 6. See **FERTILIZER APPLICATIONS** Section below

GROUND COVER MAINTENANCE

- A. General
1. Trim ground cover adjacent to walks, walls and/or fences as required for general containment to present a neat, clean appearance.
 2. Remove broad-leafed and grass weeds as required. Weeds shall be controlled and not allowed to reach two-inch (2") height. Remove weeds by chemical or mechanical means as approved by City. See also **WEED CONTROL, PEST CONTROL, and HERBICIDES** Sections below.
 3. Prevent soil compaction by cultivating regularly all ground cover areas.
 4. Remove debris that accumulates on ground fixed lighting fixtures.
 5. Any paper or litter that accumulates in ground cover areas shall be picked up on a daily basis. See also **LITTER CONTROL/DEBRIS REMOVAL** Section below.
 6. Keep ground cover trimmed back from all controller units, valve boxes, quick couplers, or other appurtenances or fixtures. Do not allow ground cover to grow up the trunk of trees, into shrubs, on structures or walls unless directed by the City. Keep trimmed back approximately 4 inches from structure or walls. Coordinate trimming around base of shrubs/trees with City.
 7. Bare soil area shall be cultivated a minimum of once per month and/or mulched as directed by the City (mulch will be supplied or paid for by the

- City).
8. See **FERTILIZER APPLICATIONS** Section below.

TURFGRASS MAINTENANCE

A. General

1. Watering: A regular, deep watering program shall be accomplished to give the best results. The established turf should not be kept moist but should dry out somewhat between watering. See also **WATER MANAGEMENT** Section below.
2. Aeration: Mechanically aerate all turf areas as often as required or at least two (2) times a year, Spring and Fall, as directed by the City to reduce compaction/stress conditions, which will offer greater water penetration and reduce runoff. In those areas where soil condition is poor, the City may require top dressing. When top dressing is required, the Contractor shall submit a request for extra work that must be approved by the City before work is scheduled.

Use a plug aerator with ½ inch tines. Any areas that show excessive compaction shall receive additional treatment as required to alleviate this condition. Remove sod plugs. The scheduling of aeration will be recorded on the Maintenance Schedule and shall be performed no less than two (2) times per year. In rocky areas, a solid tines or vertical slicer aerator will be required.

3. Mowing: All turf areas shall be mowed on a weekly basis. Failure to adhere to this specification shall result in a **\$100 Performance Deficiency Deduction** per site, per occurrence. Cut cool season turf grass 2 inches during warm season and reduce to 1-1/2 inches during winter or cooler seasons. In warm seasons, common Bermuda shall be mowed to not exceed 1 inch, hybrid Bermuda ½ inch to ¾ inches. Avoid removing more than one-third of the leaf area blade at any one time. Remove or catch the clippings. Use rotary type mowers for cool season grasses and reel type mowers for warm season grasses (blades should be sharpened or replaced at least twice a week). Care shall be exercised during the mowing operation to prevent damage to trees and other obstacles located within the turf areas such as electrical boxes or fixtures. Do not mow areas that are wet; allow turf to dry out before mowing. Alternate mowing patterns shall be used whenever possible to prevent wheel ruts in turf areas. If ruts are made, contractor will make repairs at his own expense. The City must approve of all mowing equipment for job use. Small rotary push mowers will be required for parkways. Use mulching mowers only

with approval of the City. If the use of mulching mowers is approved, all visible clippings must be removed.

4. Trimming and Edging: Trim around walls, buildings, curbs, header boards, valve boxes, quick couplers, and paved areas on a weekly basis to present a neat, clean appearance. Failure to adhere to this specification shall result in a **\$100 Performance Deficiency** Deduction per site, per occurrence. Chemically edge (tree well) around trees within an 18" radius from the trunk using care not to damage tree trunk or roots. At no time will chemical edging be allowed on anything other than tree wells unless directed otherwise in writing by the City.
5. Thatching: Thatch all turf areas once per year or as needed at a time when there will be the least amount of stress to turf, preferable spring or fall. Thatching will be in accordance with the following methods:
 - Step 1**: Aerify entire area with an aerifier with ½ inch tines.
 - Step 2**: Verticut entire area using a thatching machine set to soil line contact. Verticut twice in parallel directions. Pick up debris with a turf vac at completion of this operation.
 - Step 3**: Mow with rotary mower at regular cutting height as specified above or as directed by the City.
6. Refurbishment of Turfgrass: Turf areas that thin out due to shading effect of trees, structures, irrigation malfunction (due to contractor's negligence) and foot traffic will be reseeded with an approved grass seed to restore thinning areas. Coordinate with City. This will not be considered extra work. In the winter months the City may require sod.
7. Overseeding: Contractor shall be responsible overseeding two (2) times a year for scalp and seed for winter, and seed for summer. Contractor shall comply with Section 5.05.010 of the City of Coachella's Municipal Code. Coordinate with City.
8. Fertilizing: See **FERTILIZER APPLICATIONS** Section below.
9. Weed Control: Contractor shall maintain a weed free turf at all times by either chemical or mechanical means. See also **WEED CONTROL, PEST CONTROL, and HERBICIDES** Sections below.
- 10 String Trimmers: Care shall be exercised with regard to the use of weed eaters to prevent damage to building surface, walls, header board, light fixtures, signage, etc. No weed eaters shall be used around trees. See also **TREE MAINTENANCE**, Section I., above.

WEED CONTROL

- A. Planters, gravel areas, sidewalks, curb and gutters, expansion joints, fence lines, drainage areas, bare areas, and around plants and trees shall be kept free of grass and weeds. This will be done on a monthly basis.
- B. The Contractor shall perform weed removal and shall identify in their schedules approximate time frames for performing this function. Failure to adhere to this specification shall result in a **\$100 Performance Deficiency Deduction** per site for each day Deficiency remains uncorrected. Acceptable methods of control are: Annual weeds, mechanical and/or chemical methods. Perennial weeds such as Bermuda grass, nutsedge (species), bindweed, pennisetum grass shall be controlled with chemical means only.
- C. After weeds have been sprayed and removed, the Contractor shall rake or sweep the area removing any debris generated as a result of the weed control process.
- D. Chemical herbicide control is the responsibility of the Contractor. The Frequency Schedule outlines the minimum herbicide controls. If weed control has not been maintained as specified, the City may require additional herbicide applications at no additional cost to the City. Preventative weed control, such as pre-emergent herbicides and post-emergent herbicides is the responsibility of the Contractor. See also **PEST CONTROL** and **HERBICIDES** Sections below.

PEST CONTROL

General

The Contractor shall provide complete and continuous control and/or eradication of all plant pests at no extra cost, including: weeds; insects, mites, nematodes, and other invertebrates; gophers, squirrels, rats, mice, and other vertebrates; snails and slugs; pathogens and diseases.

Controls to include necessary use of integrated pest control systems involving the use of life history information and extensive monitoring. Control through prevention, cultural practices, pesticide applications, exclusion, natural enemies and host resistance.

The only exception to this is with regards to bees. The contractor will be responsible for reporting to the City any bee activity (swarms or hives) immediately.

All areas of the landscape shall be inspected for infestations of harmful pests. Leaves that may be blotched, blighted, deformed, mildewed, rusted, scorched, discolored, defoliated, or wilted should be noted. Identify the cause of injury and consult a Pest Control Advisor before application of chemical treatments.

At certain times of the year, and with certain environmental conditions, the presence of certain pests can be anticipated; start preventative cultural methods before a pest is visible. Inspect new growth for the presence of aphids, leaf hoppers, scale, mealy bugs, and mites. Look for ants on soil, along walks, and trunks of shrubs and trees. Control adult beetles before they lay eggs on bark in the spring. Ongoing inspections are necessary to determine if there is a summer brood. Snails shall be controlled before becoming epidemic. They can be anticipated as a menace from spring until the advent of high temperatures, wherever moist soil prevails.

Pruning may be an effective prevention of an epidemic of insects and diseases. Removing infected parts and disposing of them off site separates the pest or pathogen from the host. Examples are Pine tree tip moth, Juniper twig girdler, Verticillium wilt, and some other fungal caused blights of foliage. Proper thinning of tree foliage, to provide light and aeration for groundcover may aid in disease prevention. Use care when pruning not to spread disease by keeping all cutting edges sterile by dipping in an alcohol or bleach solution after each cut

Application of Pesticides

- A. Notification: City shall be notified prior to the application of pesticides and other chemicals. **THERE SHALL BE NO APPLICATION OF A PESTICIDE WITHOUT WRITTEN PERMISSION FROM THE CITY.**
- B. Timing: Pesticides shall be applied at times which limit the possibility of contamination from climatic or other factors and at the proper life cycle of the pests. Early morning application shall be used when possible to avoid contamination from drift. Applicator shall monitor forecast weather conditions to avoid making application prior to inclement weather to eliminate potential runoff of treated areas.
- C. Irrigation: Irrigation water applied after treatment shall be reduced to eliminate runoff. When water is required to increase pesticide efficiency, it shall be applied only in quantities of which area is capable of receiving without excessive runoff.
- D. Handling of Pesticides: The Contractor shall be responsible for the safe and proper application of all chemicals. Care shall be taken in transferring and mixing pesticides to prevent contaminating areas outside the target area. Application methods shall be used which ensure that materials are confined to the target area. Spray tanks containing leftover materials shall not be drained on the site to prevent any contamination. Disposal of pesticides and tank rinsing materials shall be within the guidelines established in the State of California Food and Agricultural Code or EPA regulations.
- E. Equipment and Methods: Spray equipment shall be in good operating condition, quality, and design to efficiently apply materials to the target area. Drift will be minimizing by avoiding high pressure applications and using water soluble drift agents.

- F. Selection of Materials: Pesticides shall be selected from those materials which characteristically shall be used when possible to limit windblown particles. The use of adjuvant will be to increase pesticide efficiency thereby reducing the total amount of technical material required to gain control.
- G. Substitutions: Wherever a specific type of material is specified, no substitutions shall be allowed without the written consent of the City. Certification of Materials: All materials shall be delivered to the site in original unopened containers. Materials shall be subject to inspection by the City.
- H. Licenses and Permits: The contractor shall obtain necessary permits and licenses to comply with the City, County, State or Federal laws for using pest control chemicals. All material use shall be in strict accordance and applied within the most current EPA regulations and the California Food and Agricultural Code.
1. The State of California Agricultural Code requires that ALL pesticides and/or chemicals may be used only after a written recommendation by a State of California Licensed Pest Control Advisor is obtained, with a copy forwarded to the City Landscape Division prior to chemical use. A recommendation consists of all the applicator should know for an accurate and safe usage. The recommendation must be time and site specific.
 2. Application of all pesticides shall be made by or under the supervision of a person holding a valid license, permit, or certificate issued pursuant to Sections 11701 and following, and Sections 14151 and following, of the California Food and Agriculture Code. Said person or company shall be registered to conduct a pest control business in the State of California and the County of Riverside during the entire term of this Agreement and any extension(s) thereof.
 3. In case a Restricted Use Pesticide is recommended, the City must have a use permit issued by the County of Riverside Agricultural Commissioner.
- I. Use Reports: Contractor shall complete and furnish a pesticide application log to be submitted to the City at the monthly walk through. The log shall have the following information included:
1. The pest to be controlled
 2. Method of control
 3. Copies of the product labels
 4. MSDS Sheets
 5. A frequency schedule
 6. A copy of the PCA recommendation
- J. Material Use Reports: Pesticide applications shall be recorded on the maintenance schedule and coordinated with the City's City. Material use

reports for all pesticides shall be filed with the City no later than the 10th of every month for the preceding month.

- K. Plant Material Replacement: The Contractor will assume responsibility and liability of use of chemical controls, and shall be responsible for the replacement of any plants, turf, and trees killed or damaged by improper chemical applications.

Herbicides

Weeds must be removed monthly. Selective post emergence herbicides shall be used to kill weeds without permanent injury to other plants. Do not proceed with a treatment except as recommended by a Pest Control Advisor in writing with a copy forwarded to the City prior to treatment.

- A. All creeping grasses shall be kept out of shrubs and groundcovers.
- B. The Contractor shall be especially careful if applying chemicals to control weeds because of possible damage to the lawn. Before such applications are made the turf should be well established and in a vigorous growth condition. All chemicals applied will be recorded and coordinated with the City.
- C. Broadleaf weeds in turf shall be removed selectively, without injury to the lawn grass other than slight, temporary discoloration.
- D. Grass weeds in lawns shall be controlled with selective post-emergence herbicides. Pre-emergent herbicide application shall be required to control crabgrass in all turf area. Scheduling for pre-emergence herbicide controls of weedy grass seeds shall be set forth in the FREQUENCY SCHEDULE.
- E. Weeds not killed with herbicides shall be removed manually. Turf and other desirable plants killed by weeds, chemicals, etc., shall be replaced at the Contractor's expense. All replacements must be made within 7 calendar days after receiving notice from the City.
- F. See also **WEED CONTROL** and **PEST CONTROL** Sections above.

Insecticides/Fungicides

- A. The Contractor shall be responsible for the application of the appropriate chemical.
- B. The Contractor shall be responsible for the replacement of any plant, tree or turf area, at no cost to the City, if appropriate measures or actions were not taken to control and/or eradicate the problem.
- C. The City shall notify the Contractor in writing if the City has knowledge of any insect, fungus or disease problems. Preventive fungicides shall be applied as necessary.

- D. Insecticide and/or fungicide applications shall be recorded on the maintenance schedule and coordinated with the City's City. See also **Application of Pesticides-Use Reports** above.
- E. Materials used shall be chemicals as approved by the State of California Department of Food and Agriculture.

FERTILIZER APPLICATIONS

All landscape areas shall be fertilized at rates and intervals designated in the Frequency Schedule at least three (3) times a year for turf fertilization (February, June, & October) and two (2) times a year for shrub / ground cover fertilization (April & September). This includes shrubs, ground covers, and turf. Equipment, labor, and fertilizer shall be included in the contract. Compliance with fertilization specifications will be enforced by application inspections and periodic soil analysis. See also **LITTER CONTROL/DEBRIS REMOVAL** Section below.

- A. **SHRUBS & GROUND COVERS:** Contractor shall use a balanced fertilizer in shrub and ground cover areas as requested in the Frequency Schedule or as directed by the City. The Contractor is to provide the equipment, labor and fertilizer as part of this contract. Minimum application of shrub and ground cover fertilization two (2) times a year (April & September).
- B. **TURF:** Apply fertilizers so as to provide sufficient nitrogen and other basic nutrients on a regular basis to keep turf in healthy looking condition or as directed by the City. **Fertilizer will be applied as required to maintain deep green color.** Type of turf and time of year will determine type of fertilizer used. The frequency of application will greatly depend on amount of leaching caused by excess use of water. The type of fertilizer used and frequency applied will be recorded. Coordinate with City. Minimum application of turf fertilizer three (3) times a year (February, June & October).

LITTER CONTROL / DEBRIS REMOVAL

- A. The Contractor shall perform litter removal as outlined in the Frequency Schedule and these specifications.
- B. The Contractor shall provide a general clean-up operation throughout the contracted area on a weekly basis for the purpose of picking up papers, trash such as paper, cans, bottle, broken glass, dog droppings and any out-of-place or discarded items, hanging or broken tree branches, or other debris which may accumulate in the landscape areas, caused by winds or normal conditions. Failure to remove and dispose of debris deposited by winds or under normal conditions within 7 days shall result in a **\$100 Performance Deficiency Deduction** per site for each day Deficiency remains uncorrected

- beyond deadline.
- C. The Contractor shall also regularly remove dried plant material, such as: fallen leaves, twigs, flowers, and seed pods, and; dried up and/or dead portions of trees, shrubs, vines, and ground cover at intervals set forth in the Frequency Schedule.
- D. Contractor shall remove all debris resulting from Contractor's maintenance operations and dispose of it off-site in a legal manner, at Contractor's sole expense. Disposal of debris shall not be allowed in any City trashcan, bin or City facility (corporate yard or satellite yards) or in any park refuse container unless other arrangements have been authorized by the City. Failure to remove and dispose of debris generated by Contractor's maintenance operations within twenty-four (24) hours shall result in a **\$100 Performance Deficiency Deduction** per site for each day that Deficiency remains uncorrected beyond deadline.
1. No debris will be all allowed to remain at the end of the workday.
 2. All surfaces will be raked or swept after litter and/or weeds are removed.
 3. All grass clippings shall be picked up after each mowing or trimming operation. If mulching mowers are used, all visible clippings must be removed in accordance with this specification. Failure to remove and dispose of debris shall result in **\$100.00 Performance Deficiency Deduction** per site for each day that Deficiency remains uncorrected beyond deadline.
 4. All debris must be separated into green waste, recyclables, and other waste to minimize contamination and be disposed of in the appropriate locations. Failure to separate and dispose of debris appropriately shall result in **\$100.00 Performance Deficiency Deduction** per occurrence. See also **GREEN WASTE** Section below.
 5. All walkways will be kept clean/clear of debris and plant growth. Care shall be taken not to create unnecessary hazards to foot or wheelchair traffic during maintenance operations.
 6. All shrub areas not interplant with ground cover will be raked clean a minimum of once a week or as directed by City representative.
- E. Contractor's operations shall comply with Chapter 13.16 (Stormwater Management) of the City's Municipal Code, including but not limited to Section 13.16.120 – *Compliance with General Permits*, and Section 13.16.130 – *Compliance with Best Management Practices (BMP's)*
1. Blowing of grass cuttings, debris, plant litter, fertilizers or other chemical granules, pellets, or dusts into public streets, gutters, or storm drain inlets is a violation of City's NPDES Permit, and shall result in a **\$100.00 Performance Deficiency Deduction** per site, per occurrence.
 2. Contractor shall be solely responsible for payment of any fines, or costs of any cleanup or enforcement action that may result from Contractor's failure to adhere to this specification.

- F. The contractor shall provide National Pollutant Discharge Elimination System (NPDES) Permit training for Urban Runoff management to Contractor's employees and subcontractors if any. Failure to provide Urban Runoff management training is a violation of Order No. R8-2002-0011, NPDES No. CAS 618033 (Municipal Separate Storm Sewer System NPDES Permit), Section XI.I, for each day of which such failure occurs, and shall in addition, be a breach of the contract with the City of Coachella (City). Contractor understands and agrees that NPDES Permit violations are grounds for enforcement action by the Environmental Protection Agency, the State/Regional Water Resources Control Board and the City and may result in permit termination (stop work order), civil and criminal fines, and termination of contract. **By submitting a proposal, the Contractor certifies to the City that he has trained his employees and subcontractors, if any, for Urban Runoff Management,** and included sufficient sums in his base compensation proposal amount to cover such costs of said training.

SIDEWALK / HARDSCAPE AREA CLEANING

Contractor shall maintain and clean any accumulated sand, gravel, grass and plant clippings or debris on all sidewalk and hardscape areas within the Landscape Maintenance Area boundaries. All surfaces will be raked or swept after litter and/or weeds are removed. This shall be performed on a continuous basis. See Frequency Schedule.

DRAINAGE FACILITIES

The Contractor shall be responsible for continual inspection of surface drains, V-ditches, located within the landscaped areas. Surface drains shall be checked and maintained free of obstruction and debris at all times to assure proper drainage. Remove any debris or vegetation that might accumulate at the inlet to prevent proper flow of water. See also **LITTER CONTROL/DEBRIS REMOVAL** Section above

GREEN WASTE

The Contractor shall compost all appropriate green waste removed from City landscape areas at an approved facility where green waste is converted to a usable soil amendment. If any compost is used in the execution of the landscape maintenance contract, it must be from a facility that receives and composts City of Coachella green waste. Said products shall be approved by the City or his designee

before use. The Contractor shall submit verification of recycling City of Coachella green waste as part of the Contractor's monthly report.

IRRIGATION MAINTENANCE

The controlling factor in the performance of water management within the City landscape maintenance area is the application of water to landscape plants at a rate that closely matches the demands of plants with little or no runoff. Plant health, roadway safety and water conservation are the primary reasons for proper irrigation maintenance. Contractor shall maintain strict adherence to specification requirements. The format for inspection and repairs are as follows:

- A. The entire irrigation system, including all components beginning at the meter shall be maintained in an operational state at all times, if LLMD budget allows (City will notify). This coverage shall include, but not be limited to: all City-owned valves, backflow devices, piping, electrical wiring, heads, emitters, filters, and pumps.
- B. All irrigation systems shall be tested based upon the following schedule: October 1 to April 30 – every two weeks, and weekly from May 1 to September 30. Contractor shall include irrigation testing in the monthly and yearly schedule. All irrigation checks will include irrigation controller operation.
- C. All systems shall be kept in adjustment to ensure proper coverage, and prevention of excessive run-off or erosion. Adjustments shall include, but not be limited to: actual head adjustment, cleaning and flushing of lines, heads, and filter screens as well as obstructions within these components. Costs for adjustments shall be included in the contractual costs for operation and maintenance of the irrigation system.
- D. All damage resulting from the Contractor's maintenance operations including but not limited to: the Contractor's failure to properly maintain the system, shall be repaired or replaced prior to the end of the work day or as directed by City Engineer or his designee at the Contractor's expense.
- E. Repairs to the irrigation system shall be divided into two categories as follows:
 1. Minor repairs shall include but not be limited to: any piping under 2" in diameter, all lateral lines regardless of size, risers, exposed electrical connections, washers, seals, adjusting pins, and repair or replacement of emitters or sprinkler heads of 1/2" inlet size or less. The cost for minor repair labor and materials shall be included in the contractual costs for operation and maintenance of the irrigation system. In the case of minor repairs due to acts of vandalism or third parties, Contractor may charge for necessary materials at Contractor's cost plus 15%, per **SPECIFIC TERMS & CONDITIONS - EXTRA WORK, Subsection 1.E.**

2. Major repairs shall include all mainline pipe regardless of size, controllers, backflow and pressure regulators, mainline control wires, valves, solenoids and diaphragms, all sprinkler heads of ¾" inlet size and bigger. The cost for labor and materials for major repairs shall be considered Extra Work above and beyond the contract.
- F. Contractor shall make minor repairs to the irrigation system within twenty-four (24) hours of noticing, or receiving notification of, conditions in need of correction. When Contractor discovers, or is notified of major irrigation damage during normal business hours, the Contractor will submit an estimate form showing approximate material costs and not-to-exceed costs for labor. This form shall be signed by the City Engineer or his designee and shall serve as written approval. Repairs to damage discovered or reported outside of normal business hours/days, shall be repaired within eight (8) hours of discovery/notification, and a written estimate submitted at the start of the next business day. Failure to repair irrigation systems within time frames specified above shall result in a **\$100 Performance Deficiency Deduction** per site for each day that Deficiency remains uncorrected beyond deadline.
- G. Repairs or replacements to the irrigation system shall be made with like parts. No substitutions shall be allowed without written approval of the City.
- H. Prior to commencement of the contract, the City Engineer or his designee and the Contractor will perform an irrigation inspection. After a specified time frame for corrections the irrigation system will be turned over to the Contractor for contract maintenance. See also **MANDATORY INITIAL INSPECTION** Section above.
- I. The City will perform routine inspections of the irrigation system to ensure accuracy of the Contractor's inspection reports. If discrepancies are found, the City shall construe this as a performance deficiency and implement payment reduction as specified in the section pertaining to **Performance Deficiencies Deductions from payment**.
- J. The City reserves the right to supply any or all parts for irrigation repairs.
- K. The Contractor shall return irrigation parts that have been replaced due to damage or malfunction to the City Engineer or his designee.
- L. The Contractor is responsible for adjusting sprinkler heads and valve boxes to a level that will prevent damage by maintenance equipment or pedestrian traffic. Damage caused by improper height adjustment will be repaired by the Contractor at no cost to the City. The Contractor shall be responsible for all damage done to irrigation components as well as any plant material affected by Contractors personnel or equipment during maintenance operations.
- M. The Contractor shall provide personnel fully trained in all phases of irrigation operation, adjustments and repairs for irrigation systems used in the City landscape maintenance area. The Contractor shall provide personnel capable of communicating with City representatives at a proficient level of English.

- N. All controller scheduling and operations are the responsibility of the Contractor, including but not limited to seasonal adjustment of run day and run time schedules.

Water Management

All designated landscape areas shall at all times receive irrigation in amounts adequate to promote normal, healthy growth of plant material. Contractor shall be responsible for delivery of water by means of automatic or manually operated irrigation sprinkler systems, quick couplers, hose bibbs, or water tank, as specific site and/or weather conditions require.

Water Management Requirements are as follows:

- A. All systems shall be adjusted weekly and as needed to maintain healthy plant material and water conservation.
- B. All program changes shall be recorded on the irrigation schedule.
- C. Contractor shall submit a report of irrigation system maintenance and management monthly for each of the landscape areas under this contract. Said report shall be included with Contractor's monthly maintenance report. See also **SPECIFIC TERMS & CONDITIONS – CONTRACTOR'S WORK SCHEDULES, Subsection B.3.**
- D. Controller program is to be sufficient to maintain a healthy landscape without excessive water use.
- E. Contractor shall manually operate automatic irrigation systems rendered inoperable for any reason in a manner that supports normal, healthy growth of plant material. Costs for such extraordinary operation shall be included in the contractual costs for operation and maintenance of the irrigation system.
- F. Controller programs shall incorporate the following conditions:
 - a. Meet City water management requirements per Municipal Code Chapter 13.04 – *Water Service Systems*.
 - b. Avoid weekend water when possible.
 - c. Maximize repeat operations (where and when possible).
 - d. Minimize station run times.
 - e. Reflect actual evapotranspiration (E.T.) requirements.
 - f. Reflect actual requirements of soil and plants.
 - g. Eliminate runoff onto streets, sidewalks, and other non-target areas.
 - h. Deep Soaking shall be defined as the application of sufficient quantities of water to maintain reasonable health vigor of plants. Quantities of water shall be sufficient to allow for deep water penetration and encouragement of deep rooting of the plants.
 - i. Provide sufficient time for soil to dry out between irrigations.
 - j. Maximum community use of City property.
 - k. Reference Coachella Valley Water Districts(CVWD) watering guidelines

EXTRA WORK

During the course of the contract period, additional services, labor and materials, beyond those specified in the contract may be required and performed on a time and material or unit price basis. Such work will be billed according to the Extra Work pricing schedule provided as part of this contract. The Contractor may notify the City of the need for Extra Work and/or the City may request Extra Work. The City will issue a Work Request upon which the Contractor will provide estimated labor, material and/or unit price costs. The Contractor must have a signed work order from the City Engineer or his designee before beginning work.

The Contractor shall provide twenty-four- (24) hour emergency service, with prompt correction or mitigation of emergency damage when notified of an occurrence. An emergency that is causing a hazard to the public or property must be responded to within one (2) hours. Failure to do so may result in monetary deductions from the monthly billing. Work should be limited to the level required to mitigate an emergency and further repairs shall be completed during normal working hours. Extra work will be a separate item from normal contractual duties. The Contractor is expected to complete the contractual duties as specified on schedule and extra work shall not interfere with or delay these duties.

1. In the event the Contractor is required by the City and agrees to perform extra work, the following procedure shall govern such work as well as the Greenbook Standard Specifications for Public Works Construction 2006 Edition Section 3-3:
 - A. Work will be executed under the direction of the Contractor's maintenance supervisor on a time and materials basis or an agreed lump sum price depending on the nature of the work.
 - B. When required by the City Representative, a written estimate of cost will be submitted for approval and issuance of a purchase order prior to work being done. The Contractor shall maintain records sufficient to distinguish the direct cost of said extra work from cost of other operations. The Contractor shall furnish reports of extra work on forms furnished by the contractor, itemizing all costs for labor, materials, and equipment. The report shall include hours worked. The following procedure will govern such extra work:
 - C. City will issue work request for such extra work to be performed.
 - D. Extra work may include, but is not limited to, the following:
 - a. Changing Light Fixtures
 - b. Changing light bulbs
 - c. Installing hardware
 - d. Repairs due to vandalism – **Material Cost Only for Minor Irrigation Repairs – See IRRIGATION MAINTENANCE, Subsection E.1.**

- E. Material cost shall be actual cost not to exceed 15% for the handling of materials purchased by the Contractor and used for the extra work.
Extra work must be approved by the City in writing.

GUARANTEE AND / OR REPLACEMENT POLICY

All new plant material and irrigation installation shall be guaranteed for a period of one calendar year except due to “Acts of God, “i.e., damage or death of plant material due to wind or storm, or vandalism, theft, or other willful acts over which the maintenance contractor has no control. Existing plants shall be replaced by Contractor if they die due to Contractor’s negligence.

Landscape District Map

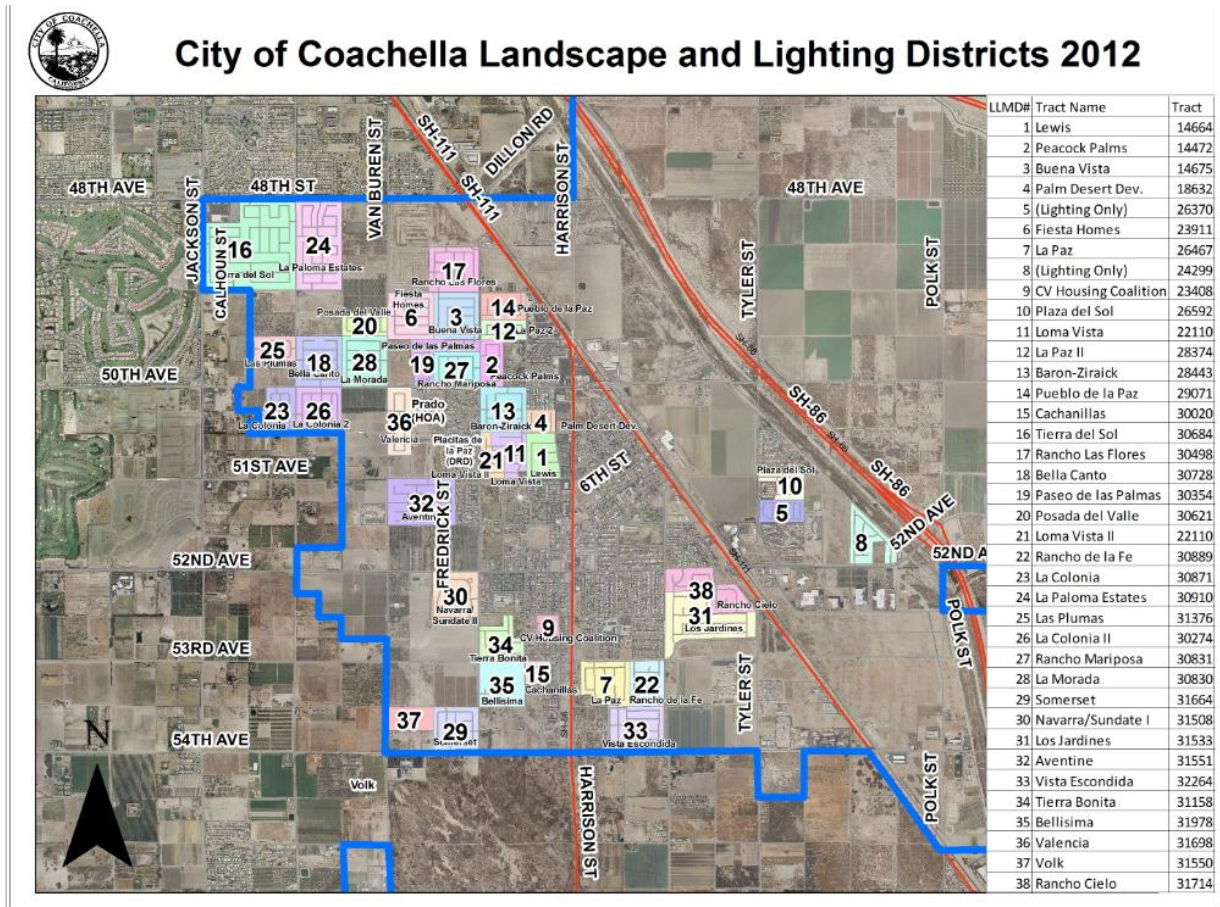


EXHIBIT “B”

SCHEDULE OF MAINTENANCE SERVICES

REFER TO SUBMITTED RFP DOCUMENTS

Monthly Schedule Sheet

	Monday	Tuesday	Wednesday	Thursday	Friday
Week #1	Mow/Edge/Trim Turf – 20 hrs Monthly Walk – 2 hrs Weed Abatement – 2 hrs Debris/Litter Removal – 2 hrs Irrigation Check – 4 hrs Inspect Pests – 2 hrs Prune/Trim Shrubs/GC – 40 hrs	Mow/Edge/Trim Turf – 20 hrs Weed Abatement – 2 hrs Debris/Litter Removal – 2 hrs Irrigation Check – 4 hrs Inspect Pests – 2 hrs Prune/Trim Shrubs/GC – 40 hrs	Mow/Edge/Trim Turf – 20 hrs Weed Abatement – 2 hrs Debris/Litter Removal – 2 hrs Irrigation Check – 4 hrs Inspect Pests – 2 hrs Prune/Trim Shrubs/GC – 40 hrs Greenwaste recycling – 3 hrs	Mow/Edge/Trim Turf – 20 hrs Weed Abatement – 2 hrs Debris/Litter Removal – 2 hrs Irrigation Check – 4 hrs Inspect Pests – 2 hrs Prune/Trim Shrubs/GC – 40 hrs	Weed Abatement – 2 hrs Debris/Litter Removal – 2 hrs Irrigation Check – 4 hrs Inspect Pests – 2 hrs Prune/Trim Shrubs/GC – 40 hrs Greenwaste recycling – 3 hrs
Week #2	Mow/Edge/Trim Turf – 20 hrs Monthly Walk – 2 hrs Weed Abatement – 2 hrs Debris/Litter Removal – 2 hrs Irrigation Check – 4 hrs Inspect Pests – 2 hrs Prune/Trim Shrubs/GC – 40 hrs	Mow/Edge/Trim Turf – 20 hrs Weed Abatement – 2 hrs Debris/Litter Removal – 2 hrs Irrigation Check – 4 hrs Inspect Pests – 2 hrs Prune/Trim Shrubs/GC – 40 hrs	Mow/Edge/Trim Turf – 20 hrs Weed Abatement – 2 hrs Debris/Litter Removal – 2 hrs Irrigation Check – 4 hrs Inspect Pests – 2 hrs Prune/Trim Shrubs/GC – 40 hrs Greenwaste recycling – 3 hrs	Mow/Edge/Trim Turf – 20 hrs Weed Abatement – 2 hrs Debris/Litter Removal – 2 hrs Irrigation Check – 4 hrs Inspect Pests – 2 hrs Prune/Trim Shrubs/GC – 40 hrs	Weed Abatement – 2 hrs Debris/Litter Removal – 2 hrs Irrigation Check – 4 hrs Inspect Pests – 2 hrs Prune/Trim Shrubs/GC – 40 hrs Greenwaste recycling – 3 hrs
Week #3	Mow/Edge/Trim Turf – 20 hrs Monthly Walk – 2 hrs Weed Abatement – 2 hrs Debris/Litter Removal – 2 hrs Irrigation Check – 4 hrs Inspect Pests – 2 hrs Prune/Trim Shrubs/GC – 40 hrs	Mow/Edge/Trim Turf – 20 hrs Weed Abatement – 2 hrs Debris/Litter Removal – 2 hrs Irrigation Check – 4 hrs Inspect Pests – 2 hrs Prune/Trim Shrubs/GC – 40 hrs	Mow/Edge/Trim Turf – 20 hrs Weed Abatement – 2 hrs Debris/Litter Removal – 2 hrs Irrigation Check – 4 hrs Inspect Pests – 2 hrs Prune/Trim Shrubs/GC – 40 hrs Greenwaste recycling – 3 hrs	Mow/Edge/Trim Turf – 20 hrs Weed Abatement – 2 hrs Debris/Litter Removal – 2 hrs Irrigation Check – 4 hrs Inspect Pests – 2 hrs Prune/Trim Shrubs/GC – 40 hrs	Weed Abatement – 2 hrs Debris/Litter Removal – 2 hrs Irrigation Check – 4 hrs Inspect Pests – 2 hrs Prune/Trim Shrubs/GC – 40 hrs Greenwaste recycling – 3 hrs
Week #4	Mow/Edge/Trim Turf – 20 hrs Monthly Walk – 2 hrs Weed Abatement – 2 hrs Debris/Litter Removal – 2 hrs Irrigation Check – 4 hrs Inspect Pests – 2 hrs Prune/Trim Shrubs/GC – 40 hrs Camera downloads – 8 hrs	Mow/Edge/Trim Turf – 20 hrs Weed Abatement – 2 hrs Debris/Litter Removal – 2 hrs Irrigation Check – 4 hrs Inspect Pests – 2 hrs Prune/Trim Shrubs/GC – 40 hrs Camera downloads – 8 hrs	Mow/Edge/Trim Turf – 20 hrs Weed Abatement – 2 hrs Debris/Litter Removal – 2 hrs Irrigation Check – 4 hrs Inspect Pests – 2 hrs Prune/Trim Shrubs/GC – 40 hrs Report Prep – 4 hrs Greenwaste recycling – 3 hrs	Mow/Edge/Trim Turf – 20 hrs Weed Abatement – 2 hrs Debris/Litter Removal – 2 hrs Irrigation Check – 4 hrs Inspect Pests – 2 hrs Prune/Trim Shrubs/GC – 40 hrs	Weed Abatement – 2 hrs Debris/Litter Removal – 2 hrs Irrigation Check – 4 hrs Inspect Pests – 2 hrs Prune/Trim Shrubs/GC – 40 hrs Crew Training – 4 hrs Greenwaste recycling – 3 hrs

Annual Schedule Sheet

<p>January</p> <p>Check tree stakes/cinch ties – 8 hours Prune/trim shrubs/groundcovers – 800 hours Weed abatement – 40 hours</p>	<p>February</p> <p>Turf fertilization – 100 hours Prune/trim shrubs/groundcovers – 800 hours Weed abatement – 40 hours Check/clean controllers/sensors – 16 hours Preventative maintenance Basins 35/31/16 – 120 hours</p>	<p>March</p> <p>Check tree stakes/cinch ties – 8 hours Prune/trim shrubs/groundcovers – 800 hours Weed abatement – 40 hours Pre-emergent shrub/gc/trees – 120 hours Backflow inspection – 16 hours Check/refill fert.gation areas – 24 hours</p>
<p>April</p> <p>Fertilization shrub/gc – 120 hours Prune/trim shrubs/groundcovers – 800 hours Weed abatement – 40 hours Camera maintenance – 40 hours</p>	<p>May</p> <p>Check tree stakes/cinch ties – 8 hours Overseeding – 100 hours Scalping – 100 hours Aeration – 100 hours Verticut – 100 hours Prune/trim shrubs/groundcovers – 800 hours Weed abatement – 40 hours Check/clean controllers/sensors – 16 hours</p>	<p>June</p> <p>Turf fertilization – 100 hours Prune trees <15' – 24 hours Prune/trim shrubs/groundcovers – 800 hours Weed abatement – 40 hours Backflow inspection – 16 hours Check/refill fertigation areas – 24 hours</p>
<p>July</p> <p>Check tree stakes/cinch ties – 8 hours Prune/trim shrubs/groundcovers – 800 hours Weed abatement – 40 hours Preventative maintenance Basins 35/31/16 – 120 hours</p>	<p>August</p> <p>Prune/trim shrubs/groundcovers – 800 hours Weed abatement – 40 hours Check/clean controllers/sensors – 16 hours</p>	<p>September</p> <p>Check tree stakes/cinch ties – 8 hours Prune/trim shrubs/groundcovers – 800 hours Weed abatement – 40 hours Fertilization shrub/gc – 120 hours Backflow inspection – 16 hours Check/refill fertigation areas – 24 hours Pre-emergent shrub/gc/trees – 120 hours</p>
<p>October</p> <p>Overseeding – 100 hours Scalping – 100 hours Aeration – 100 hours Verticut – 100 hours Prune/trim shrubs/groundcovers – 800 hours Weed abatement – 40 hours Camera maintenance – 40 hours</p>	<p>November</p> <p>Turf fertilization – 100 hours Pre-emergent shrub/gc/trees – 120 hours Check tree stakes/cinch ties – 8 hours Prune/trim shrubs/groundcovers – 800 hours Weed abatement – 40 hours Check/clean controllers/sensors – 16 hours</p>	<p>December</p> <p>Prune trees <15' – 24 hours Prune/trim shrubs/groundcovers – 800 hours Weed abatement – 40 hours Backflow inspection – 16 hours Check/refill fertigation areas – 24 hours</p>

*Exact month for fall overseeding, scalping, aeration, verticut and fertilization will depend on average daily/nightly temperatures.

171

Annual Treatment –

Frequency of Service:

Turf Care: Mow/Edge/Trim – Weekly
Aeration – Bi-Annually (Spring & Fall)

Tree Care: Annual Trim
Monthly Monitoring

Shrub Care: Prune/Trim/ – Monthly

Ground Cover: Prune/Trim – Monthly

Irrigation: Monitor/Analyze – Weekly
Irrigation system will be checked on a weekly basis for all service levels. Irrigation system should be maintained in a working order at all times.

Weed Control: Abatement/Prevention – Monthly


Debris/Litter: Removal – Weekly

Turf Fertilization: Application – Three (3) times per year (February, June & October)

Shrub/Ground Cover Fertilization: Application – Two (2) times per year (April & September)

Pre-Emergent Ground covers, shrubs & trees – Pesticide usage criteria: Application – Two (2) times per year (Spring & Fall)

Reports


Signature Acknowledging Service Level

Traffic Safety

Some Urban Habitat crew members have attended and have satisfactorily completed training on the CA MITCD and meet the requirements of CSO 1599.

Crews are advised to park company vehicles out of traffic lanes when possible.

Urban Habitat has all traffic safety signs, cones, and required safety equipment.

Traffic safety, and its importance, is part of Urban Habitat's routine safety topics.

Communications

Administration:

All admin personnel have company cell phone capability and can be reached 24-hours a day by clients and staff

Office:

Urban Habitat provided a toll-free number to both the public, and its employees and clients. All clients have a direct contact to a supervisor and have a direct line to the office.

Crews:

All landscape crew foreman have cell phone capability and have 24-hours/7-days per week emergency response capabilities.

All irrigation technicians have cell phone capability and have 24-hours/7-days per week emergency response capabilities.

Greenwaste Recycling

All green\waste is hauled to a local greenwaste recycling facility, a minimum of twice weekly.

Greenwaste tonnage is recorded and submitted for proper reporting.

All greenwaste is recycled and re-used as soil amendment and seed topper.

Greenwaste Recycling center:

Coachella Valley Compost
87011 Landfill Road
Coachella, CA 92236
(760) 863-4364

EXHIBIT "C"

COMPENSATION

REFER TO SUBMITTED RFP DOCUMENTS

PERFORMANCE BONDS ARE NOT NECESSARY FOR THE MAINTENANCE AGREEMENT

PRICE FOR SERVICE SCHEDULE

Area No.	Estimated Maintenance Area (Square Feet)	Est. # of Palms	Est. # of Trees	Price Per Month Landscape	Price Annually Landscape	Annual Tree Trimming	Palm Trimming Per Palm	Other Tree Trimming Per Tree	Total Annual Cost
Area 1	10,904	0	00	128.67	1544.04				1544.04
Area 2	10,571	0	0	16.08	192.96				192.96
Area 3	14,358	5	27	168.88	2026.56				2026.56
Area 4	3,168	0	0	129.00	1548.00				1548.00
Area 5									
Area 6	114,057	0	0	402.08	4824.96				4824.96
Area 7	61,369	0	22	130.00	1560.00				1560.00
Area 8									
Area 9	4,618	0	0	80.00	960.00				960.00
Area 10	27,021	0	0	16.00	192.00				192.00
Area 11	2,382	0	2	136.71	1640.52				1640.52
Area 12	3,150	0	8	136.00	1632.00				1632.00
Area 13	85,922	29	13	402.50	4830.00				4830.00
Area 14	49,770	0	33	160.00	1920.00				1920.00
Area 15	31,991	0	29	161.00	1932.00				1932.00

Area 16	423,188	141	370	5629.17	67550.04			67550.04
Area 17	187,237	19	51	1045.40	12544.80			12544.80
Area 18	169,290	67	54	1608.00	19296.00			19296.00
Area 19	66,855	0	54	643.30	7719.60			7719.60
Area 20	98,750	7	29	1045.45	12545.40			12545.40
Area 21	13,978	0	6	40.00	480.82			480.82
Area 22	99,850	7	37	1125.00	13,500.00			13,500.00
Area 23	113,300	4	82	1200.00	14400.00			14400.00
Area 24	368,680	171	151	9041.67	96500.04			96500.04
Area 25	47,789	22	7	1040.00	12480.00			12480.00
Area 26								
Area 27	40,510	9	9	6268.00	75216.00			75216.00
Area 28	141,993	5	68	1528.00	18336.00			18336.00
Area 29	77,417	60	64	884.00	10608.00			10608.00
Area 30	70,343	28	67	905.00	11,580.00			11,580.00
Area 31	285,169	8	65	2,010.00	24,120.00			24,120.00
Area 32	221,660	35	90	1849.50	22194.00			22194.00
Area	285,460	54	145	5066.25	60795.00			60795.00

33								
Area 34	83,930	00	00	1042.50	12,510.00			12,510.00
Area 35	102,903	33	47	1300.25	14,475.00			14,475.00
Area 36	61,600	51	36	800.00	9,600.00			9,600.00
Area 37								
Area 38	210,890	1	43	2400.00	28800.00			28800.00
Totals	3,597,940	756	1609	47504.41	570,050.00			

For each District, write the price your firm proposes to charge per month & per year.

PROPOSING FIRM: Urban Habitat Environmental Landscapes
 (Company Name)

CONTRACTOR'S PROPOSAL CONTINUES ON NEXT PAGE

CONTRACTOR'S PROPOSAL (CONTINUED)

THE FOLLOWING PRICES ARE HEREBY MADE A PART OF THIS AGREEMENT

A. Prices for Emergency Work, Extra Work, Vandalism Repair. See also: **General Terms & Conditions – Protection of Property B.4. Specific Terms & Conditions – Tree Maintenance H; Turfgrass Maintenance A.2.; Irrigation Maintenance E. and F.; Extra Work.**

UNIT PRICES

1.	1 gal. shrub/vine/ground cover in place	@	\$ <u>13.00</u>	ea.
2.	5 gal. shrub/vine/ground cover in place	@	\$ <u>22.00</u>	ea.
3.	5 gal. tree in place (stakes incl)	@	\$ <u>37.00</u>	ea.
4.	15 gal. tree in place (stakes incl)	@	\$ <u>119.00</u>	ea.
5.	24" box tree in place (stakes incl)	@	\$ <u>327.50</u>	ea.
6.	36" box tree in place (guy wires incl)	@	\$ <u>730.00</u>	ea.
7.	Flat of ground cover in place	@	\$ <u>32.00</u>	ea.
8.	Planter bed mulch in place	@	\$ <u>86.00</u>	/cu. yd.
9.	Stabilized D.G. Brimstone or Desert Gold	@	\$ <u>76.00</u>	/cu. yd.
10.	Grey Crestline Boulders 2' x 3'	@	\$ <u>68.50</u>	ea.
11.	Grey Crestline Boulders 3' x 4'	@	\$ <u>79.00</u>	ea.

PROPOSER:

Urban Habitat Environmental Landscapes, Theresa Phumka, Pres. 3.20.17
(Company Name, Signature and Date)

CONTRACTOR'S PROPOSAL CONTINUES ON NEXT PAGE

CONTRACTOR'S PROPOSAL (CONTINUED)

THE FOLLOWING PRICES ARE HEREBY MADE A PART OF THIS AGREEMENT

B. Prices for Emergency Work, Extra Work, Vandalism Repair, Additional Work Functions. See also: **General Terms & Conditions – Protection of Property B.4. Specific Terms & Conditions – Tree Maintenance H; Turfgrass Maintenance A.2.; Irrigation Maintenance E. and F.; Extra Work.**

TIME & MATERIAL PRICES

- 1. Emergency Call Out @ \$ 100.00 /man hr.
 - 2. Security Camera Downloads/Reports @ \$ 75.00 /man hr.
 - 3. Online Irrigation Monitoring/Reports @ \$ 75.00 /man hr.
 - 4. Arborist Reports @ \$ 150.00 /man hr.
 - 5. Extra Work Labor @ \$ 24.00 /man hr.
 - 6. Extra Work Emergency Labor @ \$ 28.00 /man hr.
 - 7. Extra Work Supervision @ \$ 68.00 /man hr.
 - 8. Extra Work Emergency Supervision @ \$ 68.00 /man hr.
 - 9. Extra Work Irrigation Technician @ \$ 63.00 /man hr.
 - 10. Extra Work Emergency Irrigation Technician @ \$ 45.00 /man hr.
 - 11. Extra Work Materials (See **Specific Terms & Conditions- Extra Work, 1.E.**) @ Cost + 15%
 - 12. Extra Work – Tree Trimming @ \$ 39.00 /man hr.
Or \$ 255.00 /per tree
 - 13. Extra Work – Tree Removal @ \$ 39.00 /man hr.
Or \$ 450.00 /per tree
- C. Unit prices for Additions/Deletions to City Landscape Areas, per **General Terms & Conditions-ADDITIONS/DELETIONS TO CITY LANDSCAPE AREAS**
- 1. Additional parkway areas, planters (trees, shrubs, ground cover included, as applicable). \$ 0.14 /sq. ft./mo.

- 2. Additional parkway areas, turf (trees, shrubs, ground cover included, as applicable). \$ 0.15 /sq. ft./mo.
- 3. Additional retention basins/open space areas, planters (trees, shrubs, ground cover included, as applicable). \$ 0.14 /sq. ft./mo.
- 4. Additional retention basins/open space areas, turf (trees, shrubs, ground cover included, as applicable). \$ 0.14 /sq. ft./mo.
- 5. Install 1" water service and meter box. Unit price includes traffic control, excavation, pavement and concrete replacement, hot-tap of main, corporation stop, meter box, and all work related to the installation of a new service from the existing water main to the water meter location at the back of the curb.
\$ 1500.00 each
- 6. Remove and replace concrete curb and gutter per City Standard #S-7.
\$ 55.00 /lf.
- 7. Remove and replace concrete sidewalk per City Standard #S-25.
\$ 10.00 /sq. ft.

PROPOSER: Urban Habitat Env. Landscapes, Thomas Pneuman, President 3.20.17
(Company Name, Signature and Date)

CONTRACTOR'S PROPOSAL CONTINUES ON NEXT PAGE



STAFF REPORT
6/24/2020

TO: Honorable Mayor and City Council Members

FROM: Nathan Statham, Finance Director

SUBJECT: Investment Report – April 2020

STAFF RECOMMENDATION:

Staff recommends that the City Council receive and file the investment report for April of 2020.

EXECUTIVE SUMMARY:

On April 10, 2019, 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 periods ending April 30, 2020. 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 April 30, 2020
 Fiscal Year 2019-2020

Item 10.

DESCRIPTION	CURRENT YIELD	BALANCE AS OF 3/31/2020	NET: DEPOSITS/ (WITHDRAWALS)	INTEREST EARNED / CHANGE IN VALUE	PAYMENT OF INTEREST	PAYMENT OF PRINCIPAL	BALANCE AS OF 4/30/2020
CASH ON HAND							
Wells Fargo-General Checking	0.00%	11,122,025.62	(1,957,810.12)	-	-	-	9,164,215.50 ①
Wells Fargo-Road Maintenance SB1	0.00%	1,180,391.89	79,905.97	-	-	-	1,260,297.86 ②
Mechanics Bank - Payroll Acct	0.00%	8,750.44	85.50	-	2.36	-	8,838.30 ③
Mechanics Bank - AG Summit Acct	0.00%	13,562.96	-	-	-	-	13,562.96 ④
Mechanics Bank - Special Gas Tax Acct	0.00%	749,643.20	(399,245.98)	-	-	-	350,397.22 ⑤
Petty Cash	N/A	3,500.00	-	-	-	-	3,500.00 ⑥
Total Cash on Hand		13,077,874.11	(2,277,064.63)	-	2.36	-	10,800,811.84
INVESTMENTS							
State of California - LAIF	1.65%	4,727,007.64	-	-	23,790.29	-	4,750,797.93 ⑦
Investment Management Acct	2.22%	20,145,052.56	160,482.61	-	-	-	20,305,535.17 ⑧
Saving Account	0.00%	5,080.09	-	-	-	-	5,080.09 ⑨
County of Riverside - Investment Pool	2.22%	164,354.21	-	185.50	-	-	164,539.71
Total Investments		25,041,494.50	160,482.61	185.50	23,790.29	-	25,225,952.90
CASH WITH FISCAL AGENT							
Union Bank of California	2.10%	261,645.30	-	79.84	(235,962.51)	-	25,762.63 ⑩
Wells Fargo Bank, N.A.	varies	13,656.12	(309.32)	5.54	-	-	13,352.34 ⑪
Total Cash with Fiscal Agent		261,645.30	(309.32)	85.38	(235,962.51)	-	39,114.97
Grand Total		38,381,013.91	(2,116,891.34)	270.88	(212,169.86)	-	36,065,879.71

Completed By: Ruben Ramirez - Accounting Manager

Reviewed By: Nathan Statham-Finance Director

CITY OF COACHELLA
 TREASURER'S REPORT - INVESTMENT REPORT
 As of April 30, 2020
 Fiscal Year 2019-2020

Item 10.

DESCRIPTION	CURRENT YIELD	BALANCE AS OF 3/31/2020	NET: DEPOSITS/ (WITHDRAWALS)	INTEREST EARNED / CHANGE IN VALUE	PAYMENT OF INTEREST	PAYMENT OF PRINCIPAL	BALANCE AS OF 4/30/2020
INVESTMENTS							
STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND (LAIF)							
Successor Agency (#004)	1.65%	2,462.95	-	-	12.40	-	2,475.35
City General Account (#171)	1.65%	2,853,516.11	-	-	14,361.30	-	2,867,877.41
Coachella Sanitary District	1.65%	1,870,905.47	-	-	9,415.97	-	1,880,321.44
Redevelopment Bonds	1.65%	123.11	-	-	0.62	-	123.73
TOTAL LAIF ACCOUNTS		4,727,007.64	-	-	23,790.29	-	4,750,797.93 ⑦
INVESTMENT MANAGEMENT ACC							
PFM Funds	2.22%	20,145,052.56	160,482.61	-	-	-	20,305,535.17
TOTAL INVESTMENT MANAGEMENT ACCT		20,145,052.56	160,482.61	-	-	-	20,305,535.17 ⑧
SAVINGS ACCOUNT							
Police Evidence Acct - Wells Fargo	0.0%	5,080.09	-	-	-	-	5,080.09
TOTAL SAVINGS ACCOUNT		5,080.09	-	-	-	-	5,080.09 ⑨
COUNTY OF RIVERSIDE							
County Of Riverside - Fire	1.15%	164,346.76	-	185.49	-	-	164,532.25
County Of Riverside - Sanitary	1.15%	7.45	-	0.01	-	-	7.46
TOTAL COUNTY OF RIVERSIDE		164,354.21	-	185.50	-	-	164,539.71 ⑩
TOTAL INVESTMENTS		25,041,494.50	160,482.61	185.50	23,790.29	-	25,225,952.90

CITY OF COACHELLA
 TREASURER'S REPORT - INVESTMENT REPORT
 As of April 30, 2020
 Fiscal Year 2019-2020

Item 10.

DESCRIPTION	CURRENT YIELD	BALANCE AS OF 3/31/2020	NET: DEPOSITS/ (WITHDRAWALS)	INTEREST EARNED / CHANGE IN VALUE	PAYMENT OF INTEREST	PAYMENT OF PRINCIPAL	BALANCE AS OF 4/30/2020
CASH WITH FISCAL AGENT							
UNION BANK OF CALIFORNIA							
COACHELLA WATER AUTHORITY							
<u>CITY OF COACHELLA WATER: WATER REFUNDING BONDS 2012 SERIES</u>							
A/C #: 6712016201 Bond Fund	0.21%	44.67	-	-	-	-	44.67
A/C #: 6712016202 Interest Account	0.21%	-	-	-	-	-	-
A/C #: 6712016203 Principal Account	0.21%	-	-	-	-	-	-
A/C #: 6712016204 Reserve Fund	0.21%	1.00	-	-	-	-	1.00
COACHELLA FINANCING AUTHORITY							
<u>Successor Agency to the Coachella Redevelopments Agency 2014 Series</u>							
A/C #: 6712104701 Debt Service Fund	0.21%	40.69	6.55	-	-	-	47.24
A/C #: 6712104702 Interest Account	0.21%	-	(6.55)	6.55	-	-	-
A/C #: 6712104703 Principal Account	0.21%	-	-	-	-	-	-
A/C #: 6712104704 Reserve Account	0.21%	1.00	-	-	-	-	1.00
COACHELLA SANITARY DISTRICT							
<u>WASTEWATER SERIES 2015A</u>							
A/C #: 6712148601 Bond Fund	0.21%	1.00	8.40	-	-	-	9.40
A/C #: 6712148602 Interest Account	0.21%	70,962.51	(2.82)	2.82	(70,962.51)	-	-
A/C #: 6712148603 Principal Account	0.21%	165,000.00	(5.58)	5.58	(165,000.00)	-	-
A/C #: 6712148604 Reserve Account	0.21%	1.00	-	-	-	-	1.00
A/C #: 6712148605 Redemption Fund	0.21%	-	-	-	-	-	-
<u>COACHELLA SANITARY DISTRICT: PROJECT FUND 2011</u>							
A/C #: 6711963500 Project Fund 2011	0.21%	25,238.16	-	14.95	-	-	25,253.11

CITY OF COACHELLA
 TREASURER'S REPORT - INVESTMENT REPORT
 As of April 30, 2020
 Fiscal Year 2019-2020

Item 10.

DESCRIPTION	CURRENT YIELD	BALANCE AS OF 3/31/2020	NET: DEPOSITS/ (WITHDRAWALS)	INTEREST EARNED / CHANGE IN VALUE	PAYMENT OF INTEREST	PAYMENT OF PRINCIPAL	BALANCE AS OF 4/30/2020
COACHELLA SUCCESSOR AGENCY							
<u>MERGED PROJECT AREAS BONDS 98 & 99: BONDS 2013</u>							
A/C #: 6712071401 Interest Account	0.21%	13.20	2.34	-	-	-	15.54
A/C #: 6712071402 Interest Account	0.21%	-	(2.34)	2.34	-	-	-
A/C #: 6712071403 Principal Account	0.21%	-	-	-	-	-	-
A/C #: 6712071404 Reserve Account	0.21%	1.00	-	-	-	-	1.00
<u>SA TO COACHELLA RDA REFUNDING BONDS SERIES 2016A & 2016B</u>							
A/C #: 6712160601 Debt Service	0.21%	103.48	17.02	-	-	-	120.50
A/C #: 6712160602 Interest Account	0.21%	-	(17.02)	17.02	-	-	-
A/C #: 6712160604 Principal Account	0.21%	-	-	-	-	-	-
A/C #: 6712160604 Reserve Account	0.21%	1.00	-	-	-	-	1.00
<u>COACHELLA LEASE BONDS 2016</u>							
A/C #: 6712179801 Interest Account	0.21%	105.76	-	-	-	-	105.76
A/C #: 6712179802 Interest Account	0.21%	-	-	-	-	-	-
A/C #: 6712179803 Principal Account	0.21%	-	-	-	-	-	-
A/C #: 6712179804 Reserve Account	0.21%	1.00	-	-	-	-	1.00
A/C #: 6712179805 Project Fund	0.21%	129.83	-	30.58	-	-	160.41
TOTAL UNION BANK OF CALIFORNIA		261,645.30	-	79.84	(235,962.51)	-	25,762.63 ⑩
WELLS FARGO BANK, N.A.							
<u>GAS TAX BONDS SERIES 2019</u>							
A/C #: 83925300 Debt Service Fund	1.10%	13,345.23	-	5.38	-	-	13,350.61
A/C #: 83925301 Interest Account	0.00%	-	-	-	-	-	-
A/C #: 83925302 Principal Account	0.00%	-	-	-	-	-	-
A/C #: 83925304 Reserve Fund	0.00%	-	-	-	-	-	-
A/C #: 83925305 Cost of Issuance Fund	0.00%	1.73	-	-	-	-	1.73
A/C #: 83972700 Escrow Account	0.00%	-	-	-	-	-	-
A/C #: 83972700 Other Escrow Fund	0.00%	-	-	-	-	-	-
TOTAL WELLS FARGO BANK, N.A.		13,656.12	(309.32)	5.54	-	-	13,352.34 ⑪
TOTAL CASH WITH FISCAL AGENT		275,301.42	(309.32)	85.38	(235,962.51)	-	39,114.97

Managed Account Detail of Securities Held

For the Month Ending **April 30, 2020**

CITY OF COACHELLA - OPERATING PORTFOLIO - 995343 - (14201484)

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note												
US TREASURY NOTES DTD 03/31/2017 1.875% 03/31/2022		912828W89	115,000.00	AA+	Aaa	08/01/18	08/03/18	111,226.56	2.82	182.63	113,025.72	118,647.66
US TREASURY NOTES DTD 03/31/2017 1.875% 03/31/2022		912828W89	600,000.00	AA+	Aaa	09/04/18	09/06/18	582,304.69	2.75	952.87	590,499.98	619,031.28
US TREASURY NOTES DTD 07/31/2015 2.000% 07/31/2022		912828XQ8	250,000.00	AA+	Aaa	08/30/17	08/31/17	253,095.70	1.74	1,250.00	251,415.92	260,000.00
US TREASURY NOTES DTD 07/31/2017 1.875% 07/31/2022		9128282P4	430,000.00	AA+	Aaa	04/02/18	04/05/18	418,846.88	2.51	2,015.63	424,197.27	445,990.63
US TREASURY NOTES DTD 09/30/2015 1.750% 09/30/2022		912828L57	335,000.00	AA+	Aaa	06/04/18	06/06/18	321,325.19	2.76	496.55	327,351.82	347,248.44
US TREASURY N/B NOTES DTD 10/31/2017 2.000% 10/31/2022		9128283C2	275,000.00	AA+	Aaa	05/02/18	05/04/18	265,826.17	2.80	14.95	269,895.97	287,031.25
US TREASURY NOTES 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	109.38	24,240.93	26,027.35
US TREASURY NOTES 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	1,314.13	502,956.87	538,362.50
US TREASURY NOTES DTD 03/31/2016 1.500% 03/31/2023		912828O29	185,000.00	AA+	Aaa	02/08/19	02/12/19	178,185.35	2.44	235.04	180,191.79	191,764.06
US TREASURY NOTES 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	437.50	135,547.34	144,418.75
US TREASURY NOTES 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	4,505.77	357,711.00	385,563.30
US TREASURY NOTES 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	4,086.27	453,972.88	489,900.00
US TREASURY N/B DTD 12/31/2018 2.625% 12/31/2023		9128285U0	70,000.00	AA+	Aaa	01/30/19	01/31/19	70,207.81	2.56	615.87	70,155.02	75,906.25
US TREASURY N/B NOTES 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	35.60	657,419.45	698,496.06

Managed Account Detail of Securities Held

For the Month Ending April 30, 2020

CITY OF COACHELLA - OPERATING PORTFOLIO - 995343 - (14201484)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY N/B DTD 07/31/2017 2.125% 07/31/2024	9128282N9	125,000.00	AA+	Aaa	08/01/19	08/05/19	126,933.59	1.80	664.06	126,647.05	134,375.00
US TREASURY N/B NOTES DTD 08/31/2017 1.875% 08/31/2024	9128282U3	450,000.00	AA+	Aaa	09/03/19	09/05/19	461,724.61	1.33	1,421.54	460,186.64	479,601.54
US TREASURY NOTES DTD 10/02/2017 2.125% 09/30/2024	9128282Y5	295,000.00	AA+	Aaa	10/01/19	10/03/19	303,815.43	1.50	530.96	302,795.66	317,954.69
US TREASURY N/B DTD 11/30/2017 2.125% 11/30/2024	9128283J7	425,000.00	AA+	Aaa	01/03/20	01/07/20	434,844.73	1.63	3,775.36	434,211.89	459,132.81
US TREASURY N/B DTD 11/30/2017 2.125% 11/30/2024	9128283J7	580,000.00	AA+	Aaa	12/02/19	12/04/19	591,917.19	1.69	5,152.25	590,943.16	626,581.25
US TREASURY N/B DTD 02/17/2015 2.000% 02/15/2025	912828J27	415,000.00	AA+	Aaa	03/02/20	03/04/20	438,003.32	0.85	1,732.97	437,265.79	447,032.81
Security Type Sub-Total		6,705,000.00					6,676,434.37	2.11	29,529.33	6,710,632.15	7,093,065.63
Supra-National Agency Bond / Note											
INTER-AMERICAN DEVELOPMENT BANK NOTE DTD 04/19/2018 2.625% 04/19/2021	4581X0DB1	225,000.00	AAA	Aaa	04/12/18	04/19/18	224,505.00	2.70	196.88	224,840.57	229,767.08
INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 07/25/2018 2.750% 07/23/2021	459058GH0	270,000.00	AAA	Aaa	07/18/18	07/25/18	269,368.20	2.83	2,021.25	269,741.27	277,791.66
Security Type Sub-Total		495,000.00					493,873.20	2.77	2,218.13	494,581.84	507,558.74
Municipal Bond / Note											
CA ST TXBL GO BONDS 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	193,299.56	197,396.70
Security Type Sub-Total		190,000.00					193,801.90	1.87	380.00	193,299.56	197,396.70
Federal Agency Collateralized Mortgage Obligation											

Managed Account Detail of Securities Held

For the Month Ending April 30, 2020

CITY OF COACHELLA - OPERATING PORTFOLIO - 995343 - (14201484)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Collateralized Mortgage Obligation											
FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/01/2021	3136B1XP4	73,129.26	AA+	Aaa	04/11/18	04/30/18	74,583.86	2.93	216.95	73,711.10	73,832.16
FHLMC MULTIFAMILY STRUCTURED P DTD 05/01/2015 2.791% 01/01/2022	3137BHXY8	170,000.00	AA+	Aaa	05/16/19	05/21/19	171,062.50	2.54	395.39	170,677.96	173,179.94
FHLMC MULTIFAMILY STRUCTURED P DTD 11/01/2015 2.716% 06/01/2022	3137BLUR7	100,000.00	AA+	Aaa	04/02/19	04/05/19	100,250.00	2.63	226.33	100,165.00	102,427.73
FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	3137BM6P6	100,000.00	AA+	Aaa	04/04/18	04/09/18	100,851.56	2.88	257.50	100,444.43	103,614.94
FHLMC MULTIFAMILY STRUCTURED P 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	101,148.28	102,975.11
FANNIEMAE-ACES DTD 04/01/2014 3.346% 03/01/2024	3136AJB54	131,321.67	AA+	Aaa	12/13/19	12/18/19	137,703.09	2.14	366.17	137,141.86	141,993.41
FHMS K043 A2 DTD 03/01/2015 3.062% 12/25/2024	3137BGK24	110,000.00	AA+	Aaa	03/19/20	03/25/20	115,448.44	1.97	280.68	115,332.32	119,578.44

Security Type Sub-Total		784,450.93					801,376.01	2.38	1,935.27	798,620.95	817,601.73
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Federal Agency Bond / Note											
FEDERAL HOME LOAN BANKS NOTES DTD 10/12/2018 3.000% 10/12/2021	3130AF5B9	205,000.00	AA+	Aaa	02/27/19	02/27/19	207,503.05	2.52	324.58	206,382.16	213,030.67
FANNIE MAE NOTES DTD 01/09/2017 2.000% 01/05/2022	3135G0S38	995,000.00	AA+	Aaa	06/27/17	06/29/17	1,001,358.05	1.85	6,412.22	997,364.53	1,023,191.34
FANNIE MAE NOTES DTD 01/11/2019 2.625% 01/11/2022	3135G0U92	200,000.00	AA+	Aaa	01/09/19	01/11/19	199,856.00	2.65	1,604.17	199,918.54	207,833.40
FANNIE MAE NOTES DTD 04/10/2017 1.875% 04/05/2022	3135G0T45	465,000.00	AA+	Aaa	06/27/17	06/29/17	464,930.25	1.88	629.69	464,971.80	478,834.22
FREDDIE MAC NOTES 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	502,475.61	536,397.00
FANNIE MAE NOTES 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	329,529.44	356,923.71

Managed Account Detail of Securities Held

For the Month Ending April 30, 2020

CITY OF COACHELLA - OPERATING PORTFOLIO - 995343 - (14201484)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Bond / Note											
FEDERAL HOME LOAN BANKS NOTES 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	194,158.95	209,770.83
FANNIE MAE NOTES DTD 10/18/2019 1.625% 10/15/2024	3135G0W66	250,000.00	AA+	Aaa	10/22/19	10/23/19	249,122.50	1.70	180.56	249,214.64	261,708.75
FANNIE MAE NOTES DTD 01/10/2020 1.625% 01/07/2025	3135G0X24	400,000.00	AA+	Aaa	03/04/20	03/05/20	414,876.00	0.84	2,004.17	414,396.67	419,488.80
FEDERAL FARM CREDIT BANK NOTES DTD 04/09/2020 1.150% 04/09/2025	3133ELWC4	250,000.00	AA+	Aaa	04/09/20	04/13/20	250,000.00	1.15	175.69	250,000.00	250,449.75
FEDERAL HOME LOAN BANK NOTES 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	41.67	199,016.16	198,838.80
FANNIE MAE NOTES 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	31.60	259,466.46	260,073.58

Security Type Sub-Total		4,245,000.00					4,274,561.69	1.87	20,284.56	4,266,894.96	4,416,540.85
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Corporate Note

BANK OF NEW YORK MELLON CORP (CALLABLE) DTD 02/19/2016 2.500% 04/15/2021	06406FAA1	200,000.00	A	A1	09/05/17	09/07/17	203,460.00	2.00	222.22	200,856.25	203,011.80
BANK OF AMERICA CORP NOTE DTD 04/19/2016 2.625% 04/19/2021	06051GFW4	180,000.00	A-	A2	11/01/17	11/03/17	181,348.20	2.40	157.50	180,376.81	182,779.38
GOLDMAN SACHS GROUP CORP NOTES DTD 07/27/2011 5.250% 07/27/2021	38141GGO1	160,000.00	BBB+	A3	11/03/17	11/07/17	175,342.40	2.53	2,193.33	165,106.60	167,076.96
CITIGROUP INC CORP (CALLABLE) NOTE DTD 12/08/2016 2.900% 12/08/2021	172967LC3	180,000.00	BBB+	A3	11/20/17	11/22/17	181,229.40	2.72	2,073.50	180,472.39	183,512.16
IBM CORP BONDS DTD 01/27/2017 2.500% 01/27/2022	459200JO5	400,000.00	A	A2	02/01/17	02/03/17	400,840.00	2.45	2,611.11	400,293.70	410,508.40
APPLE INC CORP NOTES DTD 02/09/2017 2.500% 02/09/2022	037833CM0	440,000.00	AA+	Aa1	01/07/19	01/09/19	433,470.40	3.01	2,505.56	436,239.83	455,211.68

Managed Account Detail of Securities Held

For the Month Ending April 30, 2020

CITY OF COACHELLA - OPERATING PORTFOLIO - 995343 - (14201484)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
BB&T CORP (CALLABLE) NOTES 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	183,349.47	189,759.50
UNITED PARCEL SERVICE CORP NOTES DTD 09/27/2012 2.450% 10/01/2022	911312AQ9	275,000.00	A	A2	03/01/18	03/05/18	268,545.75	3.00	561.46	271,589.41	285,610.88
ADOBE INC CORP NOTE 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	415.56	99,874.02	102,478.50
PFIZER INC CORP NOTES DTD 03/11/2019 2.950% 03/15/2024	717081ES8	260,000.00	AA-	A1	04/02/19	04/04/19	263,146.00	2.69	980.06	262,461.78	279,141.98
WALMART INC CORPORATE NOTES 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	369,423.61	387,887.76
WALT DISNEY COMPANY/THE DTD 09/06/2019 1.750% 08/30/2024	254687FK7	195,000.00	A-	A2	09/03/19	09/06/19	194,204.40	1.83	597.19	194,308.44	198,050.58
Security Type Sub-Total		2,935,000.00					2,954,249.70	2.55	15,961.95	2,944,352.31	3,045,029.58
Certificate of Deposit											
BANK OF NOVA SCOTIA HOUSTON CD DTD 06/07/2018 3.080% 06/05/2020	06417GU22	320,000.00	A-1	P-1	06/05/18	06/07/18	319,878.40	3.10	3,997.16	319,982.35	320,721.92
BANK OF MONTREAL CHICAGO CERT DEPOS DTD 08/03/2018 3.190% 08/03/2020	06370REU9	325,000.00	A-1	P-1	08/01/18	08/03/18	325,000.00	3.19	7,775.63	325,000.00	327,267.53
WESTPAC BANKING CORP NY CD DTD 08/07/2017 2.050% 08/03/2020	96121T4A3	330,000.00	A-1+	P-1	08/03/17	08/07/17	330,000.00	2.05	1,578.50	330,000.00	331,241.13
SUMITOMO MITSUI BANK NY CERT DEPOS DTD 10/18/2018 3.390% 10/16/2020	86565BPC9	185,000.00	A-1	P-1	10/16/18	10/18/18	184,748.40	3.45	261.31	184,942.02	187,301.96
SWEDBANK (NEW YORK) CERT DEPOS DTD 05/16/2019 2.270% 11/16/2020	87019U6D6	370,000.00	A-1	P-1	11/16/17	11/17/17	370,000.00	2.24	3,849.54	370,000.00	372,739.85
MUFG BANK LTD/NY CERT DEPOS DTD 02/28/2019 2.970% 02/26/2021	55379WZT6	185,000.00	A-1	P-1	02/27/19	02/28/19	185,000.00	2.94	992.06	185,000.00	188,198.65
CREDIT AGRICOLE CIB NY CERT DEPOS DTD 04/04/2019 2.830% 04/02/2021	22535CDU2	250,000.00	A-1	P-1	04/03/19	04/04/19	250,000.00	2.83	491.32	250,000.00	254,280.75

Managed Account Detail of Securities Held

For the Month Ending April 30, 2020

CITY OF COACHELLA - OPERATING PORTFOLIO - 995343 - (14201484)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Certificate of Deposit											
SOCIETE GENERALE NY CERT DEPOS DTD 02/19/2020 1.800% 02/14/2022	83369XDL9	190,000.00	A	A1	02/14/20	02/19/20	190,000.00	1.80	684.00	190,000.00	189,084.20
NORDEA BANK ABP NEW YORK CERT DEPOS DTD 08/29/2019 1.850% 08/26/2022	65558TLL7	280,000.00	AA-	Aa3	08/27/19	08/29/19	280,000.00	1.84	935.28	280,000.00	284,394.04
SKANDINAV ENSKILDA BANK LT CD DTD 09/03/2019 1.860% 08/26/2022	83050PDR7	295,000.00	A+	Aa2	08/29/19	09/03/19	295,000.00	1.85	990.71	295,000.00	299,696.70
DNB BANK ASA/NY LT CD 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	1,207.85	145,000.00	148,173.04

Security Type Sub-Total		2,875,000.00					2,874,626.80	2.48	22,763.36	2,874,924.37	2,903,099.77
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Asset-Backed Security

HAROT 2019-1 A3 DTD 02/27/2019 2.830% 03/20/2023	43814WAC9	100,000.00	AAA	NR	02/19/19	02/27/19	99,997.32	2.83	102.19	99,998.10	102,113.62
HYUNDAI AUTO RECEIVABLES TRUST DTD 04/10/2019 2.660% 06/15/2023	44932NAD2	80,000.00	AAA	NR	04/03/19	04/10/19	79,989.47	2.66	94.58	79,992.14	81,475.61
HAROT 2019-2 A3 DTD 05/29/2019 2.520% 06/21/2023	43815MAC0	100,000.00	NR	Aaa	05/21/19	05/29/19	99,996.27	2.52	70.00	99,997.12	102,207.75
TAOT 2019-A A3 DTD 02/13/2019 2.910% 07/15/2023	89239AAD5	150,000.00	AAA	Aaa	02/05/19	02/13/19	149,972.67	2.91	194.00	149,980.18	153,306.36
ALLYA 2019-1 A3 DTD 02/13/2019 2.910% 09/15/2023	02004WAC5	65,000.00	NR	Aaa	02/05/19	02/13/19	64,992.15	2.91	84.07	64,994.23	66,291.28
NAROT 2019-A A3 DTD 02/13/2019 2.900% 10/15/2023	65479KAD2	120,000.00	NR	Aaa	02/05/19	02/13/19	119,981.82	2.90	154.67	119,986.54	122,213.52
COPAR 2019-1 A3 DTD 05/30/2019 2.510% 11/15/2023	14042WAC4	100,000.00	AAA	Aaa	05/21/19	05/30/19	99,979.74	2.51	111.56	99,983.93	101,915.63
NAROT 2019-B A3 DTD 05/28/2019 2.500% 11/15/2023	65479HAC1	105,000.00	NR	Aaa	05/21/19	05/28/19	104,976.26	2.51	116.67	104,981.19	106,852.54

Managed Account Detail of Securities Held

For the Month Ending **April 30, 2020**

CITY OF COACHELLA - OPERATING PORTFOLIO - 995343 - (14201484)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Asset-Backed Security											
HAROT 2020-1 A3 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	104,980.30	106,114.29
TAOT 2020-A A3 DTD 02/12/2020 1.660% 05/15/2024	89232HAC9	140,000.00	AAA	Aaa	02/04/20	02/12/20	139,989.89	1.66	103.29	139,990.40	141,655.85
CARMX 2020-1 A3 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	99,981.48	100,926.67
Security Type Sub-Total		1,165,000.00					1,164,835.39	2.43	1,161.99	1,164,865.61	1,185,073.12
Managed Account Sub-Total		19,394,450.93					19,433,759.06	2.22	94,234.59	19,448,171.75	20,165,366.12
Money Market Mutual Fund											
PFM Funds - Govt Select, Instl Cl		140,169.05	AAAm	NR			140,169.05		0.00	140,169.05	140,169.05
Money Market Sub-Total		140,169.05					140,169.05		0.00	140,169.05	140,169.05
Securities Sub-Total		\$19,534,619.98					\$19,573,928.11	2.22%	\$94,234.59	\$19,588,340.80	\$20,305,535.17
Accrued Interest											\$94,234.59
Total Investments											\$20,399,769.76



STAFF REPORT
6/24/2020

TO: Honorable Mayor and City Council Members

FROM: Cástulo R. Estrada

SUBJECT: Policy on Discontinuation of Residential Water Service

STAFF RECOMMENDATION:

It is recommended that the City Council (Board of Directors) adopt the proposed Policy on Discontinuation of Residential Water Service.

DISCUSSION/ANALYSIS:

In fall 2018, former Governor Jerry Brown signed SB 998, the Water Shutoff Protection Act (the “Act” or “SB 998”). The purpose of the Act was to provide additional procedural protections to residential water customers before the discontinuation of water service. The Act is codified at Health & Safety Code § 116900, et seq. and expands on existing procedural safeguards contained in the Public Utilities Code and Government Code relating to utility service disconnections.

Under Senate Bill 998, the City (Coachella Water Authority) must adopt a written policy on discontinuation of water service for nonpayment and make it available on the City’s website. The policy must be available in English, Spanish, Chinese, Tagalog, Vietnamese, and Korean. The policy must contain the following information:

1. A plan for deferred or reduced payments;
2. Alternative payment schedules;
3. A formal mechanism for a customer to contest or appeal a bill; and
4. A telephone number for a customer to contact to discuss options for averting discontinuation of residential service for nonpayment.

The attached “Policy on Discontinuation of Residential Water Service” has been reviewed by legal counsel and determined to be compliant with Senate Bill 998.

In addition to requiring the City to adopt a policy on the discontinuation of water service for nonpayment, the Act defines specific procedural requirements that must be undertaken by the City before a customer may have service terminated for nonpayment.

The procedural requirements:

- **Sixty (60) Days Required Before Discontinuation of Service**

Current practice would permit the City to terminate service for nonpayment about 45 days after the bill was rendered. This procedural requirement will extend the termination day about 25 days, to 70 days after the bill was rendered.

- **City Unable to Contact Customer or Adult at the Residence**

If the City is unable to make contact with the customer, the City must make a good faith effort to visit the residence and leave, or make arrangements for placement in a conspicuous place, (a) a notice of imminent discontinuation of service for nonpayment and (b) a copy of the water system's policy on discontinuation for nonpayment. The City will provide this notice 48 hours prior to termination of service.

- **Limit on Reconnection Fees for Low-Income Customers**

If a customer demonstrates that he or she has a household income below 200% of the federal poverty level, the City must limit the customer's reconnection fees to no more than \$50 during regular business hours, and \$150 during non-regular hours. Customers that claim to meet the 200% standard will be referred to the City's customer Emergency Assistance Program to apply for assistance and verify their eligibility.

- **Waiver of Interest for Low-Income Customers**

If a customer demonstrates that he or she has a household income below 200% of the federal poverty level the City must waive the interest charges on delinquent bills once every twelve months.

- **Annual Reporting**

The City will be required to annually report to the State Water Resources Control Board the number of times service is discontinued due to inability to pay. This information must also be posted on the City's website. The City does not assess income levels and is unable to determine the circumstances that lead to disconnection due to inability to pay, but staff will report all disconnections.

FISCAL IMPACT:

In a calendar year on average there are approximately 2,400 instances where domestic service was terminated for nonpayment. If the recommendations are adopted, staff expects the City to see increased expenses per year to provide the additional notice 48 hours prior to termination of service.

These requirements may require the addition to staff personnel in the Water Department as we anticipate the need to provide notice 48 hours prior to termination to a large number of customers will take a significant amount of time.

Staff expects a minimal loss of revenue due to the service reconnection fee being lowered for customers 200% or below the federal poverty line.

POLICY ON DISCONTINUATION OF RESIDENTIAL WATER SERVICE

Adopted by the City Council of the City of Coachella on June xx, 2020

1. **Application of Policy.** This Policy on Discontinuation of Residential Water Service (this “Policy”) shall apply to all City accounts for residential water service, but shall not apply to any accounts for non-residential service. To the extent this Policy conflicts with any other rules, regulations, or policies of the City, this Policy shall control.

2. **Contact Information.** For questions or assistance regarding your water bill, the City’s Customer Service staff can be reached at (760) 398-2702. Customers may also visit the City’s Customer Service desk in person Monday through Thursday, from 7:00 a.m. to 6:00 p.m., except on City holidays.

3. **Billing Procedures.** Water service charges are payable to the City once every month or at such other frequency as determined by the City Council from time to time. All bills for water service are due and payable [ten (10) days] after mailing by the City. Any bills not paid within such period are considered delinquent.

4. **Discontinuation of Water Service for Nonpayment.** If a bill is delinquent for at least sixty (60) days, the City may discontinue water service to the service address.

4.1 Written Notice to Customer. The City will provide a mailed notice to the customer of record at least fifteen (15) days before discontinuation of water service. The notice will contain:

- (a) the name and address of the customer;
- (b) the amount of the delinquency;
- (c) the date by which payment or payment arrangements must be made to avoid discontinuation of service;
- (d) the procedure by which the customer may initiate a complaint or request an investigation or appeal concerning service or charges;
- (e) a description of the procedure by which the customer may request an alternative payment arrangement, which may include an extension, amortization, alternative payment schedule, or payment reduction;
- (f) the procedure for the customer to obtain information on financial assistance, if applicable; and
- (g) the telephone number where the customer may request a payment arrangement or receive additional information from the City.

4.2 Written Notice to Occupants or Tenants.

(a) The City will also send a notice to the occupants living at the service address at least ten (10) days before discontinuation of water service under the following circumstances: (1) the City furnishes individually metered service to a single-

family dwelling, multi-unit residential structure, mobile home park, or farm labor camp and the owner, manager, or operator is the customer of record; or (2) the customer of record's mailing address is not the same as the service address. The notice will be addressed to "Occupant," will contain the information required in Section 4.1 above, and will inform the residential occupants that they have the right to become customers of the City without being required to pay the amount due on the delinquent account. Terms and conditions for occupants to become customers of the City are provided in Section 8 below.

(b) If the City furnishes water through a master meter in a multi-unit residential structure, mobile home park, or permanent residential structures in a labor camp and the owner, manager, or operator is the customer of record, the City will make a good faith effort to inform the occupants, by means of written notice posted on the door of each residential unit at least fifteen (15) days prior to termination, that the account is in arrears and the service will be terminated on a date specified in the notice. If it is not reasonable or practicable to post the notice on the door of each unit, the City will post two (2) copies of the notice in each accessible common area and at each point of access to the structure or structures. The notice will inform the residential occupants that they have the right to become customers of the City without being required to pay the amount due on the delinquent account. The notice will also specify what the occupants are required to do in order to prevent termination of, or to reestablish service; the estimated monthly cost of service; the title, address, and telephone number of a representative of the City who can assist the occupants in continuing service; and the address or telephone number of a qualified legal services project that has been recommended by the local county bar association. Terms and conditions for occupants to become customers of the City are provided in Section 8 below.

4.3 In-Person or Telephonic Notice. The City will also make a reasonable, good faith effort to contact the customer of record or adult person living at the premises of the customer in person or by telephone at least seven (7) days before discontinuation of service. The City will offer to provide in writing a copy of this Policy and to discuss options to avert discontinuation of water service for nonpayment, including the possibility of an extension or other payment arrangement.

4.4 Posting of Notice at Service Address. If the City is unable to make contact with the customer or an adult person living at the service address in person or by telephone, the City will make a good faith effort to leave a notice of imminent discontinuation of residential service and a copy of this Policy in a conspicuous place at the service address. The notice and copy of this Policy will be left at the residence at least forty-eight (48) hours before discontinuation of service. The notice will include:

- (a) the name and address of the customer;
- (b) the amount of the delinquency;
- (c) the date by which payment or payment arrangements must be made to avoid discontinuation of service;

- (d) the procedure for the customer to obtain information on financial assistance, if applicable; and
- (e) the telephone number where the customer may request a payment arrangement or receive additional information from the City.

4.5 Circumstances Under Which Service Will Not Be Discontinued. The City will not discontinue residential water service for nonpayment under the following circumstances:

- (a) During an investigation by the City of a customer dispute or complaint under Section 5.1 below;
- (b) During the pendency of an appeal to the City Council under Section 5.3 below; or
- (c) During the period of time in which a customer's payment is subject to a City-approved extension, amortization, alternative payment schedule, or reduction under Section 6 below, and the customer remains in compliance with the approved payment arrangement.

4.6 Circumstances Under Which Service Through a Master Meter Will Not Be Discontinued. If the City furnishes water through a master meter in a multi-unit residential structure, mobile home park, or permanent residential structures in a labor camp and the owner, manager, or operator of the dwelling, structure, or park is the customer of record, the City will not discontinue residential water service for nonpayment under the following circumstances:

- (a) When the customer's indebtedness is owed to another public agency, or when the obligation represented by the delinquent account or indebtedness was incurred with any public agency other than the City's water utility;
- (b) If a delinquent account relates to another property owned, managed, or operated by the customer;
- (c) If a public health or building officer certifies that termination would result in a significant threat to the health or safety of the residential occupants or the public.

4.7 Special Medical and Financial Circumstances Under Which Services Will Not Be Discontinued.

- (a) The City will not discontinue water service if all of the following conditions are met:
 - (i) The customer, or a tenant of the customer, submits to the City the certification of a licensed primary care provider that discontinuation of water service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential service is provided;
 - (ii) The customer demonstrates that he or she is financially unable to pay for residential service within the City's normal billing cycle. The customer is deemed financially unable to pay during the normal billing cycle if: (a) any member of the customer's household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or (b) the customer declares under penalty of perjury that the household's annual income is less than 200 percent of the federal poverty level; and
 - (iii) The customer is willing to enter into an alternative payment arrangement, including an extension, amortization, alternative payment schedule, or payment reduction with respect to the delinquent charges.
- (b) For any customers who meet all of the above conditions, the City shall offer the customer one of the following options, to be selected by the City in its discretion: (1) an extension of the payment period; (2) amortization of the unpaid balance; (3) an alternative payment schedule; or (4) a reduced payment. The City's Finance Director will select the most appropriate payment arrangement, taking into consideration the information and documentation provided by the customer, as well as the City's payment needs.
- (c) The customer is responsible for demonstrating that the conditions in subsection (a) have been met. Upon receipt of documentation from the customer, the City will review the documentation within seven (7) days and: (1) notify the customer of the alternative payment arrangement selected by the City and request the customer's signed assent to participate in that alternative arrangement; (2) request additional information from the customer; or (3) notify the customer that he or she does not meet the conditions in subsection (a).

- (d) The City may discontinue water service if a customer who has been granted an alternative payment arrangement under this section fails to do any of the following for sixty (60) days or more: (a) to pay his or her unpaid charges by the extended payment date; (b) to pay any amortized amount due under the amortization schedule; (c) to pay any amount due under an alternative payment schedule; (d) to pay the reduced payment amount by its due date; or (e) to pay his or her current charges for water service. The City will post a final notice of intent to disconnect service in a prominent and conspicuous location at the service address at least five (5) business days before discontinuation of service. The final notice will not entitle the customer to any investigation or review by the City.

4.8 Time of Discontinuation of Service. The City will not discontinue water service due to nonpayment on a Saturday, Sunday, legal holiday, or at any time during which the City's office is not open to the public.

4.9 Restoration of Service. Customers whose water service has been discontinued may contact the City by telephone or in person regarding restoration of service. Restoration shall be subject to payment of: (a) any past-due amounts, including applicable interest or penalties; (b) any reconnection fees, subject to the limitations in Section 7.1, if applicable; (c) and a security deposit, if required by the City.

5. **Procedures to Contest or Appeal a Bill.**

5.1 Time to Initiate Complaint or Request an Investigation. A customer may initiate a complaint or request an investigation regarding the amount of a bill within five (5) days of receiving a disputed bill. For purposes of this Section 5.1 only, a bill shall be deemed received by a customer five (5) days after mailing.

5.2 Review by City. A timely complaint or request for investigation shall be reviewed by a manager of the City, who shall provide a written determination to the customer. The review will include consideration of whether the customer may receive an extension, amortization, alternative payment schedule, or payment reduction under Section 6. The City may, in its discretion, review untimely complaints or requests for investigation; however, such complaints or requests are not subject to appeal.

5.3 Appeal to City Council. Any customer whose timely complaint or request for an investigation pursuant to this Section 5 has resulted in an adverse determination may appeal the determination to the City Council by filing a written notice of appeal with the City Clerk within ten (10) business days of the City's mailing of its determination. Upon receiving the notice of appeal, the City Clerk will set the matter to be heard at an upcoming City Council meeting and mail the customer written notice of the time and place of the hearing at least ten (10) days before the meeting. The decision of the City Council shall be final.

6. Extensions and Other Alternative Payment Arrangements.

6.1 Time to Request an Extension or Other Alternative Payment Arrangement. If a customer is unable to pay a bill during the normal payment period, the customer may request an extension or other alternative payment arrangement described in this Section 6. If a customer submits his or her request within thirteen (13) days after mailing of a written notice of discontinuation of service by the City, the request will be reviewed by a manager of the City. City decisions regarding extensions and other alternative payment arrangements are final and are not subject to appeal to the City Council.

6.2 Extension. If approved by the City, a customer's payment of his or her unpaid balance may be temporarily extended for a period not to exceed six (6) months after the balance was originally due. The City's Finance Director shall determine, in his or her discretion, how long an extension shall be provided to the customer. The customer shall pay the full unpaid balance by the date set by the City and must remain current on all water service charges accruing during any subsequent billing periods. The extended payment date will be set forth in writing and provided to the customer.

6.3 Amortization. If approved by the City, a customer's payment of his or her unpaid balance may be amortized over a period not to exceed twelve (12) months, as determined by the City's Finance Director, in his or her discretion. If amortization is approved, the unpaid balance will be divided by the number of months in the amortization period, and that amount will be added to the customer's monthly bills for water service until fully paid. During the amortization period, the customer must remain current on all water service charges accruing during any subsequent billing periods. The amortization schedule and amounts due will be set forth in writing and provided to the customer.

6.4 Alternative Payment Schedule. If approved by the City, a customer may pay his or her unpaid balance pursuant to an alternative payment schedule that will not exceed twelve (12) months, as determined by the City's Finance Director, in his or her discretion. If approved, the alternative payment schedule may allow periodic lump-sum payments that do not coincide with the City's established payment date or may provide for payments made more or less frequently than the City's regular payment date. During the period of the alternative payment schedule, the customer must remain current on all water service charges accruing during any subsequent billing periods. The alternative payment schedule and amounts due will be set forth in writing and provided to the customer.

6.5 Payment Reduction. The City has partnered up with United Way of the Desert to provide assistance to customers who need help paying their water bill. To apply; call United Way of the Desert at (760) 323-2731 to make an appointment. For general information on the program visit <https://www.coachella.org/Home/ShowDocument?id=3373>

6.6 Failure To Comply. If a customer has been granted a payment arrangement under this Section 6 and fails to: (1) pay the unpaid charges by the extension date; (2) pay an amount due under an amortization schedule; (3) pay an amount due under an alternative payment schedule; or (4) pay a reduced payment amount by its due date, then the City may terminate water service. The City will post a final notice of intent to disconnect service in a prominent and conspicuous location at the service address at least five (5) business days before discontinuation of service. The final notice will not entitle the customer to any investigation or review by the City.

7. **Specific Programs for Low-Income Customers.**

7.1 Reconnection Fee Limits and Waiver of Interest. For residential customers who demonstrate to the City a household income below 200 percent of the federal poverty line, the City will:

- (a) Limit any reconnection fees during normal operating hours to fifty dollars (\$50), and during non-operational hours to one hundred fifty dollars (\$150). The limits will only apply if the City's reconnection fees actually exceed these amounts. These limits are subject to an annual adjustment for changes in the Bureau of Labor Statistics' Consumer Price Index for All Urban Consumers (CPI-U) beginning January 1, 2021.
- (b) Waive interest charges on delinquent bills once every 12 months. The City will apply the waiver to any interest charges that are unpaid at the time of the customer's request.

7.2 Qualifications. The City will deem a residential customer to have a household income below 200 percent of the federal poverty line if: (a) any member of the household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or (b) the customer declares under penalty of perjury that the household's annual income is less than 200 percent of the federal poverty level.

8. **Procedures for Occupants or Tenants to Become Customers of the City.**

8.1 Applicability. This Section 8 shall apply only when the property owner, landlord, manager, or operator of a residential service address is listed as the customer of record and has been issued a notice of intent to discontinue water service due to nonpayment.

8.2 Agreement to City Terms and Conditions of Service. The City will make service available to the actual residential occupants if each occupant agrees to the terms and conditions of service and meets the requirements of the City's rules and regulations. Notwithstanding, if one or more of the occupants are willing and able to assume responsibility for the subsequent charges to the account to the satisfaction of the City, or if there is a physical means, legally available to the City, of selectively

discontinuing service to those occupants who have not met the requirements of the City's rules and regulations, the City shall make service available to the occupants who have met those requirements.

8.3 Verification of Tenancy. To be eligible to become a customer without paying the amount due on the delinquent account, the occupant shall verify that the delinquent account customer of record is or was the landlord, manager, or agent of the dwelling. Verification may include, but is not limited to, a lease or rental agreement, rent receipts, a government document indicating that the occupant is renting the property, or information disclosed pursuant to Section 1962 of the Civil Code, at the discretion of the City.

8.4 Methods of Establishing Credit. If prior service for a period of time is a condition for establishing credit with the City, residence and proof of prompt payment of rent for that period of time is a satisfactory equivalent.

8.5 Deductions from Rental Payment. Pursuant to Government Code Section 60371(d), any occupant who becomes a customer of the City pursuant to this Section 8 and whose periodic payments, such as rental payments, include charges for residential water service, where those charges are not separately stated, may deduct from the periodic payment each payment period all reasonable charges paid to the City for those services during the preceding payment period.

9. **Third Party Notification Service for Seniors and Dependent Adults.** The City will make available, to residential customers who are 65 years or older, or who are dependent adults (as defined in Welfare and Institutions Code Section 15610(b)(1)), a third-party notification service whereby the City will attempt to notify a person designated by the customer to receive notification when the customer's account is past-due and subject to termination. The notification will include information on what is required to prevent termination of service. The City will mail the notification to the designated third party at least ten (10) days before termination of service. To participate, the customer must submit a request for third-party notification on a form provided by the City, and must include the written consent of the designated third party. The notification service does not obligate the third party to pay any overdue charges, nor shall it prevent or delay termination of service.

10. **Language for Certain Written Notices.** All written notices under Section 4 and Section 6.6 of this Policy shall be provided in English, Spanish, Chinese, Tagalog, Vietnamese, Korean, and any other language spoken by ten percent (10%) or more people within the City's service area.

11. **Other Remedies.** In addition to discontinuation of water service, the City may pursue any other remedies available in law or equity for nonpayment of water service charges, including, but not limited to: securing delinquent amounts by filing liens on real property, filing a claim or legal action, or referring the unpaid amount to collections. In the event a legal action is decided in favor of the City, the City shall be entitled to the payment of all costs and expenses, including attorneys' fees and accumulated interest.

12. **Discontinuation of Water Service for Other Customer Violations.** The City reserves the right to discontinue water service for any violations of City ordinances, rules, or regulations other than nonpayment.

13. **Fees and Charges Incurred.** Except as otherwise expressly stated in this Policy, any fees and charges incurred by a customer under any other rules, regulations, or policies of the City, including, but not limited to, delinquent charges, shall be due and payable as set forth therein.

14. **Decisions by City Staff.** Any decision which may be taken by the City's Finance Director under this Policy may be taken by his or her designee.



STAFF REPORT
6/24/2020

TO: Honorable Mayor and City Council Members

FROM: Best Best & Krieger LLP, City Attorney

SUBJECT: Urgency Ordinance No. 1165 Extending the Temporary Moratorium on Evictions due to Non-Payment of Rent or Loan Payments Where the Failure to Pay Results from Income Loss Resulting from the Novel Coronavirus (COVID-19 that was Originally Enacted by City Council Urgency Ordinance No. 1160

STAFF RECOMMENDATION:

Consideration of Urgency Ordinance No.1165 of the City of Coachella, California, Extending a Temporary Moratorium on Evictions Due to Non-Payment of Rent or Loan Payments Where the Failure to Pay Results from Income Loss Resulting from the Novel Coronavirus (Covid-19) **through July 28, 2020.**

DISCUSSION/ANALYSIS:

On March 16, 2020, the Governor of the State of California adopted Executive Order No. N-28-20, that among other things, authorized cities to enact tenant protections.

On March 25, 2020, the City Council adopted Urgency Ordinance No. 1160 (“Urgency Ordinance”), which placed a moratorium on evictions for failure to pay rent between March 25th and May 31st 2020, if the tenant can demonstrate that the tenant is unable to pay rent due to financial impacts related to COVID-19. The Urgency Ordinance includes notification and verification obligations of the tenant to the landlord and defines “financial impacts related to COVID-19.” If the tenant qualifies for relief, the tenant must still pay unpaid rent within six months after the expiration of the local emergency.

On May 28, 2020 the City Manager acting as the Director of Emergency Services issued an Executive Order extending the temporary moratorium on evictions through June 30, 2020, which was ratified and further adopted by City Council Urgency Ordinance No. 1163 on June 10, 2020. Urgency Ordinance Nos. 1160 and 1163 allow the City Council to further extend the temporary moratorium on evictions beyond June 30, 2020.

In the meantime, the Governor issued Executive Order N-66-20, which, in part, extends the City’s ability enact tenant protections through July 28, 2020.

Staff requests that the City Council find that the COVID-19 pandemic and all of its impacts on public health, the economy, and the community at large continue to be felt by the citizens of

Coachella, supporting the need to extend (1) the temporary moratorium on evictions for non-payment of rent by residential tenants impacted by the COVID-19 crisis; (2) the temporary moratorium on evictions for non-payment of rent by commercial tenants impacted by the COVID-19 crisis; and (3) the temporary suspension on ejection of occupant after residential foreclosure, all of which are described in more detail in Urgency Ordinance No. 1160.

The proposed Urgency Ordinance would extend the temporary moratorium on evictions **through July 28, 2020, consistent with the authority granted by the State.**

From now until the extension lapses on July 28, 2020, the City Council and Director of Emergency Services will continue to monitor the situation and may rescinded, modify, or further extend the temporary moratorium on evictions as necessary.

ALTERNATIVES:

1. Do not adopt Urgency Ordinance No.1165
2. Provide additional direction.

FISCAL IMPACT:

None Anticipated.

ATTACHMENT:

1. Urgency Ordinance No. 1165 (Urgency Ordinance No. 1160, May 28, 2020 Executive Order, and Urgency Ordinance No. 1163 are attached.)

URGENCY ORDINANCE NO. 1165

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COACHELLA, CALIFORNIA, EXTENDING THE TEMPORARY MORATORIUM ON EVICTIONS DUE TO NON-PAYMENT OF RENT OR LOAN PAYMENTS WHERE THE FAILURE TO PAY RESULTS FROM INCOME LOSS RESULTING FROM THE NOVEL CORONAVIRUS (COVID-19) THAT WAS ORIGINALLY ENACTED BY CITY COUNCIL URGENCY ORDINANCE NO. 1160 AND EXTENDED BY CITY COUNCIL URGENCY ORDINANCE NO. 1163.

WHEREAS, international, national, state, and local health and governmental authorities are responding to an outbreak of respiratory disease caused by a novel coronavirus named “SARS - CoV-2” and the disease it causes has been named “coronavirus disease 2019,” abbreviated COVID-19 (“COVID-19”); and

WHEREAS, on March 4, 2020, the Governor of the State of California declared a state of emergency to make additional resources available, formalize emergency actions already underway across multiple state agencies and departments, and help the state prepare for broader spread of COVID-19; and

WHEREAS, on March 8, 2020, the Riverside County Health Officer declared a local emergency and local public health emergency to aid the regional healthcare and governmental community in responding to COVID-19; and

WHEREAS, on March 13, 2020, the President of the United States of America declared a national emergency and announced that the federal government would make emergency funding available to assist state and local governments in preventing the spread of and addressing the effects of COVID-19; and

WHEREAS, on March 16, 2020 the Governor of the State of California issued Executive Order N-28-20 temporarily reducing limits on local governments’ ability to impose their own “substantive limitations on residential or commercial evictions” through May 31, 2020; and

WHEREAS, on March 19, 2020, the City Manager, as the City’s Director of Emergency Services, proclaimed the existence of a local emergency to ensure the availability of mutual aid and an effective the City’s response to COVID-19; and

WHEREAS, on March 19, 2020, the Governor of the State of California, also issued Executive Order N-33-20, an Order of the State Public Health Officer ordering all individuals living in California to stay home or at their place of residence except as needed to maintain continuity of operations of outlined federal critical infrastructure sectors; and

WHEREAS, on March 25, 2020 the City Council of the City proclaimed a local emergency regarding COVID-19 and ratified the proclamation of local emergency by the City Manager acting as the City's Director of Emergency Services; and

WHEREAS, the federal Centers for Disease Control and Prevention, the California Department of Health, and the Riverside County Department of Public Health have all issued recommendations including but not limited to social distancing, staying home if sick, canceling or postponing large group events, working from home, and other precautions to protect public health and prevent transmission of this communicable virus; and

WHEREAS, as a result of the public health emergency and the precautions recommended by health authorities, many residential and commercial tenants, as well as homeowners, in Coachella have experienced or expect soon to experience sudden and unexpected income loss; and

WHEREAS, the Governor of the State of California has stated that individuals exposed to COVID-19 may be temporarily unable to report to work due to illness caused by COVID-19 or quarantines related to COVID-19 and individuals directly affected by COVID-19 may experience potential loss of income, health care and medical coverage, and ability to pay for housing and basic needs, thereby placing increased demands on already strained regional and local health and safety resources, including shelters and food banks; and

WHEREAS, local schools are closed to prevent further spread of COVID-19. These school closures will cause children to have to remain at home, leading to many parents adjusting their work schedules to take time off work, whether paid or unpaid. Hourly wage earners are unlikely to be paid for time off. The inability to work due to school closures will economically strain those families who cannot afford to take off time from work to stay at home; and

WHEREAS, eviction of commercial tenants or homeowners would inevitably result in group activities, including but not limited to: packing, loading, transporting, and unloading equipment, materials, and other personal property; inspections; and repairs; and

WHEREAS, the situation is unprecedented and evolving rapidly. Further economic impacts are anticipated, leaving tenants and homeowners vulnerable to eviction; and

WHEREAS, in the interest of public health and safety, as affected by the emergency caused by the spread of COVID-19, on April 8, 2020 the City Council has found it necessary to exercise authority to adopt Urgency Ordinance No. 1160 related to the protection of life and property, to ensure that people shelter in place to prevent the spread of COVID-19. During the COVID-19 pandemic outbreak, affected tenants and homeowners who have lost income due to impact on the economy or their employment may be at risk of homelessness if they are evicted for non-payment as they will have little or no income and thus be unable to secure other housing if evicted; and

WHEREAS, Urgency Ordinance No. 1160 was adopted with the intent that it be temporary in nature, to promote stability and fairness within the residential rental and non-residential real estate markets in the City during the COVID-19 pandemic outbreak, and to prevent avoidable group activities, homelessness and widespread business disruption, thereby serving the public peace, health, safety, and public welfare and to enable tenants and homeowners in the City whose income and ability to work is affected due to COVID-19 to remain in place in their homes and places of business. Urgency Ordinance No. 1160 is attached hereto and incorporated herewith as **Attachment “1”**; and

WHEREAS, people experiencing homelessness are especially vulnerable to the spread of COVID-19 due to an inability to practice social distancing and a lack of access to health care. The Governor has ordered the State to take extraordinary measures to secure shelter for homeless populations during this emergency to limit exposure to and spreading of COVID-19. Widespread evictions of tenants vulnerable to eviction due to financial hardship occurring due to COVID-19 would exacerbate the challenge of sheltering the homeless during this emergency, and increase the risk of spread of COVID-19; and

WHEREAS, businesses and other tenants of non-residential properties will be similarly harmed by having to engage in group activities that will increase their risk of exposure to COVID-19, with significant consequences for the public health, safety, and welfare; and

WHEREAS, promoting stability amongst commercial tenancies is also conducive to public health, allowing businesses to follow the advice and directives of public health officials to close, and allowing employees to avoid public contact, during times of a public health crisis without fear of imminent eviction; and

WHEREAS, the City desires to prohibit evictions due to non-payment of rent for tenants of all types of properties or due to non-payment of loan payments by homeowners where the failure to pay results from income loss resulting from COVID-19; and

WHEREAS, Urgency Ordinance No. 1160 Section 4. *Temporary Effect* provides that the Ordinance remains in effect through May 31, 2020, unless extended by the City Council or the City’s Director of Emergency Services; and

WHEREAS, on May 28, 2020, the Director of Emergency Services issued an Order extending the protections in Urgency Ordinance No. 1160 through June 30, 2020 and this Order was ratified and adopted when the City Council adopted Urgency Ordinance 1163, also extending the eviction protections through June 30, 2020; and

WHEREAS, on May 29, 2020, the Governor of the State of California issued Executive Order N-66-20 which extended the eviction moratorium set forth in Executive Order N-28-20 Section 1 by an additional sixty (60) days through July 28, 2020; and

WHEREAS, the City Manager acting in his capacity as Director of Emergency Services issued an Emergency Executive Order on May 28, 2020 extending the eviction moratorium described in Urgency Ordinance No. 1160 through June 30, 2020, unless modified, superseded,

or rescinded by the City Council or by himself as City’s Director of Emergency Service. The May 28, 2020 Executive Order is attached hereto and incorporated herewith as **Attachment “2”**; and

WHEREAS, the City Council adopted Urgency Ordinance No. 1163 on June 10, 2020 which ratified the May 28, 2020 Executive Order and extended the temporary moratorium on evictions through June 30, 2020. Urgency Ordinance No. 1163 is attached hereto and incorporated herewith as **Attachment “3”**; and

WHEREAS, the COVID-19 pandemic and all of its impacts on public health, the economy, and the community at large continue to be felt by the citizens of Coachella. The Recitals above continue to describe the current situation and the support the need to extend (1) the temporary moratorium on evictions for non-payment of rent by residential tenants impacted by the COVID-19 crisis; (2) the temporary moratorium on evictions for non-payment of rent by commercial tenants impacted by the COVID-19 crisis; and (3) the temporary suspension on ejection of occupant after residential foreclosure, all of which are described in more detail in Urgency Ordinance No. 1160; and

WHEREAS, the City has authority to adopt this Ordinance under the City’s police power and the powers afforded to the city in time of national, state, county and local emergency during an unprecedented health pandemic, such powers being afforded by the State Constitution, State law and the City’s Municipal Code to protect the peace, health, and safety of the public. The Coachella City Council finds that this ordinance is necessary for the preservation of the public peace, health, and safety of residents living within the City and finds urgency to approve this ordinance immediately based on the facts described herein, and detailed in the staff report. Under Government Code Section 8634, this ordinance is necessary to provide for the protection of life and property.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COACHELLA, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Incorporation of Recitals and Attachments. The recitals and Attachments “1” (Urgency Ordinance No. 1160), “2” (May 28, 2020 Executive Order), and “3” (Urgency Ordinance No. 1163) to this Urgency Ordinance are true and correct and this City Council so finds, determines, and represents. Said recitals and Attachments are incorporated herein and made a part of this Urgency Ordinance. Urgency Ordinance No. 1160 shall remain in full force and effect, the only modification being the Temporary Moratorium Extension described in Section 2 of this Urgency Ordinance, below.

SECTION 2. Extension of Temporary Moratorium on Evictions Due to Non-Payment of Rent or Loan Payments Where the Failure to Pay Results from Income Loss Resulting From the Novel Coronavirus (COVID-19) that was Originally enacted by City Council Urgency Ordinance No. 1160. The City Council hereby extends the temporary moratorium on evictions described herein to **July 28, 2020**. This extension may be modified, superseded, or rescinded by the City Council or the City Manager as Director of Emergency Services.

SECTION 3. Severability. If any section, subsection, sentence, clause, phrase or word of this Urgency Ordinance is found to be unconstitutional or otherwise invalid by any court of competent jurisdiction, such decision shall not affect the remaining provisions of this Urgency Ordinance.

SECTION 4. Environmental Review. The City Council finds that adoption and implementation of this Urgency Ordinance is not a “project” for purposes of the California Environmental Quality Act (CEQA), as that term is defined by CEQA guidelines (Guidelines) sections 15061(b)(3), and 15378(b)(5). No new development will result from the proposed action. No impact to the physical environment will result. The City Council also alternatively finds that the adoption and implementation of this Urgency Ordinance is exempt from the provisions of CEQA as an administrative activity by the City of Coachella, in furtherance of its police power, that will not result in any direct or indirect physical change in the environment, per sections 15061(b)(3), and 15378(b)(5) of the CEQA Guidelines, as well as CEQA Guidelines section 15064(e) (economic regulations).

SECTION 5. Urgency Declaration; Effective Date. The City Council **FINDS** and **DECLARES** that the adoption and implementation of this Urgency Ordinance is necessary for the immediate preservation and protection of the public peace, health and safety as detailed above and as the City and public would suffer potentially irreversible displacement of tenants resulting from evictions for failure to pay rent during the COVID-19 crisis. During this local emergency, and in the interest of protecting the public health and preventing transmission of COVID-19, it is essential to avoid unnecessary housing displacement, to protect the City’s affordable housing stock, and to prevent housed individuals from falling into homelessness. Loss of income as a result of COVID-19 may inhibit City residents and businesses from fulfilling their financial obligations, including payment of rent. Under Government Code Section 8634 and the City’s Municipal Code, this Urgency Ordinance is necessary to provide for the protection of life and property for the reasons set out herein. The Council therefore finds and determines that the immediate preservation of the public peace, health and safety, and protection of life and property, require that this Urgency Ordinance be enacted as an urgency ordinance pursuant to Government Code section 36937 and take effect immediately upon adoption by four-fifths of the City Council.

SECTION 6. Publication. The City Clerk shall certify to the adoption of this Urgency Ordinance and cause it, or a summary of it, to be published on the City’s website and published once in a newspaper of general circulation published and circulated within the City.

PASSED, APPROVED and ADOPTED this 24th day of June 2020.

Steven A. Hernandez
Mayor

ATTEST:

Angela M. Zepeda
City Clerk

APPROVED AS TO FORM:

Carlos Campos
City Attorney

CERTIFICATION

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

I, Andrea J. Carranza, Deputy City Clerk of the City of Coachella, California, do hereby certify that Urgency Ordinance No. 1165 is a full, true, and correct copy, and was adopted at a regular meeting of the Coachella City Council on June 24, 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Coachella, California, this 24th day of June 2020.

Andrea J. Carranza, MMC
Deputy City Clerk

ATTACHMENT "1"
ORDINANCE NO. 1160

URGENCY ORDINANCE NO. 1160**AN URGENCY ORDINANCE OF THE CITY OF COACHELLA, CALIFORNIA, ENACTING A TEMPORARY MORATORIUM ON EVICTIONS DUE TO NON-PAYMENT OF RENT OR LOAN PAYMENTS WHERE THE FAILURE TO PAY RESULTS FROM INCOME LOSS RESULTING FROM THE NOVEL CORONAVIRUS (COVID-19), AND SETTING FORTH THE FACTS CONSTITUTING SUCH URGENCY**

WHEREAS, international, national, state, and local health and governmental authorities are responding to an outbreak of respiratory disease caused by a novel coronavirus named “SARS - CoV-2” and the disease it causes has been named “coronavirus disease 2019,” abbreviated COVID-19 (“COVID-19”); and

WHEREAS, on March 4, 2020, the Governor of the State of California declared a state of emergency to make additional resources available, formalize emergency actions already underway across multiple state agencies and departments, and help the state prepare for broader spread of COVID-19; and

WHEREAS, on March 8, 2020, the Riverside County Health Officer declared a local emergency and local public health emergency to aid the regional healthcare and governmental community in responding to COVID-19; and

WHEREAS, on March 13, 2020, the President of the United States of America declared a national emergency and announced that the federal government would make emergency funding available to assist state and local governments in preventing the spread of and addressing the effects of COVID-19; and

WHEREAS, on March 16, the Governor of the State of California issued an Executive Order temporarily reducing limits on local governments’ ability to impose their own “substantive limitations on residential or commercial evictions” through May 31, 2020; and

WHEREAS, on March 19, 2020, the City Manager, as the City’s Emergency Services Director, proclaimed the existence of a local emergency to ensure the availability of mutual aid and an effective the City’s response to COVID-19; and

WHEREAS, on March 19, 2020, the Governor of the State of California, also issued Executive Order N-33-20, an Order of the State Public Health Officer ordering all individuals living in California to stay home or at their place of residence except as needed to maintain continuity of operations of outlined federal critical infrastructure sectors; and

WHEREAS, the federal Centers for Disease Control and Prevention, the California Department of Health, and the Riverside County Department of Public Health have all issued recommendations including but not limited to social distancing, staying home if sick, canceling or postponing large group events, working from home, and other precautions to protect public health and prevent transmission of this communicable virus; and

WHEREAS, as a result of the public health emergency and the precautions recommended by health authorities, many residential and commercial tenants, as well as homeowners, in Coachella have experienced or expect soon to experience sudden and unexpected income loss; and

WHEREAS, the Governor of the State of California has stated that individuals exposed to COVID-19 may be temporarily unable to report to work due to illness caused by COVID-19 or quarantines related to COVID-19 and individuals directly affected by COVID-19 may experience potential loss of income, health care and medical coverage, and ability to pay for housing and basic needs, thereby placing increased demands on already strained regional and local health and safety resources, including shelters and food banks; and

WHEREAS, local schools are closed to prevent further spread of COVID-19. These school closures will cause children to have to remain at home, leading to many parents adjusting their work schedules to take time off work, whether paid or unpaid. Hourly wage earners are unlikely to be paid for time off. The inability to work due to school closures will economically strain those families who cannot afford to take off time from work to stay at home; and

WHEREAS, eviction of commercial tenants or homeowners would inevitably result in group activities, including but not limited to: packing, loading, transporting, and unloading equipment, materials, and other personal property; inspections; and repairs; and

WHEREAS, the situation is unprecedented and evolving rapidly. Further economic impacts are anticipated, leaving tenants and homeowners vulnerable to eviction; and

WHEREAS, this Ordinance is only intended to be temporary in nature, to promote stability and fairness within the residential rental and non-residential real estate markets in the City during the COVID-19 pandemic outbreak, and to prevent avoidable group activities, homelessness and widespread business disruption, thereby serving the public peace, health, safety, and public welfare and to enable tenants and homeowners in the City whose income and ability to work is affected due to COVID-19 to remain in place in their homes and places of business; and

WHEREAS, in the interest of public health and safety, as affected by the emergency caused by the spread of COVID-19, it is necessary to exercise authority to adopt this ordinance related to the protection of life and property, to ensure that people shelter in place to prevent the spread of COVID-19. During the COVID-19 pandemic outbreak, affected tenants and homeowners who have lost income due to impact on the economy or their employment may be at risk of homelessness if they are evicted for non-payment as they will have little or no income and thus be unable to secure other housing if evicted; and

WHEREAS, people experiencing homelessness are especially vulnerable to the spread of COVID-19 due to an inability to practice social distancing and a lack of access to health care. The Governor has ordered the State to take extraordinary measures to secure shelter for homeless populations during this emergency to limit exposure to and spreading of COVID-19.

Widespread evictions of tenants vulnerable to eviction due to financial hardship occurring due to COVID-19 would exacerbate the challenge of sheltering the homeless during this emergency, and increase the risk of spread of COVID-19; and

WHEREAS, businesses and other tenants of non-residential properties will be similarly harmed by having to engage in group activities that will increase their risk of exposure to COVID-19, with significant consequences for the public health, safety, and welfare; and

WHEREAS, promoting stability amongst commercial tenancies is also conducive to public health, allowing businesses to follow the advice and directives of public health officials to close, and allowing employees to avoid public contact, during times of a public health crisis without fear of imminent eviction; and

WHEREAS, the City desires to prohibit evictions due to non-payment of rent for tenants of all types of properties or due to non-payment of loan payments by homeowners where the failure to pay results from income loss resulting from COVID-19; and

WHEREAS, the City has authority to adopt this Ordinance under the City's police power and the powers afforded to the city in time of national, state, county and local emergency during an unprecedented health pandemic, such powers being afforded by the State Constitution, State law and the City's Municipal Code to protect the peace, health, and safety of the public. The Coachella City Council finds that this ordinance is necessary for the preservation of the public peace, health, and safety of residents living within the City and finds urgency to approve this ordinance immediately based on the facts described herein, and detailed in the staff report. Under Government Code Section 8634, this ordinance is necessary to provide for the protection of life and property.

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

SECTION 1. Temporary Moratorium on Evictions for Non-Payment of Rent by Residential Tenants Impacted by the COVID-19 Crisis.

A. Notwithstanding anything to the contrary in the Coachella Municipal Code, during the period of local emergency declared in response to COVID-19, no landlord shall endeavor to evict a residential or commercial tenant for nonpayment of rent if the tenant demonstrates that the tenant is unable to pay rent due to financial impacts related to COVID-19.

B. A landlord who knows that a tenant cannot pay some or all of the rent temporarily for the reasons set forth above shall not serve a notice pursuant to CCP 1161(2), file or prosecute an unlawful detainer action based on a pay or quit notice, or otherwise seek to evict for nonpayment of rent. A landlord knows of a tenant's inability to pay rent within the meaning of this ordinance if the tenant, within 30 days after the date that rent is due, notifies the landlord in writing of lost income and inability to pay full rent due to financial impacts related to COVID-19 and provide documentation to support the claim by the time of payment of back-due rent. Any documentation that is provided to support this claim is presumed to be adequate for this purpose,

includes email or text communications to a landlord or the landlord's representative with whom the tenant has previously corresponded by email or text. Any medical or financial information provided to the landlord shall be held in confidence, and only used for evaluating the tenant's claim.

C. For purposes of this Ordinance "financial impacts related to COVID-19" include, but are not limited to, tenant lost household or business income as a result of any of the following: (1) being sick with COVID-19, or caring for a household or family member who is sick with COVID-19; (2) lay-off, loss of hours, or other income reduction resulting from business closure or other economic or employer impacts of COVID-19; (3) compliance with a recommendation from a government health authority to stay home, self-quarantine, or avoid congregating with others during the state of emergency; (4) extraordinary out-of-pocket medical expenses; or (5) child care needs arising from school closures related to COVID-19.

D. This Ordinance applies to nonpayment eviction notices and unlawful detainer actions based on such notices, served or filed on or after the date on which a local emergency was proclaimed. Violation of this Ordinance shall be punishable as set forth in Sections 1.08.010 and 2.56.100 of the Coachella Municipal Code. In addition, this ordinance grants a defense in the event that an unlawful detainer action is commenced in violation of this ordinance.

E. Nothing in this Ordinance shall relieve the tenant of liability for the unpaid rent, which the landlord may seek after expiration of the local emergency and the tenant must pay within six months following the expiration of the local emergency. A landlord may not charge or collect any interest or any late fee for rent that is delayed for the reasons stated in this ordinance; nor may a landlord seek rent that is delayed or the reasons stated in this ordinance through the eviction process.

F. No other legal remedies available to landlord are affected by this Ordinance.

SECTION 2. Temporary Moratorium on Evictions for Non-Payment of Rent by Commercial Tenants Impacted by the COVID-19 Crisis.

A. Commercial landlords in the City are hereby prohibited from evicting commercial tenants for nonpayment of rent with respect to tenants whose businesses are subject to State and County orders or are otherwise limited or closed (voluntarily or by mandate) to prevent or reduce the spread of COVID-19 and who demonstrate lost income and inability to pay rent as a result of such limitation or closure or other demonstrated financial impact related to COVID-19.

B. A landlord knows of a tenant's lost income and inability to pay rent within the meaning of this Ordinance if the tenant, within 30 days after the date rent is due, notifies the landlord in writing of the lost income and inability to pay rent due to a limitation or closure of the tenant's business related to COVID-19. The tenant must provide documentation to support the claim by the time of payment of back-due rent. Any documentation that is provided to support this claim is presumed to be adequate for this purpose, and the burden is on the landlord to prove that it is inadequate. For purposes of this ordinance, "in writing" includes email or text communications to a landlord or the landlord's representative with whom the tenant has previously corresponded

by email or text. Any medical or financial information provided to the landlord shall be held in confidence, and only used for evaluating the tenant's claim.

C. If a tenant suffers only a partial loss of income, the tenant shall pay the pro-rated share of their rent that corresponds to the income they generated during the period of loss.

D. This Ordinance grants a defense in the event that an unlawful detainer action is commenced in violation of this order. Violation of this Ordinance shall be punishable as set forth in the Coachella Municipal Code.

E. Nothing in this Ordinance relieves the tenant of liability for the unpaid rent, which the landlord may seek after expiration of the local emergency and the tenant must pay within six months following the expiration of the local emergency. A landlord may not charge or collect any interest or any late fee for rent that is delayed for the reasons stated in this ordinance; nor may a landlord seek rent that is delayed or the reasons stated in this ordinance through the eviction process.

F. No other legal remedies available to landlord are affected by this Ordinance.

SECTION 3. Temporary Suspension on Ejection of Occupant After Residential Foreclosure.

A. No ejection action after foreclosure against an occupant of a residential property shall be initiated or proceed during the period of declared local emergency in the City of Coachella if foreclosure results from nonpayment of a loan payment due to a demonstrated financial impact related to COVID-19. Nothing in this Ordinance relieves the occupant of liability for any unpaid loan payments, which the lender may seek after expiration of the local emergency and which the borrower must pay within six months of the expiration of the local emergency, unless a different time is agreed to between the parties. The respective rights and obligations of the parties in any foreclosure-related ejection proceeding shall be adjudicated in the appropriate court of law with jurisdiction over the matter at the conclusion of the local emergency or rescission of this Ordinance.

B. Lenders are strongly encouraged to offer payment plans to borrowers to avoid foreclosure and ejection after the period of local emergency.

C. No other legal remedies available to parties to any foreclosure proceeding are affected by this Ordinance.

SECTION 4. Temporary Effect. This Ordinance remains in effect through May 31, 2020, unless extended by the City Council or the City's Director of Emergency Services.

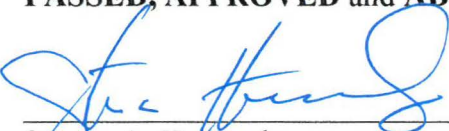
SECTION 5. Severability. If any section, subsection, sentence, clause, phrase or word of this Ordinance is found to be unconstitutional or otherwise invalid by any court of competent jurisdiction, such decision shall not affect the remaining provisions of this Ordinance.

SECTION 6. Environmental Review. The City Council finds that adoption and implementation of this ordinance is not a “project” for purposes of the California Environmental Quality Act (CEQA), as that term is defined by CEQA guidelines (Guidelines) sections 15061(b)(3), and 15378(b)(5). The effect of the proposed amendment will be to maintain the status quo. No new development will result from the proposed action. No impact to the physical environment will result. The City Council also alternatively finds that the adoption and implementation of this Ordinance is exempt from the provisions of CEQA as an administrative activity by the City of Coachella, in furtherance of its police power, that will not result in any direct or indirect physical change in the environment, per sections 15061(b)(3), and 15378(b)(5) of the CEQA Guidelines, as well as CEQA Guidelines section 15064(e) (economic regulations).

SECTION 7. Urgency Declaration; Effective Date. The City Council **FINDS** and **DECLARES** that the adoption and implementation of this Ordinance is necessary for the immediate preservation and protection of the public peace, health and safety as detailed above and as the City and public would suffer potentially irreversible displacement of tenants resulting from evictions for failure to pay rent during the COVID-19 crisis. During this local emergency, and in the interest of protecting the public health and preventing transmission of COVID-19, it is essential to avoid unnecessary housing displacement, to protect the City’s affordable housing stock, and to prevent housed individuals from falling into homelessness. Loss of income as a result of COVID-19 may inhibit City residents and businesses from fulfilling their financial obligations, including payment of rent. Under Government Code Section 8634 and the City’s Municipal Code, this Ordinance is necessary to provide for the protection of life and property for the reasons set out herein. The Council therefore finds and determines that the immediate preservation of the public peace, health and safety, and protection of life and property, require that this Ordinance be enacted as an urgency ordinance pursuant to Government Code section 36937 and take effect immediately upon adoption by four-fifths of the City Council.


SECTION 8. Publication. The City Clerk shall certify to the adoption of this Ordinance and cause it, or a summary of it, to be published on the City’s website and published once in a newspaper of general circulation published and circulated within the City.

PASSED, APPROVED and ADOPTED this 8th day of April 2020.




 Steven A. Hernandez
 Mayor

ATTEST:



 Angela M. Zepeda
 City Clerk

APPROVED AS TO FORM:



Carlos Campos
City Attorney

CERTIFICATION

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

I, Andrea J. Carranza, Deputy City Clerk of the City of Coachella, California, do hereby certify that Ordinance No. 1160 is a full, true, and correct copy, and was adopted at a special meeting of the Coachella City Council on April 8, 2020, by the following vote:

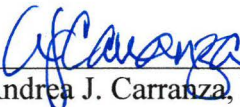
AYES: Councilmember Bautista, Councilmember Beaman Jacinto, Councilmember Gonzalez, and Mayor Hernandez

NOES: None.

ABSENT: Mayor Pro Tem Martinez.

ABSTAIN: None.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Coachella, California, this 8th day of April 2020.



Andrea J. Carranza, MMC
Deputy City Clerk

ATTACHMENT “2”
MAY 28, 2020 EXECUTIVE ORDER

**ORDER OF THE CITY MANAGER
OF THE CITY OF COACHELLA
IN HIS CAPACITY AS
DIRECTOR OF EMERGENCY SERVICES**

DATE OF ORDER: MAY 28, 2020

AN ORDER EXTENDING A TEMPORARY MORATORIUM ON EVICTIONS DUE TO NON-PAYMENT OF RENT OR LOAN PAYMENTS WHERE THE FAILURE TO PAY RESULTS FROM INCOME LOSS RESULTING FROM THE NOVEL CORONAVIRUS (COVID-19) THAT WAS ORIGINALLY ENACTED BY CITY COUNCIL URGENCY ORDINANCE NO. 1160.

WHEREAS, international, national, state, and local health and governmental authorities are responding to an outbreak of respiratory disease caused by a novel coronavirus named “SARS - CoV-2” and the disease it causes has been named “coronavirus disease 2019,” abbreviated COVID-19 (“COVID-19”); and

WHEREAS, on March 4, 2020, the Governor of the State of California declared a state of emergency to make additional resources available, formalize emergency actions already underway across multiple state agencies and departments, and help the state prepare for broader spread of COVID-19; and

WHEREAS, on March 8, 2020, the Riverside County Health Officer declared a local emergency and local public health emergency to aid the regional healthcare and governmental community in responding to COVID-19; and

WHEREAS, on March 13, 2020, the President of the United States of America declared a national emergency and announced that the federal government would make emergency funding available to assist state and local governments in preventing the spread of and addressing the effects of COVID-19; and

WHEREAS, on March 16, 2020 the Governor of the State of California issued an Executive Order temporarily reducing limits on local governments’ ability to impose their own “substantive limitations on residential or commercial evictions” through May 31, 2020; and

WHEREAS, on March 19, 2020, the City Manager, as the City’s Director of Emergency Services, proclaimed the existence of a local emergency to ensure the availability of mutual aid and an effective the City’s response to COVID-19; and

WHEREAS, on March 25, 2020 the City Council of the City proclaimed a local emergency regarding COVID-19 and ratified the proclamation of local emergency by the City Manager acting as the City’s Director of Emergency Services; and

WHEREAS, on March 19, 2020, the Governor of the State of California, also issued Executive Order N-33-20, an Order of the State Public Health Officer ordering all individuals living in California to stay home or at their place of residence except as needed to maintain continuity of operations of outlined federal critical infrastructure sectors; and

WHEREAS, the federal Centers for Disease Control and Prevention, the California Department of Health, and the Riverside County Department of Public Health have all issued recommendations including but not limited to social distancing, staying home if sick, canceling or postponing large group events, working from home, and other precautions to protect public health and prevent transmission of this communicable virus; and

WHEREAS, as a result of the public health emergency and the precautions recommended by health authorities, many residential and commercial tenants, as well as homeowners, in Coachella have experienced or expect soon to experience sudden and unexpected income loss; and

WHEREAS, the Governor of the State of California has stated that individuals exposed to COVID-19 may be temporarily unable to report to work due to illness caused by COVID-19 or quarantines related to COVID-19 and individuals directly affected by COVID-19 may experience potential loss of income, health care and medical coverage, and ability to pay for housing and basic needs, thereby placing increased demands on already strained regional and local health and safety resources, including shelters and food banks; and

WHEREAS, local schools are closed to prevent further spread of COVID-19. These school closures will cause children to have to remain at home, leading to many parents adjusting their work schedules to take time off work, whether paid or unpaid. Hourly wage earners are unlikely to be paid for time off. The inability to work due to school closures will economically strain those families who cannot afford to take off time from work to stay at home; and

WHEREAS, eviction of commercial tenants or homeowners would inevitably result in group activities, including but not limited to: packing, loading, transporting, and unloading equipment, materials, and other personal property; inspections; and repairs; and

WHEREAS, the situation is unprecedented and evolving rapidly. Further economic impacts are anticipated, leaving tenants and homeowners vulnerable to eviction; and

WHEREAS, Urgency Ordinance No. 1160 is only intended to be temporary in nature, to promote stability and fairness within the residential rental and non-residential real estate markets in the City during the COVID-19 pandemic outbreak, and to prevent avoidable group activities, homelessness and widespread business disruption, thereby serving the public peace, health, safety, and public welfare and to enable tenants and homeowners in the City whose income and ability to work is affected due to COVID-19 to remain in place in their homes and places of business. Urgency Ordinance No. 1160 is attached hereto and incorporated herewith as **Attachment "1"**; and

WHEREAS, in the interest of public health and safety, as affected by the emergency caused by the spread of COVID-19, the City Council has found it necessary to exercise authority

to adopt Urgency Ordinance No. 1160 related to the protection of life and property, to ensure that people shelter in place to prevent the spread of COVID-19. During the COVID-19 pandemic outbreak, affected tenants and homeowners who have lost income due to impact on the economy or their employment may be at risk of homelessness if they are evicted for non-payment as they will have little or no income and thus be unable to secure other housing if evicted; and

WHEREAS, people experiencing homelessness are especially vulnerable to the spread of COVID-19 due to an inability to practice social distancing and a lack of access to health care. The Governor has ordered the State to take extraordinary measures to secure shelter for homeless populations during this emergency to limit exposure to and spreading of COVID-19. Widespread evictions of tenants vulnerable to eviction due to financial hardship occurring due to COVID-19 would exacerbate the challenge of sheltering the homeless during this emergency, and increase the risk of spread of COVID-19; and

WHEREAS, businesses and other tenants of non-residential properties will be similarly harmed by having to engage in group activities that will increase their risk of exposure to COVID-19, with significant consequences for the public health, safety, and welfare; and

WHEREAS, promoting stability amongst commercial tenancies is also conducive to public health, allowing businesses to follow the advice and directives of public health officials to close, and allowing employees to avoid public contact, during times of a public health crisis without fear of imminent eviction; and

WHEREAS, the City desires to prohibit evictions due to non-payment of rent for tenants of all types of properties or due to non-payment of loan payments by homeowners where the failure to pay results from income loss resulting from COVID-19; and

WHEREAS, Urgency Ordinance No. 1160 Section 4. *Temporary Effect* provides that the Ordinance remains in effect through May 31, 2020, unless extended by the City Council or the City's Director of Emergency Services; and

WHEREAS, the COVID-19 pandemic and all of its impacts on public health, the economy, and the community at large continue to be felt by the citizens of Coachella. The Recitals above continue to describe the current situation and the support the need to extend (1) the temporary moratorium on evictions for non-payment of rent by residential tenants impacted by the COVID-19 crisis; (2) the temporary moratorium on evictions for non-payment of rent by commercial tenants impacted by the COVID-19 crisis; and (3) the temporary suspension on ejection of occupant after residential foreclosure, all of which are described in more detail in Urgency Ordinance No. 1160;


WHEREAS, the City Manager acting in his capacity as Director of Emergency Services finds that Urgency Ordinance No. 1160 and all of its protections shall be extended through June 30, 2020, unless modified, superseded, or rescinded by the City Council or by himself as City's Director of Emergency Services.

NOW, THEREFORE, THE CITY MANAGER ACTING IN HIS CAPACITY AS DIRECTOR OF EMERGENCY SERVICES DOES HEREBY ORDER AS FOLLOWS:

SECTION 1. Incorporation of Recitals and Attachment. The Recitals and Attachment "1" (Urgency Ordinance No. 1160) of this Order are true and correct and are incorporated herein and made a part of this Order. Urgency Ordinance No. 1160 shall remain in full force and effect, the only modification being the Temporary Moratorium Extension described in Section 2 of this Order, below.


SECTION 2. Extension of Temporary Moratorium on Evictions Due to Non-Payment of Rent or Loan Payments Where the Failure to Pay Results from Income Loss Resulting From the Novel Coronavirus (COVID-19) that was Originally enacted by City Council Urgency Ordinance No. 1160. Pursuant to the authority granted under Urgency Ordinance No. 1160 Section 4. *Temporary Effect*, the City Manager acting in his capacity as Director of Emergency Services hereby extends the temporary moratorium on evictions described herein to **June 30, 2020**. This extension may be modified, superseded, or rescinded by the City Council or the City Manager as Director of Emergency Services.

IT IS HEREBY ORDERED.



William B. Pattison
City Manager/Director of Emergency Services

ATTEST:



Andrea J. Carranza, MMC
Deputy City Clerk

APPROVED AS TO FORM:



Carlos Campos
City Attorney

ATTACHMENT “3”
ORDINANCE NO. 1163

URGENCY ORDINANCE NO. 1163**AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COACHELLA, CALIFORNIA, RATIFYING THE EXECUTIVE ORDER DATED MAY 28, 2020 AND EXTENDING THE TEMPORARY MORATORIUM ON EVICTIONS DUE TO NON-PAYMENT OF RENT OR LOAN PAYMENTS WHERE THE FAILURE TO PAY RESULTS FROM INCOME LOSS RESULTING FROM THE NOVEL CORONAVIRUS (COVID-19) THAT WAS ORIGINALLY ENACTED BY CITY COUNCIL URGENCY ORDINANCE NO. 1160**

WHEREAS, international, national, state, and local health and governmental authorities are responding to an outbreak of respiratory disease caused by a novel coronavirus named “SARS - CoV-2” and the disease it causes has been named “coronavirus disease 2019,” abbreviated COVID-19 (“COVID-19”); and

WHEREAS, on March 4, 2020, the Governor of the State of California declared a state of emergency to make additional resources available, formalize emergency actions already underway across multiple state agencies and departments, and help the state prepare for broader spread of COVID-19; and

WHEREAS, on March 8, 2020, the Riverside County Health Officer declared a local emergency and local public health emergency to aid the regional healthcare and governmental community in responding to COVID-19; and

WHEREAS, on March 13, 2020, the President of the United States of America declared a national emergency and announced that the federal government would make emergency funding available to assist state and local governments in preventing the spread of and addressing the effects of COVID-19; and

WHEREAS, on March 16, 2020 the Governor of the State of California issued an Executive Order temporarily reducing limits on local governments’ ability to impose their own “substantive limitations on residential or commercial evictions” through May 31, 2020; and

WHEREAS, on March 19, 2020, the City Manager, as the City’s Director of Emergency Services, proclaimed the existence of a local emergency to ensure the availability of mutual aid and an effective the City’s response to COVID-19; and

WHEREAS, on March 25, 2020 the City Council of the City proclaimed a local emergency regarding COVID-19 and ratified the proclamation of local emergency by the City Manager acting as the City’s Director of Emergency Services; and

WHEREAS, on March 19, 2020, the Governor of the State of California, also issued Executive Order N-33-20, an Order of the State Public Health Officer ordering all individuals

living in California to stay home or at their place of residence except as needed to maintain continuity of operations of outlined federal critical infrastructure sectors; and

WHEREAS, the federal Centers for Disease Control and Prevention, the California Department of Health, and the Riverside County Department of Public Health have all issued recommendations including but not limited to social distancing, staying home if sick, canceling or postponing large group events, working from home, and other precautions to protect public health and prevent transmission of this communicable virus; and

WHEREAS, as a result of the public health emergency and the precautions recommended by health authorities, many residential and commercial tenants, as well as homeowners, in Coachella have experienced or expect soon to experience sudden and unexpected income loss; and

WHEREAS, the Governor of the State of California has stated that individuals exposed to COVID-19 may be temporarily unable to report to work due to illness caused by COVID-19 or quarantines related to COVID-19 and individuals directly affected by COVID-19 may experience potential loss of income, health care and medical coverage, and ability to pay for housing and basic needs, thereby placing increased demands on already strained regional and local health and safety resources, including shelters and food banks; and

WHEREAS, local schools are closed to prevent further spread of COVID-19. These school closures will cause children to have to remain at home, leading to many parents adjusting their work schedules to take time off work, whether paid or unpaid. Hourly wage earners are unlikely to be paid for time off. The inability to work due to school closures will economically strain those families who cannot afford to take off time from work to stay at home; and

WHEREAS, eviction of commercial tenants or homeowners would inevitably result in group activities, including but not limited to: packing, loading, transporting, and unloading equipment, materials, and other personal property; inspections; and repairs; and

WHEREAS, the situation is unprecedented and evolving rapidly. Further economic impacts are anticipated, leaving tenants and homeowners vulnerable to eviction; and

WHEREAS, Urgency Ordinance No. 1160 is only intended to be temporary in nature, to promote stability and fairness within the residential rental and non-residential real estate markets in the City during the COVID-19 pandemic outbreak, and to prevent avoidable group activities, homelessness and widespread business disruption, thereby serving the public peace, health, safety, and public welfare and to enable tenants and homeowners in the City whose income and ability to work is affected due to COVID-19 to remain in place in their homes and places of business. Urgency Ordinance No. 1160 is attached hereto and incorporated herewith as **Attachment “1”**; and

WHEREAS, in the interest of public health and safety, as affected by the emergency caused by the spread of COVID-19, the City Council has found it necessary to exercise authority to adopt Urgency Ordinance No. 1160 related to the protection of life and property, to ensure that

people shelter in place to prevent the spread of COVID-19. During the COVID-19 pandemic outbreak, affected tenants and homeowners who have lost income due to impact on the economy or their employment may be at risk of homelessness if they are evicted for non-payment as they will have little or no income and thus be unable to secure other housing if evicted; and

WHEREAS, people experiencing homelessness are especially vulnerable to the spread of COVID-19 due to an inability to practice social distancing and a lack of access to health care. The Governor has ordered the State to take extraordinary measures to secure shelter for homeless populations during this emergency to limit exposure to and spreading of COVID-19. Widespread evictions of tenants vulnerable to eviction due to financial hardship occurring due to COVID-19 would exacerbate the challenge of sheltering the homeless during this emergency, and increase the risk of spread of COVID-19; and

WHEREAS, businesses and other tenants of non-residential properties will be similarly harmed by having to engage in group activities that will increase their risk of exposure to COVID-19, with significant consequences for the public health, safety, and welfare; and

WHEREAS, promoting stability amongst commercial tenancies is also conducive to public health, allowing businesses to follow the advice and directives of public health officials to close, and allowing employees to avoid public contact, during times of a public health crisis without fear of imminent eviction; and

WHEREAS, the City desires to prohibit evictions due to non-payment of rent for tenants of all types of properties or due to non-payment of loan payments by homeowners where the failure to pay results from income loss resulting from COVID-19; and

WHEREAS, Urgency Ordinance No. 1160 Section 4. *Temporary Effect* provides that the Ordinance remains in effect through May 31, 2020, unless extended by the City Council or the City's Director of Emergency Services; and

WHEREAS, the COVID-19 pandemic and all of its impacts on public health, the economy, and the community at large continue to be felt by the citizens of Coachella. The Recitals above continue to describe the current situation and the support the need to extend (1) the temporary moratorium on evictions for non-payment of rent by residential tenants impacted by the COVID-19 crisis; (2) the temporary moratorium on evictions for non-payment of rent by commercial tenants impacted by the COVID-19 crisis; and (3) the temporary suspension on ejection of occupant after residential foreclosure, all of which are described in more detail in Urgency Ordinance No. 1160; and

WHEREAS, the City Manager acting in his capacity as Director of Emergency Services issued an Emergency Executive Order on May 28, 2020 extending the eviction moratorium described in Urgency Ordinance No. 1160 through June 30, 2020, unless modified, superseded, or rescinded by the City Council or by himself as City's Director of Emergency Service.; The May 28, 2020 Executive Order is attached hereto and incorporated herewith as **Attachment "2"**; and

WHEREAS, the City has authority to adopt this Ordinance under the City’s police power and the powers afforded to the city in time of national, state, county and local emergency during an unprecedented health pandemic, such powers being afforded by the State Constitution, State law and the City’s Municipal Code to protect the peace, health, and safety of the public. The Coachella City Council finds that this ordinance is necessary for the preservation of the public peace, health, and safety of residents living within the City and finds urgency to approve this ordinance immediately based on the facts described herein, and detailed in the staff report. Under Government Code Section 8634, this ordinance is necessary to provide for the protection of life and property.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COACHELLA, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Incorporation of Recitals and Attachment. The recitals and Attachments “1” (Urgency Ordinance No. 1160) and “2” (May 28, 2020 Executive Order) to this Urgency Ordinance are true and correct and this City Council so finds, determines, and represents. Said recitals and Attachments are incorporated herein and made a part of this Urgency Ordinance. Urgency Ordinance No. 1160 shall remain in full force and effect, the only modification being the Temporary Moratorium Extension described in Section 2 of this Urgency Ordinance, below.

SECTION 2. Extension of Temporary Moratorium on Evictions Due to Non-Payment of Rent or Loan Payments Where the Failure to Pay Results from Income Loss Resulting From the Novel Coronavirus (COVID-19) that was Originally enacted by City Council Urgency Ordinance No. 1160. The City Council hereby ratifies the Emergency Executive Order Dated May 28, 2020 and extends the temporary moratorium on evictions described herein to **June 30, 2020**. This extension may be modified, superseded, or rescinded by the City Council or the City Manager as Director of Emergency Services.


SECTION 3. Severability. If any section, subsection, sentence, clause, phrase or word of this Urgency Ordinance is found to be unconstitutional or otherwise invalid by any court of competent jurisdiction, such decision shall not affect the remaining provisions of this Urgency Ordinance.

SECTION 4. Environmental Review. The City Council finds that adoption and implementation of this Urgency Ordinance is not a “project” for purposes of the California Environmental Quality Act (CEQA), as that term is defined by CEQA guidelines (Guidelines) sections 15061(b)(3), and 15378(b)(5). No new development will result from the proposed action. No impact to the physical environment will result. The City Council also alternatively finds that the adoption and implementation of this Urgency Ordinance is exempt from the provisions of CEQA as an administrative activity by the City of Coachella, in furtherance of its police power, that will not result in any direct or indirect physical change in the environment, per sections 15061(b)(3), and 15378(b)(5) of the CEQA Guidelines, as well as CEQA Guidelines section 15064(e) (economic regulations).

SECTION 5. Urgency Declaration; Effective Date. The City Council **FINDS** and **DECLARES** that the adoption and implementation of this Urgency Ordinance is necessary for the immediate preservation and protection of the public peace, health and safety as detailed above and as the City and public would suffer potentially irreversible displacement of tenants resulting from evictions for failure to pay rent during the COVID-19 crisis. During this local emergency, and in the interest of protecting the public health and preventing transmission of COVID-19, it is essential to avoid unnecessary housing displacement, to protect the City’s affordable housing stock, and to prevent housed individuals from falling into homelessness. Loss of income as a result of COVID-19 may inhibit City residents and businesses from fulfilling their financial obligations, including payment of rent. Under Government Code Section 8634 and the City’s Municipal Code, this Urgency Ordinance is necessary to provide for the protection of life and property for the reasons set out herein. The Council therefore finds and determines that the immediate preservation of the public peace, health and safety, and protection of life and property, require that this Urgency Ordinance be enacted as an urgency ordinance pursuant to Government Code section 36937 and take effect immediately upon adoption by four-fifths of the City Council.

SECTION 6. Publication. The City Clerk shall certify to the adoption of this Urgency Ordinance and cause it, or a summary of it, to be published on the City’s website and published once in a newspaper of general circulation published and circulated within the City.

PASSED, APPROVED and ADOPTED this 10th day of June 2020.



Steven A. Hernandez
Mayor

ATTEST:

for 

Angela M. Zepeda
City Clerk

APPROVED AS TO FORM:



Carlos Campos
City Attorney

CERTIFICATION

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

I, Andrea J. Carranza, Deputy City Clerk of the City of Coachella, California, do hereby certify that Urgency Ordinance No. 1163 is a full, true, and correct copy, and was adopted at a regular meeting of the Coachella City Council on June 10, 2020, by the following vote:

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

NOES: None.

ABSENT: None.

ABSTAIN: None.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Coachella, California, this 10th day of June 2020.



Andrea J. Carranza, MMC
Deputy City Clerk



STAFF REPORT
6/24/2020

TO: Honorable Mayor and City Council Members

FROM: Best Best & Krieger LLP, General Counsel

SUBJECT: Resolution No. 2020-08, a Resolution Extending the Temporary Suspension of Service Turnoffs During the COVID-19 State of Emergency Through July 31, 2020.

STAFF RECOMMENDATION:

Consideration of Resolution WA-2020-08 Extending the Temporary Suspension of Service Turnoffs During the COVID-19 State of Emergency Through **July 31, 2020**.

DISCUSSION/ANALYSIS:

On March 25, 2020, the Authority adopted Resolution WA-2020-04 which directed the Executive Director to refrain from taking action which would result in the termination of service to residential customers, due to nonpayment, at least through June 1, 2020.

On May 28, 2020, the Executive Director issued an Executive Order extending the Temporary Suspension through June 30, 2020, finding that residents continue to experience economic hardship as a result of COVID-19.

On June 10, 2020, the Board of Directors adopted Resolution WA-2020-07, which ratified the May 28, 2020 Executive Order and extended the Temporary Suspension through June 30, 2020. The Resolution authorizes the Board of Directors or Executive Director to further modify, supersede, or rescind the extended Suspension Period.

The proposed Resolution would further extend the Temporary Suspension **through July 31, 2020**.

From now until the extension lapses on July 31, 2020, the Board of Directors and Executive Director will continue to monitor the situation and may rescinded, modify, or further extend the Temporary Suspension as necessary.

ALTERNATIVES:

1. Do not adopt Resolution WA-2020-08.
2. Provide additional direction.

FISCAL IMPACT:

None Anticipated.

ATTACHMENT:

1. Resolution WA-2020-08 (Resolution WA-2020-04, May 28, 2020 Executive Order, and Resolution WA-2020-07 are attached.)

RESOLUTION NO. WA-2020-08

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE COACHELLA WATER AUTHORITY EXTENDING THE TEMPORARY SUSPENSION OF SERVICE TURNOFFS DURING THE COVID-19 STATE OF EMERGENCY

WHEREAS, the Coachella Water Authority (“Authority”) adopted Ordinance 1057, Section 3. Chapter 13.03- *Water Service System* establishing requirements for the provision of water service including billing, payment, interest, late penalties, and shut off processing; and

WHEREAS, in March 2020, federal, state, and local governments have declared states of emergency to increase efforts to protect the public from the 2019 novel coronavirus (“COVID-19”). In addition, a number of school districts have announced closures which may be in effect for a number of weeks; and

WHEREAS, many customers face issues such as their children’s schools, or their workplaces, closing in an effort to stop the virus from spreading. These affected customers may not have access to paid time off from their employers or are contract workers who only get paid when they work and they cannot work remotely. Even a few lost days of wages due to the effects of COVID-19 could mean not being able to buy food, pay rent, or pay utilities; and

WHEREAS, Government Code Section 8634 provides that during a local emergency the governing body of a political subdivision, such as the Authority, may promulgate orders and regulations necessary to provide for the protection of life and property. Such orders and regulations, and amendments and rescissions thereof, must be in writing and must be given publicity and notice; and

WHEREAS, to help mitigate the negative impacts on those who may suffer a loss of wages due to efforts to slow the spread of COVID-19, the Authority Board of Directors adopted Resolution WA-2020-04 on March 25, 2020 directing the Executive Director, or his/her designees, to refrain from taking action which would result in the termination of service to residential customers, due to nonpayment. Resolution WA-2020-04 is attached hereto as **Attachment “1”**; and

WHEREAS, Resolution WA-2020-04 further directs the Executive Director to take any and all action he/she deems necessary, in his/her reasonable discretion, to suspend the imposition of late penalties and interest and to or otherwise refrain from enforcing applicable provisions of Ordinance 1057 in regard to termination of service due to non-payment as of March 25, 2020; and

WHEREAS, the Temporary Suspension shall only apply to residential retail customers of the Authority and shall only apply to service termination due to non-payment; and

WHEREAS, on May 28, 2020, pursuant to authority granted by Resolution WA-2020-04, the Executive Director adopted an Executive Order extending the Temporary Suspension through

June 30, 2020. The May 28, 2020 Executive Order is attached hereto and incorporated herewith as **Attachment “2”**; and

WHEREAS, on June 10, 2020, the Board of Directors adopted Resolution No. WA-2020-07, which ratified the May 28, 2020 Executive Order and formally adopted the Temporary Suspension extension through June 30, 2020. Resolution WA-2020-07 is attached hereto and incorporated herewith as **Attachment “3”**; and

WHEREAS, the COVID-19 pandemic and all of its impacts on public health, the economy, and the community at large continue to be felt by the citizens of Coachella. The Recitals above continue to describe the current situation and the support the need to further extend the Suspension Period; and

WHEREAS, the Board of Directors hereby find that the Suspension Period shall be extended through July 31, 2020, unless the Board of Directors and/or the Executive Director later find that the extended Suspension Period should be modified, superseded, or rescinded.

NOW, THEREFORE, BE IT RESOLVED,

SECTION 1. Incorporation of Recitals and Attachments. The recitals and Attachments “1” (Resolution WA-2020-04), “2” (May 28, 2020 Executive Order), and “3” (Resolution WA-2020-07) to this Resolution are true and correct and this Authority so finds, determines, and represents. Said recitals and Attachments are incorporated herein and made a part of this Resolution. Resolution WA-2020-04 shall remain in full force and effect, the only modification being the Suspension Period Extension described in Section 2 of this Resolution, below.

SECTION 2. Suspension Period Extension. The Board of Directors hereby extends the Temporary Suspension **through July 31, 2020**. This Extended Suspension Period may be modified, superseded, or rescinded by the Board of Directors or Executive Director.

SECTION 3. Severability. If any section, subsection, clause or phrase in this Resolution is for any reason held invalid, the validity of the remainder of this Resolution shall not be affected thereby. The Board of Directors hereby declare that they would have adopted this Resolution 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 be held invalid.

PASSED, APPROVED and ADOPTED this 24th day of June 2020.

Steven A. Hernandez
President

ATTEST:

Angela M. Zepeda, Secretary

APPROVED AS TO FORM:

Carlos Campos, Attorney

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

I HEREBY CERTIFY that the foregoing Resolution No. WA-2020-08 was duly adopted by the Board of Directors of the Coachella Water Authority at a regular meeting thereof, held on the 24th day of June 2020, by the following vote of the Board:

AYES:

NOES:

ABSENT:

ABSTAIN:

Andrea J. Carranza, MMC
Deputy City Clerk

ATTACHMENT "1"
RESOLUTION WA-2020-04

RESOLUTION NO. WA-2020-04

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE COACHELLA WATER AUTHORITY, CALIFORNIA, DECLARING A TEMPORARY SUSPENSION OF SERVICE TURNOFFS DURING THE COVID-19 STATE OF EMERGENCY

WHEREAS, the Coachella Water Authority (“Authority”) adopted Ordinance 1057, Section 3. Chapter 13.03- Water Service System establishing requirements for the provision of water service including billing, payment, interest, late penalties, and shut off processing; and

WHEREAS, in recent weeks, federal, state, county and local governments have declared states of emergency to increase efforts to protect the public from the novel coronavirus (“COVID-19”). In addition, a number of school districts have announced closures which may be in effect for a number of weeks; and

WHEREAS, many customers face issues such as their children’s schools, or their workplaces, closing in an effort to stop the virus from spreading. These affected customers may not have access to paid time off from their employers or are contract workers who only get paid when they work and they cannot work remotely. Even a few lost days of wages due to the effects of COVID-19 could mean not being able to buy food, pay rent, or pay utilities; and

WHEREAS, Government Code Section 8634 provides that during a local emergency the governing body of a political subdivision, such as the Authority, may promulgate orders and regulations necessary to provide for the protection of life and property. Such orders and regulations, and amendments and rescissions thereof, must be in writing and must be given publicity and notice; and

WHEREAS, to help mitigate the negative impacts on those who may suffer a loss of wages due to efforts to slow the spread of COVID-19, the Board desires to take action to direct the Executive Director, or his/her designees, to refrain from taking action which would result in the termination of service to residential customers, due to nonpayment.

NOW, THEREFORE, BE IT RESOLVED,

Section 1. Incorporation of Recitals. The recitals in this Resolution are true and correct and this Authority so finds, determines and represents. Said recitals are incorporated herein and made a part of this Resolution.

Section 2. Temporary Suspension. The Board hereby authorizes, and otherwise directs, the Executive Director refrain from taking any action, which would result in the termination of service to any residential retail customer due to nonpayment (“Temporary Suspension”). As a result, the Executive Director shall take any and all action he/she deems necessary, in his/her reasonable discretion, to suspend the imposition of late penalties and interest and to or otherwise refrain from enforcing applicable provisions of Ordinance 1057 in regard to termination of service due to non-payment now. The terms and conditions of the Temporary Suspension shall be

established and implemented as determined in the Executive Director's reasonable discretion and in accordance with this Resolution.

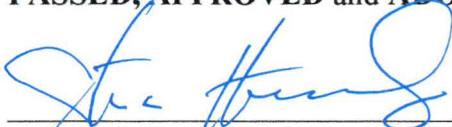
Section 3. Eligible Customers. The Temporary Suspension shall only apply to residential retail customers of the Authority. In addition, the Temporary Suspension shall only apply to service termination due to non-payment. The Executive Director will continue to have the authority to proceed with service termination for any other reason including, but not limited to, the theft of water or interference with Authority facilities.

Section 4. Suspension Period. The Temporary Suspension shall commence on the effective date of this Resolution and shall expire on June 1, 2020 ("Suspension Period"). The Suspension Period may be extended, or otherwise revised, by the Executive Director from time to time, as determined in the Executive Director's reasonable discretion.

Section 5. Report to the Board. The Executive Director shall provide updates to the Board at least as frequently as each Board meeting following the effective date of this Resolution. Said updates shall include information regarding: (a) establishment and implementation of the Temporary Suspension; (b) extensions or revisions to the Suspension Period; (c) the number of qualified customers; and (d) and any other information regarding how this Resolution is being implemented.

Section 6. If any section, subsection, clause or phrase in this Resolution is for any reason held invalid, the validity of the remainder of this Resolution shall not be affected thereby. The Board hereby declares that it would have passed this Resolution 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 be held invalid.

PASSED, APPROVED and ADOPTED this 25th day of March 2020.



 Steven A. Hernandez
 President

ATTEST:



 Angela M. Zepeda, Secretary

APPROVED AS TO FORM:

A handwritten signature in blue ink, consisting of three overlapping loops, positioned above a horizontal line.

Carlos Campos, Attorney

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

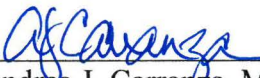
I HEREBY CERTIFY that the foregoing Resolution No. WA-2020-04 was duly adopted by the Board of Directors of the Coachella Water Authority at a regular meeting thereof, held on the 25th day of March 2020, by the following vote of the Board:

AYES: Authority Member Bautista, Authority Member Beaman Jacinto, Vice President Martinez and President Hernandez.

NOES: None.

ABSENT: Authority Member Gonzalez.

ABSTAIN: None.



Andrea J. Carranza, MMC
Deputy City Clerk

ATTACHMENT “2”
MAY 28, 2020 EXECUTIVE ORDER

**ORDER OF THE EXECUTIVE DIRECTOR OF THE
COACHELLA WATER AUTHORITY**

DATE OF ORDER: MAY 28, 2020

**AN ORDER OF THE EXECUTIVE DIRECTOR OF THE COACHELLA
WATER AUTHORITY DECLARING AN EXTENSION OF THE
TEMPORARY SUSPENSION OF SERVICE TURNOFFS DURING THE
COVID-19 STATE OF EMERGENCY.**

WHEREAS, the Coachella Water Authority (“Authority”) adopted Ordinance 1057, Section 3. Chapter 13.03- *Water Service System* establishing requirements for the provision of water service including billing, payment, interest, late penalties, and shut off processing; and

WHEREAS, in the past ten weeks, federal, state, county and local governments have declared states of emergency to increase efforts to protect the public from the novel coronavirus (“COVID-19”). In addition, a number of school districts have announced closures which may be in effect for a number of weeks; and

WHEREAS, many customers face issues such as their children’s schools, or their workplaces, closing in an effort to stop the virus from spreading. These affected customers may not have access to paid time off from their employers or are contract workers who only get paid when they work and they cannot work remotely. Even a few lost days of wages due to the effects of COVID-19 could mean not being able to buy food, pay rent, or pay utilities; and

WHEREAS, Government Code Section 8634 provides that during a local emergency the governing body of a political subdivision, such as the Authority, may promulgate orders and regulations necessary to provide for the protection of life and property. Such orders and regulations, and amendments and rescissions thereof, must be in writing and must be given publicity and notice; and

WHEREAS, to help mitigate the negative impacts on those who may suffer a loss of wages due to efforts to slow the spread of COVID-19, the Authority Board of Directors adopted Resolution WA-2020-04 on March 25, 2020 directing the Executive Director, or his/her designees, to refrain from taking action which would result in the termination of service to residential customers, due to nonpayment. Resolution WA-2020-04 is attached hereto as **Attachment “1”**; and

WHEREAS, Resolution WA-2020-04 further directs the Executive Director to take any and all action he/she deems necessary, in his/her reasonable discretion, to suspend the imposition of late penalties and interest and to or otherwise refrain from enforcing applicable provisions of Ordinance 1057 in regard to termination of service due to non-payment as of March 25, 2020; and

WHEREAS, the Temporary Suspension shall only apply to residential retail customers of the Authority and shall only apply to service termination due to non-payment; and

WHEREAS, the Temporary Suspension is set to expire on June 1, 2020, but Resolution Section 4 *Suspension Period* provides that the Executive Director may extend, or otherwise revise, the Suspension Period from time to time, as determined in the Executive Director's reasonable discretion; and

WHEREAS, the COVID-19 pandemic and all of its impacts on public health, the economy, and the community at large continue to be felt by the citizens of Coachella. The Recitals above continue to describe the current situation and the support the need to extend the Suspension Period; and

WHEREAS, the Executive Director finds that the Suspension Period shall be extended through June 30, 2020, unless he/she later finds that the extended Suspension Period should be modified, superseded, or rescinded.

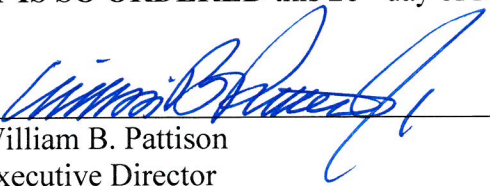
NOW, THEREFORE, BE IT ORDERED,

Section 1. Incorporation of Recitals and Attachment. The recitals and Attachment "1" (Resolution WA-2020-04) to this Order are true and correct and this Authority so finds, determines and represents. Said recitals are incorporated herein and made a part of this Order. Resolution WA-2020-04 shall remain in full force and effect, the only modification being the Suspension Period Extension described in Section 2 of this Order, below.

Section 2. Suspension Period Extension. Based on the Authority set forth in Resolution WA-2020-04, the Executive Director hereby extends the Temporary Suspension **through June 30, 2020**. This Extended Suspension Period may be modified, superseded, or rescinded by the Board of Directors or Executive Director.

Section 3. Severability. If any section, subsection, clause or phrase in this Order is for any reason held invalid, the validity of the remainder of this Order shall not be affected thereby. The Executive Director hereby declares that he would have adopted this Order 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 be held invalid.

IT IS SO ORDERED this 28th day of May 2020.



 William B. Pattison
 Executive Director

ATTEST:



Andrea J. Carranza, MMC
Deputy Secretary of the Coachella Water Authority

APPROVED AS TO FORM:



Carlos Campos, Attorney

ATTACHMENT “3”
RESOLUTION NO. 2020-07

RESOLUTION NO. WA-2020-07

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE COACHELLA WATER AUTHORITY RATIFYING THE MAY 28, 2020 EXECUTIVE ORDER AND EXTENDING THE TEMPORARY SUSPENSION OF SERVICE TURNOFFS DURING THE COVID-19 STATE OF EMERGENCY.

WHEREAS, the Coachella Water Authority (“Authority”) adopted Ordinance 1057, Section 3. Chapter 13.03- *Water Service System* establishing requirements for the provision of water service including billing, payment, interest, late penalties, and shut off processing; and

WHEREAS, in the past ten weeks, federal, state, county and local governments have declared states of emergency to increase efforts to protect the public from the novel coronavirus (“COVID-19”). In addition, a number of school districts have announced closures which may be in effect for a number of weeks; and

WHEREAS, many customers face issues such as their children’s schools, or their workplaces, closing in an effort to stop the virus from spreading. These affected customers may not have access to paid time off from their employers or are contract workers who only get paid when they work and they cannot work remotely. Even a few lost days of wages due to the effects of COVID-19 could mean not being able to buy food, pay rent, or pay utilities; and

WHEREAS, Government Code Section 8634 provides that during a local emergency the governing body of a political subdivision, such as the Authority, may promulgate orders and regulations necessary to provide for the protection of life and property. Such orders and regulations, and amendments and rescissions thereof, must be in writing and must be given publicity and notice; and

WHEREAS, to help mitigate the negative impacts on those who may suffer a loss of wages due to efforts to slow the spread of COVID-19, the Authority Board of Directors adopted Resolution WA-2020-04 on March 25, 2020 directing the Executive Director, or his/her designees, to refrain from taking action which would result in the termination of service to residential customers, due to nonpayment. Resolution WA-2020-04 is attached hereto as **Attachment “1”**; and

WHEREAS, Resolution WA-2020-04 further directs the Executive Director to take any and all action he/she deems necessary, in his/her reasonable discretion, to suspend the imposition of late penalties and interest and to or otherwise refrain from enforcing applicable provisions of Ordinance 1057 in regard to termination of service due to non-payment as of March 25, 2020; and

WHEREAS, the Temporary Suspension shall only apply to residential retail customers of the Authority and shall only apply to service termination due to non-payment; and

WHEREAS, on May 28, 2020, pursuant to authority granted by Resolution WA-2020-04, the Executive Director adopted an Executive Order extending the Temporary Suspension through June 30, 2020. The May 28, 2020 Executive Order is attached hereto and incorporated herewith as **Attachment “2”**;

WHEREAS, the COVID-19 pandemic and all of its impacts on public health, the economy, and the community at large continue to be felt by the citizens of Coachella. The Recitals above continue to describe the current situation and the support the need to extend the Suspension Period; and

WHEREAS, the Board of Directors hereby desire to ratify the May 28, 2020 Executive Order and find that the Suspension Period shall be extended through June 30, 2020, unless the Board of Directors and/or the Executive Director later find that the extended Suspension Period should be modified, superseded, or rescinded.

NOW, THEREFORE, BE IT RESOLVED,

SECTION 1. Incorporation of Recitals and Attachment. The recitals and Attachments “1” (Resolution WA-2020-04) and “2” (May 28, 2020 Executive Order) to this Resolution are true and correct and this Authority so finds, determines, and represents. Said recitals and Attachments are incorporated herein and made a part of this Resolution. Resolution WA-2020-04 shall remain in full force and effect, the only modification being the Suspension Period Extension described in Section 2 of this Resolution, below.

SECTION 2. Suspension Period Extension. The Board of Directors hereby ratifies the Executive Order dated May 28, 2020 and extends the Temporary Suspension **through June 30, 2020**. This Extended Suspension Period may be modified, superseded, or rescinded by the Board of Directors or Executive Director.

SECTION 3. Severability. If any section, subsection, clause or phrase in this Resolution is for any reason held invalid, the validity of the remainder of this Resolution shall not be affected thereby. The Board of Directors hereby declare that they would have adopted this Resolution 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 be held invalid.

PASSED, APPROVED and ADOPTED this 10th day of June 2020.


Steven A Hernandez
President

ATTEST:

for 

Angela M. Zepeda
Secretary

APPROVED AS TO FORM:



Carlos Campos
Authority Attorney

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

I HEREBY CEERTIFY that the foregoing Resolution No. WA-2020-07 was duly adopted by the Board of the Authority of the Coachella Water Authority at a regular meeting thereof held on the 10th day of June 2020, by the following vote of the Authority:

AYES: Authority Member Bautista, Authority Member Beaman Jacinto, Authority Member Gonzalez, Vice President Martinez and President Hernandez.

NOES: None.

ABSENT: None.

ABSTAIN: None.



Andrea J. Carranza, MMC
Deputy City Clerk



STAFF REPORT
6/24/2020

TO: Honorable Mayor and City Council Members

FROM: William B. Pattison, Jr., City Manager

SUBJECT: Resolution No. 2020-41, Authorization to file Validation Action and Authorization of Issuance of Pension Obligation Bonds

STAFF RECOMMENDATION:

It is recommended that the City Council take the following actions:

- 1) Authorize the City to issue Pension Obligation Bonds to refund its CalPERS Unfunded Accrued Liability in an amount not to exceed \$18.095 million;
- 2) Engage Urban Futures as Municipal Advisor, Stradling Yocca Carlson and Rauth as Validation and Bond Counsel, Nixon Peabody as Disclosure Counsel and Samuel A. Ramirez & Co., Inc. as underwriter;
- 3) Resolution No. 2020-41 – a Resolution of the City Council of the City of Coachella, California Authorizing the Issuance of Bonds to Refund Certain Pension Obligations of the City, Approving the Form and Authorizing the Execution of a Trust Agreement and Purchase Contract, Authorizing Judicial Validation Proceedings Relating to the Issuance of Such Bonds and Approving Additional Actions Related Thereto

EXECUTIVE SUMMARY:

In May 2020, the City engaged UFI Financial Solutions as municipal advisor to study options for funding the City’s CalPERS unfunded actuarial liability (UAL). Based on the study results, the City has limited options to effectively fund its pension liability without the allocation of additional funds from the City deposited into the City’s CalPERS. Because the City is not in a position to fund the \$17.4 million UAL with reserves, a financing option was further studied. Based on current taxable municipal bond rates, City staff and its financing team believe the City could fund its UAL through the issuance of Pension Obligation Bonds (POBs) for a substantial savings.

The first step required in the issuance of POBs is to obtain a judicial validation. California public entities do not have specific authority to issue POBs. The California Constitution requires municipalities to obtain a two-third approval of the electorate in order to issue debt obligations payable from the general fund of the entity. However, the local agency refunding law authorizes all local public entities in California to refund prior bonds or “other evidence of indebtedness.”

Obligations to the CalPERS pension system are treated as a “debenture”; and therefore, can be refunded by Pension Obligation Bonds under the local agency refunding law.

In California, POBs have generally been designed to be valid without voter approval, under a judicially created exception to the State Constitutional debt limitation. In order to obtain authorization to issue POBs, the City is required to file a validation action with the Riverside County Superior Court. Unless challenged, the judicial validation proceedings are largely an administrative matter managed by Bond Counsel.

Before the validation action is filed, the City must first adopt a resolution: 1) authorizing the City to issue Pension Obligation Bonds (POBs) to refund its CalPERS Unfunded Accrued Liability (UAL); and 2) authorizing judicial validation proceedings related the issuance of such POBs.

The validation process and requirements for issuing the POBs are discussed further herein.

BACKGROUND:

In order to authorize the sale of the bonds, staff must provide a not-to-exceed amount for the bonds. As of the June 30, 2018 actuarial valuation, the City had a total UAL of \$17.4 million, comprised of approximately \$12.08 million for Miscellaneous employees and approximately \$5.3 million for Safety employees. UFI and City staff will continue to work together to evaluate the most efficient and beneficial approach to refunding all or a portion of the City’s UAL through issuance of the POBs.

Approval of Legal Documents—Trust Agreement and Bond Purchase Agreement

The POBs will be sold by the City to Ramirez & Company, as Underwriter of the POBs, pursuant to a Bond Purchase Agreement in substantially the form submitted to the City Council herewith. Upon the pricing of the POBs, the Bond Purchase Agreement will be finalized to reflect the terms and conditions upon which the POBs will be sold. The POBs will be issued pursuant to a Trust Agreement to be entered into between the City and Wilmington Trust National Association, as Trustee, in substantially the form submitted to the City Council herewith. The Trust Agreement will be finalized following the pricing of the POBs and execution of the Bond Purchase Agreement, to reflect the final terms of the POBs.

SB 450 Good Faith Estimates

In accordance with California Government Code Section 5852.1, good faith estimates with respect to the POBs are set forth in an attachment to this Staff Report.

Validation Proceedings

The validation proceedings require a 7-step sequential process, which can take approximately 90 days or more in Riverside County. The process and estimated timeline are outlined below:

1. City Council passes a resolution authorizing the sale of pension obligation bonds**.
2. File Validation Action with Riverside Superior Court
3. Receive Order for Publication of Summons from the Court – 1-2 weeks

4. Publication in the Desert Sun for 21 consecutive days
5. Waiting period to file petition – minimum of 10 days, typically 2-3 weeks for Riverside County
6. Clerk enters hearing for a default judgement, schedules a hearing 15 days
7. Hearing for default judgement
8. 30-day Appeal Period

**Legal documents must be in substantially final form and the City must determine a not-to-exceed par value (\$18.095 million). Bonds can be sold after the 30-day Appeal Period has ended and the City Council approves the Official Statement for the Bonds and the final structure.

Preliminary Official Statement

Assuming the City Council authorizes issuance of the POBs, the financing team and City staff will work together concurrently with the prosecution of the validation proceeding to prepare a Preliminary Official Statement (“POS”) for the POBs. The POS is the offering document with respect to the POBs and, if the POBs will be sold by public offering, the POS must contain all material information to enable investors to determine whether to purchase POBs. If the POBs will be sold by public offering, the POS will likely be presented for approval by the City Council sometime in October or November 2020. If City Council approval is given at that time, the POBs could be issued a few weeks afterwards.

FISCAL IMPACT:

Stradling Yocca Carlson & Rauth will be paid \$25,000 to handle the validation proceedings, plus \$5,000 for filing fees and out-of-pocket costs. The lead underwriter, financial advisor, and bond and disclosure counsel are paid from the proceeds of the POBs which are estimated at \$325,000; the financing team is not paid unless the POBs are sold, except for the costs of the judicial validation proceedings.

The issuance of POBs essentially refinances existing CalPERS UAL payments, which have a fixed dollar repayment schedule and operate basically like a series of loans with a 7.00% interest rate. POBs are taxable bonds that refinance the City’s UAL (\$18.095 million) at a lower interest rate – approximately 3.46%, under current market conditions. As a result, the potential net present value savings are more than 33% and can provide significant cash flow relief to the City.

Based on financing that covers 100% of the \$17.4 million unfunded liability, the City would issue \$18.095 million in POBs, which would result in \$7.6 million in total cash flow savings (UAL payments) over the next 20 years. The POBs would carry an average rate of 3.46%, based on current interest rates as of June 16, 2020.

ATTACHMENTS:

- Attachment No. 1 – Resolution No. 2020-41
- Attachment No. 2 – Form of Trust Agreement
- Attachment No. 3 – Form of the Bond Purchase Agreement

RESOLUTION NO. 2020-41

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COACHELLA AUTHORIZING THE ISSUANCE OF BONDS TO REFUND CERTAIN PENSION OBLIGATIONS OF THE CITY, APPROVING THE FORM AND AUTHORIZING THE EXECUTION OF A TRUST AGREEMENT AND PURCHASE CONTRACT, AUTHORIZING JUDICIAL VALIDATION PROCEEDINGS RELATING TO THE ISSUANCE OF SUCH BONDS AND APPROVING ADDITIONAL ACTIONS RELATED THERETO

WHEREAS, the City of Coachella (the “City”) has previously adopted a retirement plan pursuant to the Public Employees’ Retirement Law, commencing with Section 20000 of the Government Code of the State of California, as amended (the “Retirement Law”) and elected to become a contracting member of the California Public Employees’ Retirement System (“PERS”);

WHEREAS, the Retirement Law and the contract (the “PERS Contract”) effective November 1, 1969, between the Board of Administration of PERS and the City Council of the City (the “City Council”) obligate the City to (i) make contributions to PERS to fund pension benefits for certain City employees, (ii) amortize the unfunded accrued actuarial liability with respect to such pension benefits, and (iii) appropriate funds for the foregoing purposes;

WHEREAS, the City desires to authorize the issuance of its City of Coachella 2020 Taxable Pension Obligation Bonds (the “Bonds”) pursuant to the provisions of Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53570 of said Code (the “Bond Law”), in a maximum principal amount not to exceed that required for the purpose of refunding all or a portion of the City’s current obligation to PERS for fiscal year 2020-21, pursuant to the PERS Contract, to pay all or a portion of the unfunded accrued actuarial liability of the City (the “Unfunded Liability”) with respect to pension benefits under the Public Employees’ Retirement Law and the PERS Contract, to pay capitalized interest on the Bonds and to pay the costs of issuance of such Bonds, including the underwriter’s discount and any original issue discount on such Bonds;

WHEREAS, the City expects that the need will arise in the future to issue additional refunding bonds (the “Additional Bonds”) pursuant to the Bond Law to amortize the accrued and unfunded Pension Liability of the City to PERS as required by the Public Employees Retirement Law and the PERS Contract and to fund normal contributions required by the PERS Contract;

WHEREAS, the Bonds will be issued under and secured by a Trust Agreement (such Trust Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Trust Agreement”); and

WHEREAS, the City has determined the advisability of filing an action to determine the validity of the Bonds, the Additional Bonds and the Trust Agreement, and the actions proposed to be taken in connection therewith;

WHEREAS, in compliance with SB 450, the City has obtained from its Municipal Advisor the required good faith estimates and such estimates are disclosed and set forth in Exhibit A attached hereto; and

WHEREAS, all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the financing authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the City is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such financing for the purpose, in the manner and upon the terms herein provided;

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

Section 1. The City Council does hereby find and declare that the above recitals are true and correct.

Section 2. The issuance of the Bonds on the terms and conditions set forth in, and subject to the limitations specified in, the Trust Agreement, is hereby authorized and approved. The Bonds shall be dated, shall bear interest at the rates, shall mature on the dates, shall be issued in the form and shall have terms as provided in the Trust Agreement, as the same shall be completed in accordance with this Resolution. The title of the Bonds may be changed to reflect the year in which the Bonds are issued, as directed by the City Manager of the City.

Section 3. The Trust Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, is hereby approved. The Mayor of the City, the City Manager of the City or their written designees (each an “Authorized Officer” and collectively, the “Authorized Officers”) are, and each of them is, hereby authorized and directed, for and in the name of the City, to execute and deliver the Trust Agreement in the form presented to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Trust Agreement by such Authorized Officer. The City Clerk of the City is hereby authorized and directed to attest the Trust Agreement for and in the name and on behalf of the City.

Section 4. The City hereby authorizes and approves the issuance of Additional Bonds pursuant to the Bond Law, as authorized by the Trust Agreement, from time to time, to refund all or a portion of the Unfunded Liability and the City’s obligation to PERS pursuant to the PERS Contract for the then-current fiscal year, provided that the City Manager, or his designee, first certifies to the Council in writing that such actions will result in cost savings to the City. The City authorizes any one of the Authorized Officers, or their designees, to execute and deliver one or more other trust agreements and/or one or more supplemental agreements supplementing or amending the Trust Agreement and providing for the issuance of Additional Bonds (each an “Additional Trust Agreement”); provided, however, that (i) each series of Additional Bonds shall be in a principal amount not to exceed the sum of the Unfunded Liability of the City to PERS under the PERS Contract and the Public Employees Retirement Law remaining unpaid on the date of issuance of such Additional Bonds, the obligation to PERS for the current fiscal year

pursuant to the PERS Contract and the costs of issuing the Additional Bonds, (ii) the stated interest rate on the Additional Bonds shall not exceed the discount rate assumed by PERS with respect to the amortization of the Unfunded Liability at the time such Additional Bonds are issued, and (iii) the Additional Bonds issued pursuant to such Additional Trust Agreement shall mature not later than 30 years from the date of their issuance.

Each Unfunded Liability refunded by the Bonds and each series of Additional Bonds pursuant to the Trust Agreement and each Additional Trust Agreement constitutes an obligation imposed by law, pursuant to the Constitution and laws of the State of California and an obligation of the City not limited as to payment from any special source of funds. The Unfunded Liability refunded by the Bonds pursuant to the Trust Agreement and each series of Additional Bonds pursuant to an Additional Trust Agreement shall not, however, constitute an obligation of the City for which the City is obligated or permitted to levy or pledge any form of taxation or for which the City has levied or pledged or will levy or pledge any form of taxation.

Section 5. The form of the Bond Purchase Agreement (the “Purchase Contract”) by and between the City and Samuel A. Ramirez & Co., Inc. (the “Underwriter”) presented to this meeting and on file with the Clerk and the sale of the Bonds to the Underwriter pursuant thereto upon the terms and conditions set forth therein is hereby approved, and subject to such approval and subject to the provisions hereof, the Authorized Officers are each hereby authorized and directed to evidence the City’s acceptance of the offers made by the Purchase Contract by executing and delivering the Purchase Contract in said form with such changes therein as the Authorized Officer or Authorized Officers executing the same may approve and such matters as are authorized by this Resolution, such approval to be conclusively evidenced by the execution and delivery thereof by any one of the Authorized Officers.

Section 6. The City Manager of the City and his designee are each authorized, on behalf of the City, to establish and determine (i) the final principal amount of the Bonds, provided the aggregate initial principal amount of the Bonds shall not be greater than the lesser of (a) \$18,200,000 or (b) sum of the City’s obligation to PERS for the remainder of fiscal year 2020-21, as evidenced by the PERS Contract, and the Unfunded Liability as calculated by PERS or other actuary selected by the Authorized Officer, together with the costs of issuing the Bonds as approved by such Authorized Officer, (ii) the final interest rates on various maturities of the Bonds, provided that the net present value savings achieved through refunding the Unfunded Liability by issuing the Bonds shall be at least 3% of the Unfunded Liability and that the maturity date of the Bonds shall not be later than the last date through which PERS has determined for the amortization of the Unfunded Liability of the City in accordance with its current procedures; and (iii) the Underwriter’s discount for the purchase of the Bonds, not to exceed 0.93% of the principal amount of the Bonds. The net present value savings shall be calculated by comparing present value of the payments required to amortize the Unfunded Liability at the discount rate assumed by PERS to the present value of the principal and interest payments on the Bonds.

Section 7. The Authorized Officers are hereby authorized to negotiate and execute an insurance policy and debt service reserve fund insurance policy for the Bonds (and such other agreements that may be required by the insurer in connection therewith) if it is determined that

the policies will result in interest rate savings for the City, and to pay the insurance premium of such policies from the proceeds of the issuance and sale of the Bonds.

Section 8. The Authorized Officers are each authorized to execute contracts with Stradling Yocca Carlson & Rauth, a Professional Corporation, to act as Bond Counsel to the City, with Nixon Peabody LLP, to act as Disclosure Counsel to the City, and with Urban Futures, Incorporated, to serve as Municipal Advisor to the City, which contracts shall be in substantially the form on file with the Clerk, together with such changes as may be approved by the City Manager, the City Attorney, or their designee, which changes shall be deemed approved by the execution and delivery of such contract by the City Manager.

Section 9. In order to determine the validity of the Bonds, the Additional Bonds, the Trust Agreement and the Additional Trust Agreements, and the actions authorized hereby to be taken in connection therewith, the City Council hereby authorizes the City Attorney, in concert with Stradling Yocca Carlson & Rauth, Bond Counsel, to prepare and cause to be filed and prosecuted to completion all proceedings required for the judicial validation of the Bonds, the Additional Bonds, the Trust Agreement and the Additional Trust Agreements in the Superior Court of Riverside County, under and pursuant to the provisions of Sections 860 *et seq.* of the California Code of Civil Procedure. The City Council further authorizes the Authorized Officers and all other officers, employees and agents of the City to take any and all actions, including the execution and delivery or appropriate documentation, as may be required to conclude such judicial validation proceedings.

Section 10. The Authorized Officers, the City Clerk of the City and the other officers and staff of the City responsible for the fiscal affairs of the City are, and each of them hereby is, authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated hereby, including, but not limited to, the preparation of an Official Statement (and a Preliminary Official Statement) for use in connection with the offering and sale of the Bonds, the execution and delivery of a continuing disclosure undertaking and the execution and delivery of any documents required by PERS in order to complete the issuance of the Bonds.

Section 11. All actions heretofore taken by the Authorized Officers and by any other officers, employees or agents of the City with respect to the issuance of the Bonds, or in connection with or related to any of the agreements or documents referenced herein, are hereby approved, confirmed and ratified.

Section 12. This Resolution shall take effect from and after the date of approval and adoption hereof.

The City Clerk of the City of Coachella shall certify as to the adoption of this Resolution.

PASSED, APPROVED and ADOPTED this 24th day of June 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. 2020-41 was duly adopted by the City Council of the City of Coachella at a regular meeting thereof, held on the 24th day of June 2020, by the following vote of Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

Andrea J. Carranza, MMC
Deputy City Clerk

EXHIBIT A

SB 450 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 City by Urban Futures, Incorporated, the City's Municipal Advisor (the "Municipal Advisor").

Principal Amount. The Municipal Advisor has informed the City that, based on the City's financing plan and current market conditions, its good faith estimate of the aggregate principal amount of the Bonds to be sold is \$17,985,000 (the "Estimated Principal Amounts").

True Interest Cost of the Bonds. The Municipal Advisor has informed the City that, assuming that the respective Estimated Principal Amounts of the Bonds are 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 3.4%.

Finance Charge of the Bonds. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amounts of the Bonds are 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 \$395,261.

Amount of Proceeds to be Received. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amounts of the Bonds are 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 City for sale of the Bonds, less the finance charge of the Bonds, as estimated above, and any capitalized interest on the Bonds paid or funded with proceeds of the Bonds, is \$17,587,901.

Total Payment Amount. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amounts of the Bonds are 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 City will make to pay debt service on the Bonds, plus the finance charge for the Bonds, as described above, not paid with the respective proceeds of the Bonds, calculated to the final maturity of the Bonds, is \$23,494,713 and the annual cost to administer the Bonds, not paid with proceeds of the Bonds is \$7,500.

The foregoing estimates constitute good faith estimates only and are based on market conditions prevailing at the time of preparation of such estimates on June 16, 2020. 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 date of the sale of the Bonds being different than the date assumed for purposes of such estimates, (b) the actual

principal amount of Bonds sold being different from the respective Estimated Principal Amounts, (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 City's financing plan, or a combination of such factors. The actual date of sale of the Bonds and the actual principal amount of Bonds sold will be determined by the City based on various 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 City.

TRUST AGREEMENT

by and between

CITY OF COACHELLA

and

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

Dated as of ____ 1, 2020

Relating to

**\$ _____
CITY OF COACHELLA
2020 TAXABLE PENSION OBLIGATION BONDS**

TABLE OF CONTENTS

Page

ARTICLE I
DEFINITIONS; INTERPRETATION

Section 1.01 Certain Defined Terms 1
Section 1.02 Other Definitional Provisions 8

ARTICLE II
THE BONDS

Section 2.01 Issuance of Bonds; Form; Dating 8
Section 2.02 Description of the Bonds 8
Section 2.03 Interest on the Bonds 8
Section 2.04 Medium of Payment 9
Section 2.05 Form..... 9
Section 2.06 Additional Bonds 9

ARTICLE III
EXECUTION, AUTHENTICATION AND EXCHANGE OF BONDS;
BOOK ENTRY BONDS

Section 3.01 Execution and Authentication; Registration 9
Section 3.02 Transfer or Exchange of Bonds 10
Section 3.03 Book-Entry Bonds 10
Section 3.04 Mutilated, Lost, Stolen or Destroyed Bonds 12
Section 3.05 Destruction of Bonds 13
Section 3.06 Temporary Bonds 13

ARTICLE IV
REDEMPTION OF BONDS

Section 4.01 Notices to Trustee; Notices to Bondholders; Notices to DTC 13
Section 4.02 Optional Redemption of Bonds 14
Section 4.03 Mandatory Sinking Fund Redemption of Bonds 14
Section 4.04 Payment of Bonds Called for Redemption; Effect of Redemption Call 16
Section 4.05 Selection of Bonds for Redemption; Bonds Redeemed in Part 16

ARTICLE V
APPLICATION OF PROCEEDS;
SOURCE OF PAYMENT OF BONDS

Section 5.01 Application of Proceeds and City Contribution..... 17
Section 5.02 Sources of Payment of Bonds; Semi-Annual Payments by the City 17

ARTICLE VI
CREATION OF CERTAIN FUNDS AND ACCOUNTS

Section 6.01 Creation of Costs of Issuance Fund 18
Section 6.02 Creation of Revenue Fund and Certain Accounts 18
Section 6.03 Creation of Redemption Fund 18
Section 6.04 Moneys Held in Redemption Fund 19
Section 6.05 Unclaimed Moneys 19

TABLE OF CONTENTS
(continued)

Page

ARTICLE VII
CONCERNING PAYING AGENT

Section 7.01	Paying Agent; Appointment and Acceptance of Duties	19
Section 7.02	Paying Agent - General Responsibilities	19
Section 7.03	Certain Permitted Acts.....	20
Section 7.04	Resignation or Removal of Paying Agent and Appointment of Successor	20

ARTICLE VIII
COVENANTS OF THE CITY

Section 8.01	Payment of Principal and Interest.....	20
Section 8.02	Performance of Covenants by City; Authority; Due Execution	21
Section 8.03	Instruments of Further Assurance.....	21
Section 8.04	No Inconsistent Action	21
Section 8.05	No Adverse Action	21
Section 8.06	Maintenance of Powers.....	21
Section 8.07	Covenants of City Binding on Successors	21
Section 8.08	Trust Agreement to Constitute a Contract	22
Section 8.09	City to Perform Pursuant to Continuing Disclosure Certificate	22

ARTICLE IX
INVESTMENTS

Section 9.01	Investments Authorized	22
Section 9.02	Reports.....	23
Section 9.03	Valuation and Disposition of Investments.....	23
Section 9.04	Application of Investment Earnings	23

ARTICLE X
DEFEASANCE

Section 10.01	Discharge of Bonds; Release of Trust Agreement.....	23
Section 10.02	Bonds Deemed Paid.....	24

ARTICLE XI
DEFAULTS AND REMEDIES

Section 11.01	Events of Default	24
Section 11.02	Remedies.....	25
Section 11.03	Restoration to Former Position.....	25
Section 11.04	Bondholders' Right to Direct Proceedings on their Behalf	26
Section 11.05	Limitation on Bondholders' Rights to Institute Proceedings.....	26
Section 11.06	No Impairment of Right to Enforce Payment.....	26
Section 11.07	Proceedings by Trustee Without Possession of Bonds	26
Section 11.08	No Remedy Exclusive	26
Section 11.09	No Waiver of Remedies.....	27
Section 11.10	Application of Moneys	27
Section 11.11	Severability of Remedies.....	27
Section 11.12	Additional Events of Default and Remedies.....	28

TABLE OF CONTENTS
(continued)

Page

ARTICLE XII
TRUSTEE; REGISTRAR

Section 12.01 Acceptance of Trusts 28

Section 12.02 Duties of Trustee..... 28

Section 12.03 Rights of Trustee..... 29

Section 12.04 Individual Rights of Trustee 30

Section 12.05 Trustee’s Disclaimer..... 30

Section 12.06 Notice of Defaults..... 30

Section 12.07 Compensation of Trustee..... 30

Section 12.08 Eligibility of Trustee..... 31

Section 12.09 Replacement of Trustee 31

Section 12.10 Successor Trustee or Agent by Merger..... 31

Section 12.11 Registrar..... 31

Section 12.12 Other Agents..... 32

Section 12.13 Several Capacities..... 32

Section 12.14 Accounting Records and Reports of Trustee 32

Section 12.15 No Remedy Exclusive 32

ARTICLE XIII
MODIFICATION OF THIS TRUST AGREEMENT

Section 13.01 Limitations..... 32

Section 13.02 Supplemental Agreements Not Requiring Consent of Bondholders 33

Section 13.03 Supplemental Agreement Requiring Consent of Bondholders..... 33

Section 13.04 Effect of Supplemental Agreements 34

Section 13.05 Supplemental Agreements to be Part of this Trust Agreement 34

ARTICLE XIV
MISCELLANEOUS PROVISIONS

Section 14.01 Parties in Interest 34

Section 14.02 Severability 35

Section 14.03 No Personal Liability of City Officials; Limited Liability of City to
Bondholders..... 35

Section 14.04 Execution of Instruments; Proof of Ownership 35

Section 14.05 Governing Law; Venue..... 36

Section 14.06 Notices..... 36

Section 14.07 Holidays 37

Section 14.08 Captions 37

Section 14.09 Counterparts..... 37

Signatures S-1

Exhibit “A” Form of Bond..... A-1

Exhibit “B” Form of Requisition B-1

TRUST AGREEMENT

This **TRUST AGREEMENT** is dated as of ___ 1, 2020, and is made by and between the **CITY OF COACHELLA**, a general law city duly organized and validly existing under and pursuant to the Constitution and the laws of the State of California (the “**City**”), and **WILMINGTON TRUST, NATIONAL ASSOCIATION**, a national banking association organized and existing under the laws of the United States of America, as trustee (the “**Trustee**”).

RECITALS

WHEREAS, the City is a member of the California Public Employees’ Retirement System (“**PERS**”) and, as such, is obligated by the Public Employees’ Retirement Law, constituting Part 3 of Division 5 of Title 2 of the California Government Code (the “**Retirement Law**”), and the contract between the Board of Administration of PERS and the City Council of the City, effective November 1, 1969 (as amended, the “**PERS Contract**”), to make contributions to PERS to (a) fund pension benefits for its employees who are members of PERS, (b) amortize the unfunded actuarial liability with respect to such pension benefits, and (c) appropriate funds for the purposes described in (a) and (b); and

WHEREAS, the City is authorized pursuant to Articles 10 and 11 (commencing with Section 53570) of Chapter 3 of Division 2 of Title 5 of the California Government Code (the “**Refunding Law**”) to issue bonds for the purpose of refunding certain obligations of the City, including the obligations set forth in the PERS Contract; and

WHEREAS, for the purpose of refunding the City’s unamortized, unfunded accrued actuarial liability with respect to pension benefits under the Retirement Law (the “**Unfunded Liability**”), and to pay the costs of issuance, including underwriter’s discount and any original issue discount, the City has determined to issue its \$_____ City of Coachella 2020 Taxable Pension Obligation Bonds (the “**Bonds**”), all pursuant to and secured by this Trust Agreement providing for the issuance of the Bonds, all in the manner provided herein;

NOW THEREFORE, the City and the Trustee agree as follows, each for the benefit of the other and the benefit of holders of the Bonds (as defined below) issued in accordance with this Trust Agreement.

ARTICLE I

DEFINITIONS; INTERPRETATION

Section 1.01 Certain Defined Terms. The terms defined in this Article I shall, for all purposes of this Trust Agreement, have the meanings specified unless the context clearly requires otherwise.

“**Account**” means any account established pursuant to this Trust Agreement.

“**Additional Bonds**” means bonds issued in accordance with Section 2.06 hereof.

“**Authorized City Representative**” means the Mayor, the City Manager, the Finance Director or any officer authorized to act on their respective behalves.

“Authorized Denominations” means \$5,000 and any integral multiple thereof (except that while Bonds are registered in book-entry form, they may be held in amounts other than an integral multiple so long as the amount exceeds \$5,000).

“Beneficial Owner” means, whenever used with respect to a Bond, the person in whose name such Bond is recorded as the beneficial owner of such Bond by a Participant on the records of such Participant or such person’s subrogee.

“Bond” or **“Bonds”** means the bonds issued under this Trust Agreement and designated as “City of Coachella 2020 Taxable Pension Obligation Bonds.”

“Bond Counsel” means (a) Stradling Yocca Carlson & Rauth, a Professional Corporation, or (b) a firm of attorneys nationally recognized as experts in the area of municipal finance who are familiar with the transactions contemplated under this Trust Agreement and acceptable to the City.

“Bond Interest Account” means the Account of that name established within the Revenue Fund pursuant to Section 6.02 hereof.

“Bond Principal Account” means the Account of that name established within the Revenue Fund pursuant to Section 6.02 hereof.

“Book-Entry Bonds” means the Bonds held by DTC (or its nominee) as the registered owner thereof pursuant to the terms and provisions of Section 3.03 hereof.

“Business Day” means a day (a) other than a day on which banks located in the City of New York, New York or the cities in which the respective corporate trust offices of the Trustee or any Paying Agent with respect to the Bonds are located, are required or authorized by law or executive order to close, and (b) on which the New York Stock Exchange is open.

“Closing Date” means _____, 2020.

“Consultant” means the accountant, attorney, consultant, municipal finance consultant or investment banker, or firm thereof, retained by the City to perform acts and carry out the duties provided for such Consultant in this Trust Agreement. Such accountant, attorney, consultant, municipal finance consultant or investment banker, or firm thereof, shall be nationally recognized within its profession for work of the character required.

“Continuing Disclosure Certificate” means that certain Continuing Disclosure Certificate executed and delivered by the City, dated as of ___ 1, 2020, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“Costs of Issuance” means all costs and expenses incurred by the City in connection with the issuance of the Bonds and the refunding of the Unfunded Liability, including, but not limited to, out-of-pocket expenses of the City, costs and expenses of printing and copying documents and the Bonds and the fees, costs and expenses of Rating Agencies, credit providers or enhancers, the Trustee, counsel to the Trustee, Bond Counsel, the verification agent, accountants, municipal finance consultant, disclosure counsel and other consultants and the premium for any municipal bond insurance and surety bond insurance.

“**Costs of Issuance Fund**” means the Fund of that name established pursuant to Section 6.01 hereof.

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

“**Deposit Amount**” means, for any Payment Calculation Period, the sum of the aggregate amount of principal required to be paid on Bonds during such Payment Calculation Period either at maturity or pursuant to a mandatory sinking fund payment and the interest due on the Bonds on each Interest Payment Date during such Payment Calculation Period.

“**DTC**” means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns.

“**Event of Default**” means any occurrence or event specified in Section 11.01 hereof.

“**Fiduciary or Fiduciaries**” means the Trustee, any Paying Agent, or any or all of them, as may be appropriate.

“**Fiscal Year**” means the period of time beginning on July 1 of each given year and ending on June 30 of the immediately subsequent year, or such other period as the City designates as its fiscal year.

“**Fitch**” means Fitch Ratings Inc.

“**Fund**” means any fund established pursuant to this Trust Agreement.

“**Holder,**” or “**Bondholder,**” “**owner**” or “**registered owner**” means the registered owner of any Bonds, including DTC or its nominee as the sole registered owner of Book-Entry Bonds.

“**Information Services**” means any one or more of the national information services that Trustee determines are in the business of disseminating notices of redemption of obligations such as the Bonds.

“**Interest Payment Date**” means June 1 and December 1 of each year commencing [December 1, 2020].

“**Mail**” means by first-class United States mail, postage prepaid.

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

“Opinion of Bond Counsel” means a written opinion of Bond Counsel.

“Outstanding,” with respect to the Bonds, means all Bonds which have been authenticated and delivered under this Trust Agreement, except:

(a) Bonds cancelled or purchased by the Trustee for cancellation or delivered to or acquired by the Trustee for cancellation and, in all cases, with the intent to extinguish the debt represented thereby.

(b) Bonds deemed to be paid in accordance with Section 10.02 hereof.

(c) Bonds in lieu of which other Bonds have been authenticated under Sections 3.02 and 3.04 hereof.

(d) Bonds that have become due (at maturity, on redemption, or otherwise) and for the payment of which sufficient moneys, including interest accreted or accrued to the due date, are held by the Trustee or a Paying Agent.

(e) For purposes of any consent or other action to be taken by the Holders of a specified percentage of Bonds Outstanding under this Trust Agreement, Bonds held by or for the account of the City or by any person controlling, controlled by or under common control with the City, unless such Bonds are pledged to secure a debt to an unrelated party, in which case such Bonds shall, for purposes of consents and other Bondholder action, be deemed to be Outstanding and owned by the party to which such Bonds are pledged. Nothing herein shall be deemed to prevent the City from purchasing Bonds from any party out of any funds available to the City.

“Participant” means the participants of DTC which include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations.

“Paying Agent” means any paying agent for the Bonds, or successor thereto, appointed by the City pursuant to Sections 7.01 or 7.02 hereof, and any successor appointed pursuant to Section 7.04 hereof.

“Payment Calculation Period” means the twelve-month period commencing on each June 2 and ending on the next succeeding June 1, except that the first Payment Calculation Period shall commence on the Closing Date and end on June 1, 2021.

“Permitted Investments” means the following:

(1) Direct obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America (“U.S. Government Securities”).

(2) Direct obligations* of the following federal agencies which are fully guaranteed by the full faith and credit of the United States of America:

- a. Export-Import Bank of the United States – Direct obligations and fully guaranteed certificates of beneficial interest
- b. Federal Housing Administration – debentures
- c. General Services Administration – participation certificates
- d. Government National Mortgage Association (“GNMAs”) – guaranteed mortgage-backed securities and guaranteed participation certificates
- e. Small Business Administration – guaranteed participation certificates and guaranteed pool certificates
- f. U.S. Department of Housing & Urban Development – local authority bonds
- g. U.S. Maritime Administration – guaranteed Title XI financings
- h. Washington Metropolitan Area Transit Authority – guaranteed transit bonds

(3) Direct obligations* of the following federal agencies which are not fully guaranteed by the faith and credit of the United States of America:

- a. Federal National Mortgage Association (“FNMA”) – senior debt obligations rated Aaa by Moody’s Investors Service (“Moody’s”) and AAA by Standard & Poor’s Ratings Services (“S&P”)
- b. Federal Home Loan Mortgage Corporation (“FHLMCs”) – participation certificates and senior debt obligations rated Aaa by Moody’s and AAA by S&P
- c. Federal Home Loan Banks – consolidated debt obligations
- d. Student Loan Marketing Association – debt obligations
- e. Resolution Funding Corporation – debt obligations

(4) Direct, general obligations of any state of the United States of America or any subdivision or agency thereof whose uninsured and unguaranteed general obligation debt is rated, at the time of purchase, A2 or better by Moody’s and A or better by S&P, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose uninsured and unguaranteed general obligation debt is rated, at the time of purchase, A2 or better by Moody’s and A or better by S&P.

(5) Commercial paper (having original maturities of not more than 270 days) rated, at the time of purchase, P-1 by Moody’s and A-1 or better by S&P.

* The following are explicitly excluded from the securities enumerated in 2 and 3:

- (i) All derivative obligations, including without limitation inverse floaters, residuals, interest-only, principal-only and range notes;
- (ii) Obligations that have a possibility of returning a zero or negative yield if held to maturity;
- (iii) Obligations that do not have a fixed par value or those whose terms do not promise a fixed dollar amount at maturity or call date; and
- (iv) Collateralized Mortgage-Backed Obligations (“CMOs”).

(6) Certificates of deposit, savings accounts, deposit accounts or money market deposits in amounts that are continuously and insured by the Federal Deposit Insurance Corporation (“FDIC”), including the Bank Insurance Fund and the Savings Association Insurance Fund, and including funds for which the Trustee or its affiliates provide investment advisory or other management services.

(7) Certificates of deposit, deposit accounts, federal funds or bankers’ acceptances (in each case having maturities of not more than 365 days following the date of purchase) of any domestic commercial bank or United States branch office of a foreign bank, provided that such bank’s short-term certificates of deposit are rated P-1 by Moody’s and A-1 or better by S&P (not considering holding company ratings).

(8) Investments in money-market funds rated AAAM or AAAM-G by S&P, including funds for which the Trustee and its affiliates provide investment advisory or other management services.

(9) Any other investment which the City is permitted by law to make, including without limitation investment in the Local Agency Investment Fund of the State of California (LAIF), provided that any investment of the type authorized pursuant to paragraphs (d), (f), (h) and (i) of Section 53601 of the California Government Code are additionally restricted as provided in the appropriate paragraph or paragraphs above applicable to such type of investment and provided further that investments authorized pursuant to paragraphs (k) and (m) of Section 53601 are not permitted.

To the extent that any of the requirements concerning Permitted Investments embodies a legal conclusion, the Trustee shall be entitled to conclusively rely upon a certificate from the appropriate party or an opinion from counsel to such party, that such requirement has been met.

“**PERS**” means the California Public Employees’ Retirement System.

“**PERS Contract**” has the meaning assigned that term in the Recitals to this Trust Agreement.

“**Principal Office of the Trustee**” means the office of the Trustee at the address set forth in Section 14.06 of this Trust Agreement, or such other offices as the Trustee may designate from time to time, or the office of any successor Trustee where it principally conducts its business of serving as trustee under the trust agreements pursuant to which municipal or governmental obligations are issued.

“**Rating Agencies**” means Fitch, Moody's and S&P.

“**Rating Category**” means (a) with respect to any long-term rating category, all ratings designated by a particular letter or combination of letters, without regard to any numerical modifier, plus or minus sign or other modifier and (b) with respect to any short-term or commercial paper rating category, all ratings designated by a particular letter or combination of letters and taking into account any numerical modifier, but not any plus or minus sign or other modifier.

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

“**Redemption Fund**” means the Fund of that name established pursuant to Section 6.03 hereof.

“**Refunding Law**” has the meaning assigned that term in the Recitals to this Trust Agreement.

“**Registrar**” means, for purposes of this Trust Agreement, the Trustee or its successor or assignee.

“**Representation Letter**” means the Letter of Representations from the City to DTC with respect to the Bonds.

“**Requisition**” or “**Written Requisition**” means a Requisition or Written Requisition, substantially in the form of Exhibit “B” hereto.

“**Responsible Officer**” means an officer of the Trustee assigned by the Trustee to administer this Trust Agreement.

“**Retirement Law**” has the meaning assigned that term in the Recitals to this Trust Agreement.

“**Revenue Fund**” means the Fund of that name established pursuant to Section 6.02 hereof.

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

“**Securities Depositories**” means any of The Depository Trust Company or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other securities depositories, or if no such depositories, as the City may indicate in a certificate of the City delivered to the Trustee.

“**State**” means the State of California.

“**Term Bonds**” means the Bonds maturing June 1, 20__, June 1, 20__ and June 1, 20__.

“**Total Bond Obligation**” means, as of any date of calculation, the aggregate principal amount of the Bonds then Outstanding.

“**Trust Agreement**” means this Trust Agreement dated as of ____ 1, 2020 between the City and the Trustee, as it may be amended, supplemented or otherwise modified from time to time.

“**Trustee**” means the entity named as such in the heading of this Trust Agreement until a successor replaces it, and thereafter means such successor.

“**Unfunded Liability**” has the meaning assigned that term in the Recitals to this Trust Agreement.

Section 1.02 Other Definitional Provisions. Except as otherwise indicated, references to Articles and Sections are to the Articles and Sections of this Trust Agreement. Any of the terms defined in Section 1.01 may, unless the context otherwise requires, be used in the singular or the plural, depending on the reference.

ARTICLE II

THE BONDS

Section 2.01 Issuance of Bonds; Form; Dating. Bonds may be issued by the City under the terms of this Trust Agreement only to refund the City’s Unfunded Liability under the PERS Contract and the Retirement Law and to pay the Costs of Issuance in connection with the issuance of the Bonds. The Bonds shall be designated “City of Coachella 2020 Taxable Pension Obligation Bonds” and shall be issued in Authorized Denominations. The Bonds shall be issued hereunder in the aggregate principal amount of \$_____. Interest on the Bonds shall be payable on each June 1 and December 1, commencing [December 1, 2020].

Section 2.02 Description of the Bonds. Each Bond shall be issued in fully registered form and shall be numbered as determined by the Trustee. The Bonds shall be dated the Closing Date. The Bonds shall be issued in Authorized Denominations; provided, however, that the Bonds shall initially be Book-Entry Bonds.

The Bonds shall mature on the dates, in the principal amounts, and interest thereon shall be computed at the rates, as shown below:

<i>Maturity Date</i> <i>(June 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>
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Section 2.03 Interest on the Bonds. Interest on each Bond of each maturity shall be payable at the respective per annum rates set forth in Section 2.02 hereof and shall be payable on each Interest Payment Date until maturity or earlier redemption, computed using a year of 360 days comprised of twelve 30-day months. Interest on each Bond shall accrue from the Interest Payment Date for the Bonds next preceding the date of authentication and delivery thereof, unless (i) such date of authentication is an Interest Payment Date in which event interest shall be payable from such date

of authentication; (ii) it is authenticated after a Record Date and before the close of business on the immediately following Interest Payment Date, in which event interest thereon shall be payable from such Interest Payment Date; or (iii) it is authenticated prior to the close of business on the first Record Date, in which event interest thereon shall be payable from the Closing Date; provided, however, that if at the time of authentication of any Bond interest thereon is in default, interest thereon shall be payable from the Interest Payment Date to which interest has previously been paid or made available for payment or, if no interest has been paid or made available for payment, from the Closing Date.

Section 2.04 Medium of Payment. Principal, premium, if any, and interest on the Bonds shall be payable in currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Payments of interest on any of the Bonds will be made on each Interest Payment Date by check of the Trustee sent by Mail, or by wire transfer to any Holder of \$1,000,000 or more of Bonds, to the account specified by such Holder in a written request delivered to the Trustee on or prior to the Record Date for such Interest Payment Date, to the Holder thereof on the Record Date; provided, however, that payments of defaulted interest shall be payable to the person in whose name such Bond is registered at the close of business on a special record date fixed therefor by the Trustee which shall not be more than 15 days and not less than ten days prior to the date of the proposed payment of defaulted interest. Payment of the principal of the Bonds upon redemption or maturity will be made upon presentation and surrender of each such Bond, at the Principal Office of the Trustee.

Section 2.05 Form. The Bonds shall be substantially in the form set forth in Exhibit "A" attached hereto and by this reference incorporated herein. The Bonds may be printed, lithographed, photocopied or typewritten and shall be in such Authorized Denominations as may be determined by the City.

Section 2.06 Additional Bonds. From time to time, the City may enter into (i) one or more other trust agreements or indentures and/or (ii) one or more agreements supplementing and/or amending this Trust Agreement, for the purpose of providing for the issuance of Additional Bonds to refund the Bonds or to refund all or any portion of any Unfunded Liability under the PERS Contract arising subsequent to the issuance of the Bonds or any other obligations due to PERS. Such Additional Bonds may be issued on a parity with the Bonds.

ARTICLE III

EXECUTION, AUTHENTICATION AND EXCHANGE OF BONDS; BOOK ENTRY BONDS

Section 3.01 Execution and Authentication; Registration.

(a) The Bonds will be signed for the City with the manual or facsimile signature of the City Manager or Mayor of the City. The City may deliver to the Trustee or its agent duly executed Bonds for authentication from time to time by the Trustee or its agent as such Bonds may be required. Bonds executed and so delivered and authenticated will be valid. In case any officer of the City whose signature or whose facsimile signature shall appear on any Bonds shall cease to be such officer before the authentication of such Bonds, such signature or the facsimile signature thereof shall nevertheless be valid and sufficient for all purposes the same as if he or she had remained in office until authentication. Also, if a person signing a Bond is the proper officer on the actual date of

execution, the Bond will be valid even if that person is not the proper officer on the nominal date of action and even though, at the date of this Trust Agreement, such person was not such officer.

(b) A Bond will not be valid until the Trustee or its agent executes the certificate of authentication on such Bond by manual signature. Such signature will be conclusive evidence that such Bond has been authenticated under this Trust Agreement. The Trustee may appoint an authenticating agent acceptable to the City to authenticate Bonds. An authenticating agent may authenticate Bonds whenever the Trustee may do so. Each reference in this Trust Agreement to authentication by the Trustee includes authentication by such agent.

(c) Bonds may be presented at the Principal Office of the Trustee, unless a different office has been designated for such purpose, for registration, transfer and exchange. The Registrar will keep a register of such Bonds and of their transfer and exchange.

Section 3.02 Transfer or Exchange of Bonds. Subject to Section 3.03:

(a) All Bonds shall be issued in fully registered form. Upon surrender for transfer of any Bond at the Principal Office of the Trustee, the Trustee shall deliver in the name of the transferee or transferees a new fully authenticated and registered Bond or Bonds of Authorized Denominations of the same maturity for the aggregate principal amount which the Bondholder is entitled to receive.

(b) All Bonds presented for transfer, redemption or payment shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and with guaranty of signature satisfactory to the City, duly executed by the Bondholder or by his duly authorized attorney. The Trustee also may require payment from the Bondholder of a sum sufficient to cover any tax, or other governmental fee or charge that may be imposed in relation thereto. Such taxes, fees and charges shall be paid before any such new Bond shall be delivered.

(c) Bonds delivered upon any transfer as provided herein, or as provided in Section 3.04, shall be valid obligations of the City, evidencing the same debt as the Bond surrendered, shall be secured by this Trust Agreement and shall be entitled to all of the security and benefits hereof to the same extent as the Bond surrendered.

(d) The City, the Trustee and the Paying Agent shall treat the Bondholder, as shown on the registration books kept by the Trustee, as the person exclusively entitled to payment of principal, premium, if any, and interest with respect to such Bond and to the exercise of all other rights and powers of the Bondholder, except that all interest payments will be made to the party who, as of the Record Date, is the Bondholder.

Section 3.03 Book-Entry Bonds.

(a) Except as provided in paragraph (c) of this Section 3.03, the registered owner of all of the Bonds shall be DTC and the Bonds shall be registered in the name of Cede & Co., as nominee for DTC. Except as provided in paragraph (d) of this Section 3.03, payment of principal, interest and premium, if any, for any Bonds registered in the name of Cede & Co. shall be made as provided in the Representation Letter.

(b) The Bonds shall be initially issued in the form of a separate single authenticated fully registered Bond for each separate stated maturity of the Bonds. The Trustee, the Registrar and the City may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal or redemption price of, or interest on, the Bonds, selecting the Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondholders under this Trust Agreement, registering the transfer of Bonds, obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever, and neither the Trustee, the Registrar nor the City shall be affected by any notice to the contrary. Neither the Trustee, the Registrar nor the City shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant or any other person which is not shown on the registration books as being a Bondholder, with respect to (i) the accuracy of any records maintained by DTC or any Participant, (ii) the payment by DTC or any Participant of any amount in respect of the principal or redemption price of or interest on the Bonds, (iii) any notice which is permitted or required to be given to Bondholders under this Trust Agreement, (iv) the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Bonds, or (v) any consent given or other action taken by DTC as a Bondholder. The Trustee shall pay, from funds held under the terms of this Trust Agreement or otherwise provided by the City, all principal or redemption price of and interest on the Bonds only to DTC as provided in the Representation Letter and all such payments shall be valid and effective to satisfy and discharge fully the City's obligations with respect to the principal or redemption price of and interest on the Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive authenticated Bonds evidencing the obligation of the City, to make payments of principal or redemption price and interest pursuant to this Trust Agreement. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions herein with respect to Record Dates, the name "Cede & Co." in this Trust Agreement shall refer to such new nominee of DTC.

(c) In the event the City determines that it is in the best interest of the Beneficial Owners that they be able to obtain Bond certificates and notifies DTC, the Trustee and the Registrar of such determination, then DTC will notify the Participants of the availability through DTC of Bond certificates. In such event, the Trustee shall authenticate and the Registrar shall transfer and exchange Bonds certificates as requested by DTC and any other Bondholders in appropriate amounts. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and the Trustee and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the City and the Trustee shall be obligated to deliver Bond certificates as described in this Trust Agreement. In the event Bond certificates are issued, the provisions of this Trust Agreement shall apply to, among other things, the transfer and exchange of such certificates and the method of payment of principal of and interest on such certificates. Whenever DTC requests the City and the Trustee to do so, the Trustee and the City will cooperate with DTC in taking appropriate action after reasonable notice (i) to make available one or more separate certificates evidencing the Bonds to any Participant having Bonds credited to its DTC account or (ii) to arrange for another securities depository to maintain custody of certificates evidencing the Bonds.

(d) Notwithstanding any other provision of this Trust Agreement to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal or redemption price of and interest on such Bonds and all notices with respect to such Bonds shall be made and given, respectively, to DTC as provided in the Representation Letter.

(e) In connection with any notice or other communication to be provided to Bondholders pursuant to this Trust Agreement by the City or the Trustee with respect to any consent or other action to be taken by Bondholders, the City or the Trustee, as the case may be, shall establish a record date for such consent or other action and give DTC notice of such record date not less than 15 calendar days in advance of such record date to the extent possible. Notice to DTC shall be given only when DTC is the sole Bondholder.

(f) If the City purchases, or causes the Trustee to purchase, any of the Bonds, such purchase of Bonds shall be deemed to have occurred upon the purchase of beneficial ownership interests in the Bonds from a Participant. Upon receipt by DTC of notice from the City and a Participant that a purchase of beneficial ownership interests in the Bonds has been made by the City from such Participant, DTC shall surrender to the Trustee the Bonds referenced in such notice and, if the principal amount referenced in said notice is less than the principal amount of the Bonds so surrendered, the Trustee shall authenticate and deliver to DTC, in exchange for the Bonds so surrendered, a new Bond or Bonds, as the case may be, in Authorized Denominations and in a principal amount equal to the difference between (i) the principal amount of the Bonds so surrendered and (ii) the principal amount referenced in said notice.

(g) Notwithstanding any provision herein to the contrary, the City and the Trustee may agree to allow DTC, or its nominee, Cede & Co., to make a notation on any Bond redeemed in part to reflect, for informational purposes only, the principal amount and date of any such redemption.

(h) In the event that DTC notifies the City that it is discontinuing the book-entry system for the Bonds, the City may either appoint another entity to hold the Bonds in book-entry form or deliver Bond certificates to the beneficial owners or Participants, as directed by DTC.

Section 3.04 Mutilated, Lost, Stolen or Destroyed Bonds.

(a) In the event any Bond is mutilated or defaced but identifiable by number and description, the City shall execute and the Trustee shall authenticate and deliver a new Bond of like date, maturity and denomination as such Bond, upon surrender thereof to the Trustee; provided that there shall first be furnished to the City and the Trustee proof satisfactory to the Trustee that the Bond is mutilated or defaced. The Bondholder shall accompany the above with a deposit of money required by the City for the cost of preparing the substitute Bond and all other expenses connected with the issuance of such substitute. The City shall then cause proper record to be made of the cancellation of the original, and thereafter the substitute shall have the validity of the original.

(b) In the event any Bond is lost, stolen or destroyed, the City may execute and the Trustee may authenticate and deliver a new Bond of like date, maturity and denomination as that Bond lost, stolen or destroyed; provided that there shall first be furnished to the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee, together with indemnity satisfactory to it.

(c) The City and the Trustee shall charge the Holder of such Bond all transfer taxes, if any, and their reasonable fees and expenses in this connection. All substitute Bonds issued and authenticated pursuant to this Section shall be issued as a substitute and numbered, if numbering is provided for by the Trustee, as determined by the Trustee. In the event any such Bond has matured or has been called for redemption, instead of issuing a substitute Bond, the Trustee may pay the same without surrender thereof upon receipt of indemnity satisfactory to the Trustee.

Section 3.05 Destruction of Bonds. Whenever any Outstanding Bonds shall be delivered to the Trustee for cancellation pursuant to this Trust Agreement, upon payment of the principal amount and interest represented thereby or for replacement pursuant to Section 3.04 or transfer pursuant to Section 3.02, such Bond shall be cancelled and destroyed by the Trustee and counterparts of a certificate of destruction evidencing such destruction shall, upon the City's request, be furnished by the Trustee to the City.

Section 3.06 Temporary Bonds.

(a) Pending preparation of definitive Bonds, the City may execute and the Trustee shall authenticate and deliver, in lieu of definitive Bonds and subject to the same limitation and conditions, interim receipts, certificates or temporary bonds which shall be exchanged for the Bonds.

(b) If temporary Bonds shall be issued, the City shall cause the definitive Bonds to be prepared and to be executed and delivered to the Trustee, and the Trustee, upon presentation to it of any temporary Bond, shall cancel the same and deliver in exchange therefor at the place designated by the Bondholder, without charge to the Bondholder thereof, definitive Bonds of an equal aggregate principal amount, of the same series, maturity and bearing interest at the same rate or rates as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefit and security of this Trust Agreement as the definitive Bonds to be issued and authenticated hereunder.

ARTICLE IV

REDEMPTION OF BONDS

Section 4.01 Notices to Trustee; Notices to Bondholders; Notices to DTC.

(a) Notice of redemption shall be given by the Trustee, not less than 30 nor more than 60 days prior to the redemption date: (i) in the case of Bonds not registered in the name of a Securities Depository or its nominee, to the respective Holders of the Bonds designated for redemption at their addresses appearing on the registration books of the Trustee; (ii) in the case of Bonds registered in the name of a Securities Depository or its nominee, to such Securities Depository for such Bonds; and (iii) to the Information Services. Notice of redemption to the Holders pursuant to (i) above shall be given by mail at their addresses appearing on the registration books of the Trustee, or any other method agreed upon by such Holder and the Trustee. Notice of redemption to the Securities Depositories pursuant to (ii) above and the Information Services pursuant to (iii) above shall be given by electronically secure means, or any other method agreed upon by such entities and the Trustee.

(b) Each notice of redemption shall state the Bonds or designated portions thereof to be redeemed, the date of redemption, the place of redemption, the redemption price, the CUSIP number (if any) of the Bonds to be redeemed, the distinctive numbers of the Bonds of such maturity to be redeemed and, in the case of Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed, the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or part. Each such notice shall also state that on said date there will become due and payable on each of the Bonds to be redeemed the redemption price, and

redemption premium, if any, thereof, and that from and after such redemption date interest thereon shall cease to accrue.

(c) Failure to give the notices described in this Section 4.01 or any defect therein shall not in any manner affect the redemption of any Bonds. Any notice sent as provided herein will be conclusively presumed to have been given whether or not actually received by the addressee.

(d) The City shall have the right to rescind any notice of optional redemption previously sent pursuant to this Section 4.01. Any such notice of rescission shall be sent in the same manner as the notice of redemption. Neither the City nor the Trustee shall incur any liability, to Bond Owners, DTC, or otherwise, as a result of a rescission of a notice of redemption.

Section 4.02 Optional Redemption of Bonds. The Bonds maturing on or after June 1, 20__ may be redeemed at the option of the City from any source of funds on any date on or after June 1, 20__ in whole or in part from such maturities as are selected by the City and by lot within a maturity at a redemption price equal to the principal amount to be redeemed, together with accrued interest to the date of redemption, without premium.

Section 4.03 [Make-Whole Optional Redemption of Bonds. The Bonds shall be subject to optional redemption, in whole or in part, on any date on or after __, 20__ and prior to their maturity, at the option of the City, from any source of available funds, at a redemption price equal to the greater of the following:

- (1) 100% of the principal amount of the Bonds to be redeemed; or
- (2) the sum of the present value of the remaining scheduled payments of principal and interest on the Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Bonds are to be redeemed, discounted to the date on which such Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate plus __ basis points;

plus, in each case, accrued interest on the Bonds to be redeemed to the date fixed for redemption.

“Treasury Rate” means, with respect to any redemption date for a particular Bond pursuant to this subsection, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available on a date selected by the City that is at least two Business Days prior to the redemption date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of the Bond to be redeemed; provided, however, that if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

At least two Business Days prior to the date fixed for redemption pursuant to the foregoing section, the City shall provide to the Trustee written confirmation of the redemption price.]

Section 4.04 Mandatory Sinking Fund Redemption of Bonds. The Bonds maturing June 1, 20__ (the “20__ Term Bonds”) are subject to mandatory sinking fund redemption at a

redemption price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium. The 20__ Term Bonds shall be so redeemed on the following dates and in the following amounts:

<i>Redemption Date</i> <i>(June 1)</i>	<i>Principal</i> <i>Amount</i>
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* Final maturity.

The Bonds maturing June 1, 20__ (the “**20__ Term Bonds**”) are subject to mandatory sinking fund redemption at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium. The 20__ Term Bonds shall be so redeemed on the following dates and in the following amounts:

<i>Redemption Date</i> <i>(June 1)</i>	<i>Principal</i> <i>Amount</i>
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* Final maturity.

The Bonds maturing June 1, 20__ (the “**20__ Term Bonds**”) are subject to mandatory sinking fund redemption at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium. The 20__ Term Bonds shall be so redeemed on the following dates and in the following amounts:

<i>Redemption Date</i> <i>(June 1)</i>	<i>Principal</i> <i>Amount</i>
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* Final maturity.

On or before each April 15 next preceding any mandatory sinking fund redemption date, the Trustee shall proceed to select for redemption pro-rata from all Term Bonds subject to mandatory sinking fund redemption at that time, an aggregate principal amount of such Term Bonds equal to the amount for such year as set forth in the table above and shall call such Term Bonds or portions thereof for redemption and give notice of such redemption in accordance with the terms of Section 4.01. At the option of the City, to be exercised by delivery of a written certificate to the Trustee on or before April 1 next preceding any mandatory sinking fund redemption date, it may (a) deliver to the Trustee for cancellation Term Bonds or portions thereof (in the amount of an Authorized Denomination) of the stated maturity subject to such redemption or (b) specify a principal amount of such Term Bonds or portions thereof (in the amount of an Authorized Denomination) which prior to said date have been purchased or redeemed (otherwise than under the provisions of this Section 4.04) and cancelled by the Trustee at the request of the City and not theretofore applied as a credit against any mandatory sinking fund redemption requirement. Each such Term Bonds or portion thereof so delivered or previously redeemed shall be credited by the Trustee at 100% of the principal amount of the Term Bonds so delivered to the Trustee by the City against the obligation of the City on such mandatory sinking fund redemption date.

Section 4.05 Payment of Bonds Called for Redemption; Effect of Redemption Call.

(a) Upon surrender to the Trustee or the Trustee's agent, Bonds called for redemption shall be paid at the redemption price stated in the notice, plus interest accrued to the redemption date.

(b) On the date so designated for redemption, notice having been given in the manner and under the conditions provided herein relating to such Bonds as are to be redeemed and moneys for payment of the redemption price being held in trust to pay the redemption price, the Bonds so called for redemption shall become and be due and payable on the redemption date, interest on such Bonds shall cease to accrue, such Bonds shall cease to be entitled to any lien, benefit or security under this Trust Agreement and the owners of such Bonds shall have no rights in respect thereof except to receive payment of the redemption price and accrued interest to the redemption date.

(c) Bonds which have been duly called for redemption under the provisions of this Article IV and for the payment of the redemption price of which moneys shall be deposited in the Redemption Fund or otherwise held in trust for the Holders of the Bonds to be redeemed, all as provided in this Trust Agreement, shall not be deemed to be Outstanding under the provisions of this Trust Agreement.

Section 4.06 Selection of Bonds for Redemption; Bonds Redeemed in Part. Bonds are subject to redemption pro rata within a maturity. Upon surrender of a Bond to be redeemed in part, the Trustee will authenticate for the registered owner a new Bond or Bonds of the same maturity and tenor equal in principal amount to the unredeemed portion of the Bond surrendered.

ARTICLE V

APPLICATION OF PROCEEDS; SOURCE OF PAYMENT OF BONDS

Section 5.01 Application of Proceeds [and City Contribution]. The net proceeds of the sale of the Bonds received by the Trustee, \$_____ (\$_____.00 principal amount, less \$_____ underwriter's discount), shall be deposited by the Trustee as follows:

(i) the sum of \$_____ shall be deposited into the Costs of Issuance Fund;

(ii) the sum of \$_____.00 (which is equal to \$_____.00 of Unfunded Liability through the Closing Date [plus an additional \$_____.00 of Unfunded Liability through June 30, 2021]) shall be transferred to PERS and used to pay the Unfunded Liability relating to the Safety Plan; and

(iii) the sum of \$_____.00 (which is equal to \$_____.00 of Unfunded Liability through the Closing Date [plus an additional \$_____.00 of Unfunded Liability through June 30, 2021]) shall be transferred to PERS and used to pay the Unfunded Liability relating to the Miscellaneous Plan.

The City shall provide written instructions to the Trustee containing the wire transfer payment instructions for PERS, upon which the Trustee may conclusively rely. The Trustee may establish a temporary fund or account to facilitate and record the above deposits and transfers.

Section 5.02 Sources of Payment of Bonds; Annual Payment by the City.

(a) The City shall provide for payment of principal or redemption price of and interest on the Bonds from any source of legally available funds of the City. If any Bonds are Outstanding, the City shall, (i) no later than the Closing Date, deliver funds to the Trustee for deposit to the Revenue Fund in an aggregate amount equal to the Deposit Amount for the first Payment Calculation Period, and (ii) no later than July 31 of each year beginning in 2021, deliver funds to the Trustee for deposit to the Revenue Fund in an aggregate amount equal to the Deposit Amount (less amounts on deposit in the Revenue Fund) for the Payment Calculation Period in which such July 31 falls.

(b) The Bonds shall be obligations of the City payable from any lawfully available funds, shall not be limited as to payment to any special source of funds of the City, and shall be subject to appropriation in accordance with Section 8.01 hereof. The Bonds do not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation.

ARTICLE VI

CREATION OF CERTAIN FUNDS AND ACCOUNTS

Section 6.01 Creation of Costs of Issuance Fund. There is hereby created a Fund to be held by the Trustee designated “City of Coachella 2020 Taxable Pension Obligation Bonds Costs of Issuance Fund” (the “**Costs of Issuance Fund**”). Funds on deposit in the Costs of Issuance Fund shall be used to pay or to reimburse the City for the payment of Costs of Issuance. Amounts in the Costs of Issuance Fund shall be disbursed by the Trustee upon Written Requisition in the form of Exhibit “B” executed by an Authorized City Representative.

At such time as the City delivers to the Trustee written notice that all Costs of Issuance have been paid or otherwise notifies the Trustee in writing that no additional amounts from the Costs of Issuance Fund will be needed to pay Costs of Issuance, the Trustee shall transfer all amounts then remaining in the Costs of Issuance Fund to the Bond Interest Account of the City unless otherwise directed by the City. At such time as no amounts remain in the Costs of Issuance Fund, such Fund shall be closed.

Section 6.02 Creation of Revenue Fund and Certain Accounts. There is hereby created a Fund to be held by the Trustee designated “City of Coachella 2020 Taxable Pension Obligation Bonds Revenue Fund” (the “**Revenue Fund**”). There are hereby created in the Revenue Fund two separate Accounts designated “**Bond Interest Account**” and “**Bond Principal Account**”.

(a) All amounts received by the Trustee from the City in respect of interest payments on the Bonds shall be deposited in the Bond Interest Account and shall be disbursed to the applicable Bondholders to pay interest on the Bonds. All amounts held at any time in the Bond Interest Account (including amounts deposited pursuant to Section 6.03) shall be held for the security and payment of interest on the Bonds pursuant to this Trust Agreement. If at any time funds on deposit in the Bond Interest Account are insufficient to provide for the payment of such interest, the City shall promptly deposit funds to such Account to cure such deficiency. On June 2 of each year beginning in 2021, so long as no Event of Default has occurred and is continuing, the Trustee shall transfer all amounts on deposit in the Bond Interest Account to the Revenue Fund to be used for any lawful purpose.

(b) All amounts received by the Trustee from the City in respect of principal payments on the Bonds shall be deposited in the Bond Principal Account and all amounts in the Bond Principal Account will be disbursed to pay principal on the Bonds pursuant to this Trust Agreement. If at any time funds on deposit in the Bond Principal Account are insufficient to provide for the payment of such principal, the City shall promptly deposit funds to such Account to cure such deficiency.

(c) The moneys in such Funds and Accounts shall be held by the Trustee in trust and applied as herein provided and, pending such application, shall be subject to a lien and charge in favor of the holders of the Bonds issued and Outstanding under this Trust Agreement and for the further security of such holders until paid out or transferred as hereinafter provided.

Section 6.03 Creation of Redemption Fund. A Fund to be held by the Trustee is hereby created and designated the “City of Coachella 2020 Taxable Pension Obligation Bonds Redemption Fund” (the “**Redemption Fund**”). All moneys deposited by the City with the Trustee for the

purpose of redeeming Bonds shall be deposited in the Redemption Fund. All amounts deposited in the Redemption Fund shall be used and withdrawn by the Trustee solely for the purpose of redeeming Bonds in the manner, at the times and upon the terms and conditions specified in this Trust Agreement; provided that, at any time prior to giving such notice of redemption, the Trustee shall, upon receipt of written instructions from an Authorized City Representative, apply such amounts to the purchase of Bonds at public or private sale, as and when and at such prices (including brokerage and other charges) as directed by the City.

Section 6.04 Moneys Held in Redemption Fund. All moneys which shall have been withdrawn from the Revenue Fund and deposited in the Redemption Fund for the purpose of paying any of the Bonds hereby secured, either at the maturity thereof or upon call for redemption, shall be held in trust for the respective Holders of such Bonds.

Section 6.05 Unclaimed Moneys. Any moneys which shall be set aside or deposited in the Redemption Fund, the Bond Principal Account, the Bond Interest Account or any other Fund or Account for the benefit of Holders of Bonds and which shall remain unclaimed by the Holders of such Bonds for a period of one year after the date on which such Bonds shall have become due and payable (or such longer period as shall be required by State law) shall be paid to the City, and thereafter the Holders of such Bonds shall look only to the City for payment and the City shall be obligated to make such payment, but only to the extent of the amounts so received without any interest thereon, and the Trustee and any Paying Agent shall have no responsibility with respect to any of such moneys.

ARTICLE VII

CONCERNING PAYING AGENT

Section 7.01 Paying Agent; Appointment and Acceptance of Duties. The City hereby appoints the Trustee as the Paying Agent for the Bonds.

Section 7.02 Paying Agent - General Responsibilities.

(a) The City may at any time or from time to time appoint a different Paying Agent or Paying Agents for the Bonds, and each Paying Agent, if other than the Trustee, shall be a commercial bank with trust powers and shall designate to the City and the Trustee its principal office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the City under which each such Paying Agent will agree, particularly:

(i) to hold all sums held by it for the payment of the principal of, and premium or interest on, Bonds in trust for the benefit of the Bondholders until such sums shall be paid to such Bondholders or otherwise disposed of as herein provided;

(ii) to keep such books and records as shall be consistent with prudent industry practice, to make such books and records available for inspection by the City and the Trustee at all reasonable times upon reasonable prior notice; and

(iii) upon the request of the Trustee, to forthwith deliver to the Trustee all sums so held in trust by such Paying Agent.

(b) The Paying Agent shall perform the duties and obligations set forth in this Trust Agreement, and in particular shall hold all sums delivered to it by the Trustee for the payment of principal or premium of and interest on the Bonds for the benefit of the Bondholders until such sums shall be paid to such Bondholders or otherwise disposed of as herein provided.

(c) In performing its duties hereunder, the Paying Agent shall be entitled to all of the rights, protections and immunities accorded to the Trustee under the terms of this Trust Agreement.

Section 7.03 Certain Permitted Acts. Any Fiduciary may become the owner of any Bonds, with the same rights it would have if it were not a Fiduciary. To the extent permitted by law, any Fiduciary may act as depositary 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 Bondholders or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Trust Agreement, whether or not any such committee shall represent the owners of a majority in Total Bond Obligation of the Bonds then Outstanding.

Section 7.04 Resignation or Removal of Paying Agent and Appointment of Successor.

(a) Any Paying Agent may at any time resign and be discharged of the duties and obligations created by this Trust Agreement in accordance with the provisions set forth in this Trust Agreement for the removal of the Trustee by giving at least 60 days' written notice to the City and the other Fiduciaries. Any Paying Agent may be removed at any time upon 30 days prior written notice by an instrument filed with such Paying Agent and the Trustee and signed by an Authorized City Representative. Any successor Paying Agent shall be appointed by the City with the approval of the Trustee and shall be a commercial bank with trust powers or trust company organized under the laws of any state of the United States, having capital stock and surplus aggregating at least \$100,000,000, and willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Trust Agreement.

(b) In the event of the resignation or removal of any Paying Agent, such Paying Agent shall assign and deliver any moneys and Bonds, including authenticated Bonds, held by it to its successor, or if there be no successor, to the Trustee. In the event that for any reason there shall be a vacancy in the office of any Paying Agent, the Trustee shall act as such Paying Agent.

ARTICLE VIII

COVENANTS OF THE CITY

Section 8.01 Payment of Principal and Interest. The City covenants and agrees that it will duly and punctually pay or cause to be paid the principal, premium, if any, and interest on every Bond at the place and on the dates and in the manner specified herein and in the Bonds, according to the true intent and meaning thereof, and that it will faithfully do and perform all covenants and agreements contained herein and in the Bonds and the City agrees that time is of the essence of this Trust Agreement. The obligations of the City under the Bonds, including the obligation to make all payments of principal, premium, if any, and interest when due, are absolute and unconditional, without any right of set-off or counter claim.

The City shall in each Fiscal Year include in its budget a provision to provide funds in an amount sufficient to pay the principal, premium, if any, and interest on the Bonds coming due in such Fiscal Year, but only to the extent that such amounts exceed the amount of available funds then on deposit in the Revenue Fund, and shall make annual appropriations for all such amounts. If such principal, premium, if any, and interest on the Bonds coming due in any Fiscal Year exceeds the sum of amounts budgeted in respect thereof together with amounts then on deposit in the Revenue Fund, then the City shall amend or supplement the budget to provide for such excess amounts. The covenants contained in this Section shall be deemed to be and shall be duties imposed by law and it shall be the duty of each and every public official of the City to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the City to carry out and perform the covenants and agreements in this Trust Agreement agreed to be carried out and performed by the City.

Section 8.02 Performance of Covenants by City; Authority; Due Execution. The City covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Trust Agreement, in any and every Bond executed, authenticated and delivered hereunder and in all of its proceedings pertaining hereto. The City covenants that it is duly authorized under the Constitution and laws of the State to issue the Bonds.

Section 8.03 Instruments of Further Assurance. The City 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 the Trustee may reasonably request for the better assuring and confirming to the Trustee all the rights and obligations of the City under and pursuant to this Trust Agreement. The City shall, upon the reasonable request of the Trustee, from time to time execute and deliver such further instructions and take such further action as may be reasonable and as may be required to effectuate the purposes of this Trust Agreement or any provisions hereof; provided, however, that no such instruments or actions shall pledge the full faith and credit or the taxing powers of the State.

Section 8.04 No Inconsistent Action. The City covenants that no contract or contracts will be entered into or any action taken by the City which shall be inconsistent with the provisions of this Trust Agreement.

Section 8.05 No Adverse Action. The City covenants that it will not take any action which will have a material adverse effect upon the rights of the Holders of the Bonds.

Section 8.06 Maintenance of Powers. The City covenants that it will at all times use its best efforts to maintain the powers, functions, duties and obligations now reposed in it pursuant to applicable law and will not at any time voluntarily do, suffer or permit any act or thing the effect of which would be to hinder, delay or imperil either the payment of the indebtedness evidenced by any of the Bonds or the performance or observance of any of the covenants herein contained.

Section 8.07 Covenants of City Binding on Successors.

(a) All covenants, stipulations, obligations and agreements of the City contained in this Trust Agreement shall be deemed to be covenants, stipulations, obligations and agreements of the City to the full extent authorized or permitted by law. If the powers or duties of the City shall hereafter be transferred by amendment of any provision of the Constitution or any other law of the State or in any other manner there shall be a successor to the City, and if such transfer shall relate to

any matter or thing permitted or required to be done under this Trust Agreement by the City, then the entity that shall succeed to such powers or duties of the City shall act and be obligated in the place and stead of the City as provided in this Trust Agreement, and all such covenants, stipulations, obligations and agreements herein shall be binding upon such successor or successors thereof from time to time and upon any officer, board, body, district, authority or commission to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law.

(b) Except as otherwise provided in this Trust Agreement, all rights, powers and privileges conferred and duties and liabilities imposed upon the City by the provisions of this Trust Agreement shall be exercised or performed by the City or by such officers, board, body, district, authority or commission as may be required by law to exercise such powers or to perform such duties.

Section 8.08 Trust Agreement to Constitute a Contract. This Trust Agreement is executed by the City for the benefit of the Bondholders and constitutes a contract with the Bondholders.

Section 8.09 City to Perform Pursuant to Continuing Disclosure Certificate. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Trust Agreement, failure of the City to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default under this Trust Agreement; provided, however, the obligations of the City to comply with the provisions of the Continuing Disclosure Certificate shall be enforceable by any Participating Underwriter or any Holder of Outstanding Bonds, or by the Trustee on behalf of the Holders of Outstanding Bonds; provided, further, that the Trustee shall not be required to take any enforcement action whatsoever except at the written direction of the Holders of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding who shall have provided the Trustee with security and indemnity to its satisfaction, including without limitation, attorney's fees and expenses. The Participating Underwriters', Holders' and Trustee's rights to enforce the provisions of the Continuing Disclosure Certificate shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the City's obligations under the Continuing Disclosure Certificate. Notwithstanding the foregoing, the City shall be entitled to amend or rescind the Continuing Disclosure Certificate to the extent permitted by law.

ARTICLE IX

INVESTMENTS

Section 9.01 Investments Authorized. Money held by the Trustee in any fund or account hereunder shall be invested by the Trustee in Permitted Investments pending application as provided herein solely at the prior written direction of an Authorized City Representative, shall be registered in the name of the Trustee where applicable, as Trustee, and shall be held by the Trustee. The City shall direct the Trustee prior to 12:00 p.m. Pacific time on the last Business Day before the date on which a Permitted Investment matures or is redeemed as to the reinvestment of the proceeds thereof. In the absence of such direction, the Trustee shall invest in investments authorized under clause (8) contained in the definition of "Permitted Investments." The Trustee may rely on the City's certification in such investment instructions that such investments are permitted by law and by any

policy guidelines promulgated by the City. Money held in any fund or account hereunder may be commingled for purposes of investment only.

The Trustee may, with the prior written approval of an Authorized City Representative, purchase from or sell to itself or any affiliate, as principal or agent, investments authorized by this Section 9.01. Any investments and reinvestments shall be made after giving full consideration to the time at which funds are required to be available hereunder and to the highest yield practicably obtainable giving due regard to the safety of such funds and the date upon which such funds will be required for the uses and purposes required by this Trust Agreement. The Trustee or any of its affiliates may act as agent in the making or disposing of any investment and may act as sponsor or advisor with respect to any Permitted Investment. For investment purposes, the Trustee may commingle the funds and accounts established hereunder, but shall account for each separately.

Section 9.02 Reports. The Trustee shall furnish monthly to the City a report of all investments made by the Trustee and of all amounts on deposit in each fund and account maintained hereunder.

The City acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the City the right to receive brokerage confirmations of security transactions as they occur, the City specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the City periodic cash transaction statements which shall include detail for all investment transactions made by the Trustee hereunder.

Section 9.03 Valuation and Disposition of Investments. For the purpose of determining the amount in any fund or account hereunder, all Permitted Investments shall be valued at the market value thereof not later than July 1 of each year. With the prior written approval of an Authorized City Representative, the Trustee may sell at the best price obtainable, or present for redemption, any Permitted Investment so purchased by the Trustee whenever it shall be necessary in order to provide money to meet any required payment, transfer, withdrawal or disbursement from any fund or account hereunder, and the Trustee shall not be liable or responsible for any loss resulting from such investment or sale, except any loss resulting from its own negligence or willful misconduct.

Section 9.04 Application of Investment Earnings. Investments in any Fund or Account shall be deemed at all times to be a part of such Fund or Account, and any profit realized from such investment shall be credited to such Fund or Account and any loss resulting from such investment shall be charged to such Fund or Account. Interest earnings on investments in any Fund or Account shall be deposited in the Bond Interest Account of the Revenue Fund.

ARTICLE X

DEFEASANCE

Section 10.01 Discharge of Bonds; Release of Trust Agreement. Bonds or portions thereof (such portions to be in an Authorized Denomination) which have been paid in full or which are deemed to have been paid in full shall no longer be entitled to the benefits of this Trust Agreement except for the purposes of payment from moneys and Defeasance Securities. When all Bonds which have been issued under this Trust Agreement have been paid in full or are deemed to have been paid in full, and all other sums payable hereunder by the City, including all necessary and proper fees, compensation and expenses of the Trustee and any Paying Agents, have been paid or are

duly provided for, then the Trustee shall cancel, discharge and release this Trust Agreement, shall execute, acknowledge and deliver to the City such instruments of satisfaction and discharge or release as shall be requisite to evidence such release and such satisfaction and discharge and shall assign and deliver to the City any amounts at the time subject to this Trust Agreement which may then be in the Trustee's possession, except funds or securities in which such funds are invested and held by the Trustee or the Paying Agents for the payment of the principal, premium, if any, and interest on the Bonds.

Section 10.02 Bonds Deemed Paid.

(a) A Bond shall be deemed to be paid within the meaning of this Article X and for all purposes of this Trust Agreement when (i) payment with respect thereto of the principal, interest and premium, if any, either (1) shall have been made or caused to be made in accordance with the terms of the Bonds and this Trust Agreement or (2) shall have been provided for, as certified to the Trustee by a Consultant who is a certified public accountant, by irrevocably depositing with the Trustee in trust and irrevocably setting aside exclusively for such payment: (x) moneys sufficient to make such payment, and/or (y) Defeasance Securities maturing as to principal and interest in such amounts and at such times as will insure the availability of sufficient moneys to make such payment, and (ii) all necessary and proper fees, compensation and expenses of the Trustee and any Paying Agents pertaining to the Bonds with respect to which such deposit is made shall have been paid or provision made for the payment thereof. At such times as Bonds shall be deemed to be paid hereunder, such Bonds shall no longer be secured by or entitled to the benefits of this Trust Agreement, except for the purposes of payment from such moneys and Defeasance Securities.

(b) Notwithstanding the foregoing paragraph, no deposit under clause (i)(2) of the immediately preceding paragraph shall be deemed a payment of such Bonds until (i) proper notice of redemption of such Bonds shall have been given in accordance with Section 4.01, or in the event such Bonds are not to be redeemed within the next succeeding 60 days, until the City shall have given the Trustee irrevocable instructions to notify, as soon as practicable, the holders of the Bonds in accordance with Section 4.01, that the deposit required by clause (i)(2) above has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this Article X and stating the maturity or redemption date upon which moneys are to be available for the payment of the principal of, premium, if any, and unpaid interest on such Bonds; or (ii) the maturity of such Bonds.

ARTICLE XI

DEFAULTS AND REMEDIES

Section 11.01 Events of Default. Each of the following events shall constitute and is referred to in this Trust Agreement as an “**Event of Default**”:

(a) a failure to pay the principal or premium, if any, on any of the Bonds when the same shall become due and payable at maturity or upon redemption;

(b) a failure to pay any installment of interest on any of the Bonds when such interest shall become due and payable;

(c) a failure by the City to observe and perform any covenant, condition, agreement or provision (other than as specified in clauses (a) and (b) of this Section 11.01) contained in the Bonds or in this Trust Agreement on the part of the City to be observed or performed, which failure shall continue for a period of 60 days after written notice, specifying such failure and requesting that it be remedied, shall have been given to the City by the Trustee; provided, however, that the Trustee shall be deemed to have agreed to an extension of such period if corrective action is initiated by the City within such period and is being diligently pursued; or

(d) if the City files 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 makes an assignment for the benefit of creditors, or admits in writing to its insolvency or inability to pay debts as they mature, or consents in writing to the appointment of a trustee or receiver for itself.

Upon its actual knowledge of the occurrence of any Event of Default, the Trustee shall immediately give written notice thereof to the City.

Section 11.02 Remedies.

(a) Upon the occurrence and continuance of any Event of Default, the Trustee in its discretion may, and shall upon the written direction of the holders of a majority of the Total Bond Obligation of the Bonds then Outstanding and, in each case, receipt of indemnity to its satisfaction, in its own name and as the Trustee of an express trust:

(1) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Bondholders hereunder, as the case may be, and require the City to carry out any agreements with or for the benefit of the Bondholders and to perform its or their duties under the Refunding Law or any other law to which it is subject and this Trust Agreement; provided that any such remedy may be taken only to the extent permitted under the applicable provisions of this Trust Agreement;

(2) bring suit upon the defaulted Bonds;

(3) commence an action or suit in equity to require the City to account as if it were the trustee of an express trust for the Bondholders; or

(4) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders hereunder.

(b) The Trustee shall be under no obligation to take any action with respect to any Event of Default unless the Trustee has actual knowledge of the occurrence of such Event of Default.

Section 11.03 Restoration to Former Position. In the event that any proceeding taken by the Trustee to enforce any right under this Trust Agreement shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then the City, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Trustee shall continue as though no such proceeding had been taken.

Section 11.04 Bondholders' Right to Direct Proceedings on their Behalf. Anything in this Trust Agreement to the contrary notwithstanding, Holders of a majority in Total Bond Obligation shall have the right, at any time, by an instrument in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all remedial proceedings on their behalf available to the Trustee under this Trust Agreement to be taken in connection with the enforcement of the terms of this Trust Agreement or exercising any trust or power conferred on the Trustee by this Trust Agreement; provided that such direction shall not be otherwise than in accordance with the provisions of the law and this Trust Agreement and that there shall have been provided to the Trustee security and indemnity satisfactory to the Trustee against the costs, expenses and liabilities to be incurred as a result thereof by the Trustee; provided further 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 Bondholders not parties to such direction.

Section 11.05 Limitation on Bondholders' Rights to Institute Proceedings. No owner of any Bond shall have the right to institute any suit, action or proceeding at law in equity, for the protection or enforcement of any right or remedy under this Trust Agreement, or applicable law with respect to such Bond, unless (a) such owner shall have given to the Trustee written notice of the occurrence of an Event of Default; (b) the owners of not less than a majority in Total Bond Obligation shall have made written request upon the Trustee to exercise the powers heretofore granted or to institute such suit, action or proceeding in its own name; (c) 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; (d) the Trustee shall have refused or failed to comply with such request for a period of 60 days after such written request shall have been received by and said tender of indemnity shall have been made to, the Trustee and (e) the Trustee shall not have received contrary directions from the owners of a majority in aggregate principal amount of the Total Bonds Obligation.

Section 11.06 No Impairment of Right to Enforce Payment. Notwithstanding any other provision in this Trust Agreement, the right of any Bondholder to receive payment of the principal of and interest on such Holder's Bond, on or after the respective due dates expressed therein, or to institute suit for the enforcement of any such payment on or after such respective date, shall not be impaired or affected without the consent of such Bondholder.

Section 11.07 Proceedings by Trustee Without Possession of Bonds. All rights of action under this Trust Agreement or under any of the Bonds secured hereby which are enforceable by the Trustee may be enforced by it without the possession of any of the Bonds, or the production thereof at the trial or other proceedings relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the equal and ratable benefit of the Bondholders, as the case may be, subject to the provisions of this Trust Agreement.

Section 11.08 No Remedy Exclusive. No remedy herein conferred upon or reserved to the Trustee or to Bondholders is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder, or now or hereafter existing at law or in equity or by statute; provided, however, that any conditions set forth herein to the taking of any remedy to enforce the provisions of this Trust Agreement or the Bonds shall also be conditions to seeking any remedies under any of the foregoing pursuant to this Section 11.08.

Section 11.09 No Waiver of Remedies. No delay or omission of the Trustee or of any Bondholder to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default, or an acquiescence therein and every power and remedy given by this Article XI to the Trustee and to the Bondholders, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 11.10 Application of Moneys.

(a) Any moneys received by the Trustee for the benefit of Bondholders, by any receiver or by any Bondholder pursuant to any right given or action taken under the provisions of this Article XI, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the fees, expenses, liabilities and advances incurred or made by the Trustee (including without limitation reasonable fees and reasonable expenses of its attorneys), shall be deposited in the Revenue Fund and all moneys so deposited in the Revenue Fund during the continuance of an Event of Default shall be applied (i) first, to the payment to the persons entitled thereto of all installments of interest then due on the Bonds, with interest on overdue installments, if lawful, at the rate per annum borne by the Bonds, as the case may be, in the order of maturity of the installments of such interest (if the amount available for such interest installments shall not be sufficient to pay in full any particular installment of interest, then to the payment ratably, according to the amounts due on such installment), and if the amount available for such interest shall not be sufficient to make payment thereof, then to the payment thereof ratably according to the respective aggregate amounts due and (ii) second, to the payment to the persons entitled thereto of the unpaid principal, as applicable, of any of the Bonds which shall have become due with interest on such Bonds at their respective rate from the respective dates upon which they became due (if the amount available for such unpaid principal and interest shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal and interest due on such date, in each case to the persons entitled thereto, without any discrimination or privilege among Holders of Bonds), and, if the amount available for such principal and interest shall not be sufficient to make full payment thereof, then to the payment thereof ratably according to the respective aggregate amounts due.

(b) Whenever moneys are to be applied pursuant to the provisions of this Section 11.10, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts to be paid on such date shall cease to accrue. The Trustee shall give notice of the deposit with it of any such moneys and of the fixing of any such date by Mail to all Bondholders and shall not be required to make payment to any Bondholder until such Bonds shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Section 11.11 Severability of Remedies. It is the purpose and intention of this Article XI to provide rights and remedies to the Trustee and the Bondholders which may be lawfully granted under the provisions of applicable law, but should any right or remedy herein granted be held to be unlawful, the Trustee and the Bondholders shall be entitled, as above set forth, to every other right and remedy provided in this Trust Agreement and by applicable law.

Section 11.12 Additional Events of Default and Remedies. So long as any Bonds are Outstanding, the Events of Default and remedies as set forth in this Article XI may be supplemented with additional Events of Default and remedies as set forth from time to time in a supplemental agreement.

ARTICLE XII

TRUSTEE; REGISTRAR

Section 12.01 Acceptance of Trusts. The Trustee hereby accepts and agrees to execute the trusts specifically imposed upon it by this Trust Agreement, but only upon the additional terms set forth in this Article XII, to all of which the City agrees and the respective Bondholders agree by their acceptance of delivery of any of the Bonds.

Section 12.02 Duties of Trustee.

(a) If an Event of Default has occurred and is continuing, the Trustee shall exercise its rights and powers 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 such person's own affairs.

(b) Except during the continuance of an Event of Default:

(i) the Trustee need perform only those duties that are specifically set forth in this Trust Agreement and no others; and

(ii) in the absence of negligence on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Trust Agreement. However, the Trustee shall examine the certificates and opinions to determine whether they conform to the requirements of this Trust Agreement.

(c) The Trustee may not be relieved from liability for its own negligent action, its own negligent failure to act or its own willful misconduct, except that:

(i) this paragraph does not limit the effect of paragraph (b) of this Section 12.02;

(ii) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer unless the Trustee was negligent in ascertaining the pertinent facts;

(iii) the Trustee shall not be liable with respect to any action it takes or fails to take in good faith in accordance with a direction received by it from Bondholders or the City in the manner provided in this Trust Agreement; and

(iv) no provision of this Trust Agreement shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers.

(d) Every provision of this Trust Agreement that in any way relates to the Trustee is subject to all the paragraphs of this Section 12.02.

(e) The Trustee may refuse to perform any duty or exercise any right or power unless it receives indemnity reasonably satisfactory to it against any loss, liability or expense.

(f) The Trustee shall not be liable for interest on any cash held by it except as the Trustee may agree with the City.

Section 12.03 Rights of Trustee.

(a) The recitals of facts contained herein and in the Bonds shall be taken as statements of the City, and the Trustee assumes no responsibility for the correctness of the same (other than the certificate of authentication of the Trustee on each Bond), and makes no representations as to the validity or sufficiency of this Trust Agreement or of the Bonds or of any Permitted Investment and shall not incur any responsibility in respect of any such matter, other than in connection with the duties or obligations expressly assigned to or imposed upon it herein or in the Bonds. 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, willful misconduct or breach of the express terms and conditions hereof. The Trustee and its directors, officers, employees or agents may in good faith buy, sell, own, hold and deal in any of the Bonds and may join in any action which any Holder of a Bond may be entitled to take, with like effect as if the Trustee was not the Trustee under this Trust Agreement.

(b) The Trustee may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, agents or receivers, and shall be entitled to advice of counsel concerning all matters of trust and its duty hereunder, and the opinion of such counsel shall be authorization for any action taken or not taken in reliance on such opinion, but the Trustee shall be answerable for the negligence or misconduct of any such attorney, agent or receiver selected by it.

(c) No permissive power, right or remedy conferred upon the Trustee hereunder shall be construed to impose a duty to exercise such power, right or remedy.

(d) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, coupon or other paper or document but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the City, personally or by agent or attorney.

(e) The Trustee shall not be responsible for the application or handling by the City of any moneys transferred to or pursuant to any requisition or request of the City in accordance with the terms and conditions hereof.

(f) Whether or not therein expressly so provided, every provision of this Trust Agreement relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Article XII.

(g) The Trustee shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, facsimile transmission, electronic mail, 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.

(h) The Trustee shall not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the project, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Trustee.

(i) The Trustee agrees to accept and act upon facsimile transmission of written instructions and/or directions pursuant to this Trust Agreement provided, however, that: (x) subsequent to such facsimile transmission of written instructions and/or directions the Trustee shall forthwith receive the originally executed instructions and/or directions, (y) such originally executed instructions and/or directions shall be signed by a person as may be designated and authorized to sign for the party signing such instructions and/or directions, and (z) the Trustee shall have received a current incumbency certificate containing the specimen signature of such designated person.

Section 12.04 Individual Rights of Trustee. The Trustee in its individual or any other capacity may become the owner or pledgee of Bonds and may otherwise deal with the City with the same rights it would have if it were not Trustee. Any Paying Agent or other agent may do the same with like rights.

Section 12.05 Trustee's Disclaimer. The Trustee makes no representations as to the validity or adequacy of this Trust Agreement or the Bonds, it shall not be accountable for the City's use of the proceeds from the Bonds paid to the City and it shall not be responsible for any statement in any official statement or other disclosure document or in the Bonds other than its certificate of authentication.

Section 12.06 Notice of Defaults. If an event occurs which with the giving of notice or lapse of time or both would be an Event of Default, and if the event is continuing and if it is actually known to the Trustee, the Trustee shall mail to each Bondholder notice of the event within 90 days after it occurs. Except in the case of a default in payment or purchase on any Bonds, the Trustee may withhold the notice to Bondholders if and so long as a committee of its Responsible Officers in good faith determines that withholding the notice is in the interests of the Bondholders.

Section 12.07 Compensation of Trustee. The City shall from time to time, but only in accordance with a written agreement in effect with the Trustee, pay to the Trustee reasonable compensation for its services and shall reimburse the Trustee for all its reasonable advances and expenditures, including but not limited to advances to and fees and expenses of independent appraisers, accountants, consultants, counsel, agents and attorneys-at-law or other experts employed by it in the exercise and performance of its powers and duties hereunder. The Trustee shall not otherwise have any claims or lien for payment of compensation for its services against any other

moneys held by it in the funds or accounts established hereunder, except as provided in Section 11.10, but may take whatever legal actions are lawfully available to it directly against the City. To the extent permitted by applicable law, the City agrees to indemnify and save the Trustee, its officers, employees, directors and agents, harmless against any costs, expenses, claims or liabilities whatsoever, including, without limitation, fees and expenses of its attorneys, that it may incur in the exercise and performance of its powers and duties hereunder which are not due to its negligence or willful misconduct. The agreement contained in this Section shall survive the payment of the Bonds, the discharge of this Trust Agreement and the appointment of a successor trustee.

Section 12.08 Eligibility of Trustee. This Trust Agreement shall always have a Trustee that is a trust company, a bank or association having trust powers and is organized and doing business under the laws of the United States or any state or the District of Columbia, is subject to supervision or examination by United States, state or District of Columbia authority and has a combined capital and surplus of at least \$100,000,000 as set forth in its most recent published annual report of condition.

Section 12.09 Replacement of Trustee.

(a) The Trustee may resign as trustee hereunder by notifying the City in writing prior to the proposed effective date of the resignation. The Holders of a majority in Total Bond Obligation of the Bonds may remove the Trustee by notifying the removed Trustee and may appoint a successor Trustee with the City's consent. The City may remove the Trustee, by notice in writing delivered to the Trustee 30 days prior to the proposed removal date; provided, however, that the City shall have no right to remove the Trustee during any time when an Event of Default has occurred and is continuing unless (i) the Trustee fails to comply with the foregoing Section, (ii) the Trustee is adjudged a bankrupt or an insolvent, (iii) the Trustee otherwise becomes incapable of acting or (iv) the City determines that the Trustee's services are no longer satisfactory to the City. No resignation or removal of the Trustee under this Section shall be effective until a new Trustee has taken office. If the Trustee resigns or is removed or for any reason is unable or unwilling to perform its duties under this Trust Agreement, the City shall promptly appoint a successor Trustee.

(b) A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the City. Immediately thereafter, the retiring Trustee shall transfer all property held by it as Trustee to the successor Trustee, the resignation or removal of the retiring Trustee shall then (but only then) become effective and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Trust Agreement. If a Trustee is not performing its duties hereunder and a successor Trustee does not take office within 60 days after the retiring Trustee delivers notice of resignation or the City delivers notice of removal, the retiring Trustee, the City or the Holders of a majority in Total Bond Obligation of the Bonds may petition any court of competent jurisdiction for the appointment of a successor Trustee.

Section 12.10 Successor Trustee or Agent by Merger. If the Trustee, any Paying Agent or Registrar consolidates with, merges or converts into, or transfers all or substantially all its assets (or, in the case of a bank or trust company, its corporate trust business) to, another corporation, the resulting, surviving or transferee corporation without any further act shall be the successor Trustee, Paying Agent or Registrar.

Section 12.11 Registrar. The City shall appoint the Registrar for the Bonds and may from time to time remove a Registrar and name a replacement upon notice to the Trustee. The City hereby

appoints the Trustee as Registrar. Each Registrar, if other than the Trustee, shall designate to the Trustee, the Paying Agent, and the City its principal office and signify its acceptance of the duties imposed upon it hereunder by a written instrument of acceptance delivered to the City and the Trustee under which such Registrar will agree, particularly, to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the City, the Trustee, and the Paying Agent at all reasonable times.

Section 12.12 Other Agents. The City or the Trustee may from time to time appoint other agents to perform duties and obligations under this Trust Agreement which agents may include, but not be limited to, authenticating agents all as provided by resolution of the City.

Section 12.13 Several Capacities. Anything in this Trust Agreement to the contrary notwithstanding, the same entity may serve hereunder as the Trustee, Registrar and any other agent as appointed to perform duties or obligations under this Trust Agreement or an escrow agreement, or in any combination of such capacities, to the extent permitted by law.

Section 12.14 Accounting Records and Reports of Trustee.

(a) The Trustee shall at all times keep, or cause to be kept, proper books of record and account in which complete and accurate entries shall be made of all transactions made by it relating to the proceeds of the Bonds and all Funds and Accounts established pursuant to this Trust Agreement and held by the Trustee. Such books of record and account shall be available for inspection by the City and any Bondholder, or his agent or representative duly authorized in writing, at reasonable hours and under reasonable circumstances.

(b) The Trustee shall file and furnish to the City and to each Bondholder who shall have filed his name and address with the Trustee for such purpose (at such Bondholder's cost), on an annual basis (or, with respect to the City, such other interval that the City may request), a complete financial statement (which may be its regular account statements and which need not be audited) covering receipts, disbursements, allocation and application of moneys in any of the funds and accounts established pursuant to this Trust Agreement for the preceding year.

Section 12.15 No Remedy Exclusive. No remedy herein conferred upon or reserved to the City is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder, or now or hereafter existing at law or in equity or by statute.

ARTICLE XIII

MODIFICATION OF THIS TRUST AGREEMENT

Section 13.01 Limitations. This Trust Agreement shall not be modified or amended in any respect subsequent to the first delivery of fully executed and authenticated Bonds except as provided in and in accordance with and subject to the provisions of this Article XIII.

Section 13.02 Supplemental Agreements Not Requiring Consent of Bondholders.

(a) The City may, from time to time and at any time, without the consent of or notice to the Bondholders, execute and deliver supplemental agreements supplementing and/or amending this Trust Agreement as follows:

(i) to cure any defect, omission, inconsistency or ambiguity in this Trust Agreement;

(ii) to add to the covenants and agreements of the City in this Trust Agreement other covenants and agreements, or to surrender any right or power reserved or conferred upon the City, and which shall not adversely affect the interests of the Bondholders;

(iii) to confirm, as further assurance, any interest of the Trustee in and to the Funds and Accounts held by the Trustee or in and to any other moneys, securities or funds of the City provided pursuant to this Trust Agreement or to otherwise add security for the Bondholders;

(iv) to comply with the requirements of the Trust Indenture Act of 1939, as from time to time amended;

(v) to modify, alter, amend or supplement this Trust Agreement in any other respect which, in the judgment of the City, is not materially adverse to the Bondholders;

(vi) to qualify the Bonds for a rating or ratings by any Rating Agency; and

(vii) to authorize the issuance of Additional Bonds in accordance with this Trust Agreement.

(b) Before the City shall, pursuant to this Section 13.02, execute any supplemental agreement there shall have been delivered to the City an opinion of Bond Counsel to the effect that such supplemental agreement (i) is authorized or permitted by this Trust Agreement and the Refunding Law, and (ii) will, upon the execution and delivery thereof, be valid and binding upon the City in accordance with its terms, subject to the typical exceptions.

Section 13.03 Supplemental Agreement Requiring Consent of Bondholders.

(a) Except for any supplemental agreement entered into pursuant to Section 13.02, the Holders of not less than a majority in Total Bond Obligation shall have the right from time to time to consent to and approve the execution by the City of any supplemental agreement deemed necessary or desirable by the City for the purposes of modifying, altering, amending, supplementing or rescinding, in any particular, any of the terms or provisions contained in this Trust Agreement or in a supplemental agreement; provided, however, that, unless approved in writing by the Holders of all the Bonds then Outstanding, nothing contained herein shall permit or be construed as permitting (i) a change in the times, amounts or currency of payment of the principal of or interest on any Outstanding Bonds or (ii) a reduction in the principal amount or redemption price of any Outstanding Bonds or the rate of interest thereon; and provided that nothing contained herein, including the provisions of Section 13.03(b) below, shall, unless approved in writing by the Holders of all the Bonds then Outstanding, permit or be construed as permitting (1) a preference or priority of any Bond or Bonds over any other Bond or Bonds or (2) a reduction in the aggregate principal amount of Bonds the consent of the Holders of which is required for any such supplemental

agreement. Nothing herein contained, however, shall be construed as making necessary the approval by Holders of the execution of any supplemental agreement as authorized in Section 13.02.

(b) If at any time the City shall desire to enter into any supplemental agreement for any of the purposes of this Section 13.03, the City shall cause notice of the proposed execution of the supplemental agreement to be given by Mail to all Holders. Such notice shall briefly set forth the nature of the proposed supplemental agreement and shall state that a copy thereof is on file at the office of the City for inspection by all Holders.

(c) Within two weeks after the date of the first mailing of such notice, the City may execute and deliver such supplemental agreement in substantially the form described in such notice, but only if there shall have first been delivered to the City (i) the required consents, in writing, of Holders and (ii) an opinion of Bond Counsel stating that such supplemental agreement is authorized or permitted by this Trust Agreement and other applicable law, complies with their respective terms and, upon the execution and delivery thereof, will be valid and binding upon the City in accordance with its terms.

(d) If Holders of not less than the percentage of Bonds required by this Section 13.03 shall have consented to and approved the execution and delivery thereof as herein provided, no Holders shall have any right to object to the adoption of such supplemental agreement, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the execution and delivery thereof, or to enjoin or restrain the City from executing the same or from taking any action pursuant to the provisions thereof.

Section 13.04 Effect of Supplemental Agreements. Upon execution and delivery of any supplemental agreement pursuant to the provisions of this Article XIII, this Trust Agreement and all supplemental agreements shall be, and shall be deemed to be, modified and amended in accordance therewith, and the respective rights, duties and obligations under this Trust Agreement and all supplemental agreements of the City, the Trustee, the Registrar, any Paying Agent and all Holders shall thereafter be determined, exercised and enforced under this Trust Agreement and all supplemental agreements, subject in all respects to such modifications and amendments.

Section 13.05 Supplemental Agreements to be Part of this Trust Agreement. Any supplemental agreement adopted in accordance with the provisions of this Article XIII shall thereafter form a part of this Trust Agreement or the supplemental agreement which they supplement or amend, and all of the terms and conditions contained in any such supplemental agreement as to any provision authorized to be contained therein shall be and shall be deemed to be part of the terms and conditions of this Trust Agreement which they supplement or amend for any and all purposes.

ARTICLE XIV

MISCELLANEOUS PROVISIONS

Section 14.01 Parties in Interest. Except as herein otherwise specifically provided, nothing in this Trust Agreement expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the City, the Paying Agent, the Trustee, and the Bondholders any right, remedy or claim under or by reason of this Trust Agreement, this Trust Agreement being intended to be for the sole and exclusive benefit of the City, the Paying Agent, the Trustee and the Bondholders.

Section 14.02 Severability. In case any one or more of the provisions of this Trust Agreement, or of any Bonds issued hereunder shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Trust Agreement or of Bonds, and this Trust Agreement and any Bonds issued hereunder shall be construed and enforced as if such illegal or invalid provisions had not been contained herein or therein.

Section 14.03 No Personal Liability of City Officials; Limited Liability of City to Bondholders.

(a) No covenant or agreement contained in the Bonds or in this Trust Agreement shall be deemed to be the covenant or agreement of any present or future official, officer, agent or employee of the City in his individual capacity, and neither the members of the City Council of the City nor any person executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

(b) Except for the payment when due of the payments and the observance and performance of the other agreements, conditions, covenants and terms required to be performed by it contained in this Trust Agreement, the City shall not have any obligation or liability to the Bondholders with respect to this Trust Agreement or the preparation, execution, delivery, transfer, exchange or cancellation of the Bonds or the receipt, deposit or disbursement of the payments by the Trustee, or with respect to the performance by the Trustee of any obligation required to be performed by it contained in this Trust Agreement.

Section 14.04 Execution of Instruments; Proof of Ownership.

(a) Any request, direction, consent or other instrument in writing required or permitted by this Trust Agreement to be signed or executed by Bondholders or on their behalf by an attorney-in-fact may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Bondholders in person or by an agent or attorney-in-fact appointed by an instrument in writing or as provided in the Bonds. Proof of the execution of any such instrument and of the ownership of Bonds shall be sufficient for any purpose of this Trust Agreement and shall be conclusive in favor of the Trustee with regard to any action taken by it under such instrument if made in the following manner:

(i) the fact and date of the execution by any person of any such instrument may be proved by the certificate of any officer in any jurisdiction who, by the laws thereof, has power to take acknowledgments within such jurisdiction, to the effect that the person signing such instrument acknowledged before him the execution thereof, or by an affidavit of a witness to such execution; and

(ii) the ownership of Bonds shall be proved by the registration books kept under the provisions of Section 3.01 hereof;

(b) Nothing contained in this Section 14.04 shall be construed as limiting the Trustee to such proof. The Trustee may accept any other evidence of matters herein stated which it may deem sufficient. Any request, consent of, or assignment by any Bondholder shall bind every future Bondholder of the same Bonds or any Bonds issued in lieu thereof in respect of anything done by the Trustee or the City in pursuance of such request or consent.

Section 14.05 Governing Law; Venue. This Trust Agreement is made in the State under the Constitution and laws of the State and is to be so construed. If any party to this Trust Agreement initiates any legal or equitable action to enforce the terms of this Trust Agreement, to declare the rights of the parties under this Trust Agreement or which relates to this Trust Agreement in any manner, each such party agrees that the place of making and for performance of this Trust Agreement shall be the City of Coachella, State of California, and the proper venue for any such action is the Superior Court of the State of California, in and for the City of Coachella.

Section 14.06 Notices.

(a) Any notice, request, direction, designation, consent, acknowledgment, certification, appointment, waiver or other communication required or permitted by this Trust Agreement or the Bonds must be in writing except as expressly provided otherwise in this Trust Agreement or the Bonds.

(b) The Trustee shall give written notice to the Rating Agencies if at any time (i) a successor Trustee is appointed under this Trust Agreement, (ii) there is any amendment to this Trust Agreement, (iii) Bonds are to be redeemed pursuant to Section 4.02 or 4.03, (iv) notice of any defeasance of the Bonds, or (v) if the Bonds shall no longer be Book-Entry Bonds. Notice in the case of an event referred to in clause (ii) hereof shall include a copy of any such amendment.

(c) Except as otherwise required herein, all notices required or authorized to be given to the City, the Trustee and Paying Agent, and the Rating Agencies pursuant to this Trust Agreement shall be in writing and shall be sent by registered or certified mail, postage prepaid, to the following addresses:

- 1. if to the City, to:

City of Coachella
1515 Sixth Street
Coachella, California 92336
Attention: City Manager
Telephone: _____
Facsimile: _____

2. if to the Trustee and Paying Agent, to:

Wilmington Trust, National Association
650 Town Center Drive, Suite 600
Costa Mesa, California 9262
Attention: Global Corporate Trust
Ref: City of Coachella POB

3. if to _____, to:

4. if to _____, to:

or to such other addresses as may from time to time be furnished to the parties, effective upon the receipt of notice thereof given as set forth above.

Section 14.07 Holidays. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Trust Agreement, shall not be a Business Day, such payment may, unless otherwise provided in this Trust Agreement be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided in this Trust Agreement, and no interest shall accrue for the period from and after such nominal date.

Section 14.08 Captions. The captions and table of contents in this Trust Agreement are for convenience only and do not define or limit the scope or intent of any provisions or Sections of this Trust Agreement.

Section 14.09 Counterparts. This Trust Agreement may be signed in several counterparts, each of which will be an original, but all of them together constitute the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the parties hereto have executed this Trust Agreement by their officers thereunto duly authorized as of the date first above written.

CITY OF COACHELLA

By: _____
City Manager

ATTEST:

City Clerk

WILMINGTON TRUST, NATIONAL
ASSOCIATION, as Trustee

By: _____
Authorized Officer

EXHIBIT "A"

FORM OF BOND

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the City of Coachella 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.

No. _____

\$ _____

**CITY OF COACHELLA
2020 TAXABLE PENSION OBLIGATION BONDS**

Neither the faith and credit nor the taxing power of the State of California or any public agency is pledged to the payment of the principal of, or interest on, this Bond.

<i>Maturity</i>	<i>Interest Rate Per Annum</i>	<i>Dated Date</i>	<i>CUSIP NO.</i>
June 1, _____	_____%	_____, 2020	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ AND NO/100 DOLLARS

THE CITY OF COACHELLA, a general law city duly organized and validly existing under and pursuant to the Constitution and the laws of the State of California, for value received, hereby promises to pay to the registered owner named above or registered assigns, on the maturity date specified above, the principal sum specified above together with interest on such principal sum at the rates determined as herein provided on each Interest Payment Date (hereinafter defined) from the Interest Payment Date next preceding the date of authentication and delivery thereof, unless (i) such date of authentication is an Interest Payment Date in which event interest shall be payable from such date of authentication; (ii) it is authenticated after a Record Date and before the close of business on the immediately following Interest Payment Date, in which event interest thereon shall be payable from such Interest Payment Date; or (iii) it is authenticated prior to the close of business on the first Record Date, in which event interest thereon shall be payable from its Dated Date; provided, however, that if at the time of authentication of any Bond interest thereon is in default, interest thereon shall be payable from the Interest Payment Date to which interest has previously

been paid or made available for payment or, if no interest has been paid or made available for payment, from its Dated Date. The principal hereof and premium, if any, hereon are payable when due upon presentation hereof at the Principal Office of Wilmington Trust, National Association, as trustee (together with any successor as trustee under the Trust Agreement (hereinafter defined), the “Trustee”), in lawful money of the United States of America.

This Bond is one of a duly authorized issue of City of Coachella 2020 Taxable Pension Obligation Bonds (the “Bonds”) of the designation indicated on the face hereof. Said authorized issue of Bonds is limited in aggregate principal amount as provided in the Trust Agreement and consists or may consist of one or more series of varying denominations, dates, maturities, interest rates and other provisions, as provided in the Trust Agreement, all issued and to be issued pursuant to the provisions of Articles 10 and 11 (commencing with Section 53570 of Chapter 3 of Division 2 of Title 5 of the California Government Code (the “Refunding Law”). This Bond is issued pursuant to the Trust Agreement dated as of ____ 1, 2020 by and between the City of Coachella and Wilmington Trust, National Association, as trustee, providing for the issuance of the Bonds and setting forth the terms and authorizing the issuance of the Bonds (said Trust Agreement as amended, supplemented or otherwise modified from time to time being the “Trust Agreement”). Reference is hereby made to the Trust Agreement and to the Refunding Law for a description of the terms on which the Bonds are issued and to be issued, and the rights of the registered owners of the Bonds; and all the terms of the Trust Agreement and the Refunding Law are hereby incorporated herein and constitute a contract between the City and the registered owner from time to time of this Bond, and to all the provisions thereof the registered owner of this Bond, by its acceptance hereof, consents and agrees. All capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the Trust Agreement.

The City is required under the Trust Agreement to make payments on the Bonds from any source of legally available funds. The City has covenanted to make the necessary annual appropriations for such purpose.

The obligation of the City to make payments on the Bonds does not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation.

This Bond is one of the Bonds described in the Trust Agreement.

Interest on Bonds

Interest shall be computed on the basis of a 360-day year consisting of twelve 30-day months. The Bonds or the principal portion thereof called for redemption will cease to bear interest after the specified redemption date, provided that notice has been given pursuant to the Trust Agreement and sufficient funds for redemption are on deposit at the place of payment on the redemption date.

Redemption of Bonds

Optional Redemption. [The Bonds shall be subject to optional redemption, in whole or in part, on any date on or after ____, 2020 and prior to their maturity, at the option of the City, from any source of available funds, at a redemption price equal to the greater of the following:

- (1) 100% of the principal amount of the Bonds to be redeemed; or

(2) the sum of the present value of the remaining scheduled payments of principal and interest on the Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Bonds are to be redeemed, discounted to the date on which such Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate plus __ basis points;

plus, in each case, accrued interest on the Bonds to be redeemed to the date fixed for redemption.

“Treasury Rate” means, with respect to any redemption date for a particular Bond pursuant to this subsection, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available on a date selected by the City that is at least two Business Days prior to the redemption date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of the Bond to be redeemed; provided, however, that if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

At least two Business Days prior to the date fixed for redemption pursuant to the foregoing section, the City shall provide to the Trustee written confirmation of the redemption price.]

Mandatory Sinking Fund Redemption of Bonds. The Bonds maturing June 1, 20__ (the “**20__ Term Bonds**”) are subject to mandatory sinking fund redemption at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium. The 20__ Term Bonds shall be so redeemed on the following dates and in the following amounts:

<i>Redemption Date</i> <i>(June 1)</i>	<i>Principal</i> <i>Amount</i>
---	-----------------------------------

* Final maturity.

The Bonds maturing June 1, 20__ (the “**2045 Term Bonds**”) are subject to mandatory sinking fund redemption at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium. The 20__ Term Bonds shall be so redeemed on the following dates and in the following amounts:

*Redemption Date
(June 1)*

*Principal
Amount*

* Final maturity.

The Bonds maturing June 1, 20__ (the “**20__ Term Bonds**”) are subject to mandatory sinking fund redemption at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium. The 20__ Term Bonds shall be so redeemed on the following dates and in the following amounts:

*Redemption Date
(June 1)*

*Principal
Amount*

* Final maturity.

Certain Defined Terms

“**Interest Payment Date**” means June 1 and December 1 of each year, commencing [December 1, 2020].

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

Other Provisions

The rights and obligations of the City and of the holders and registered 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 Trust Agreement, which provide, in certain circumstances, for modifications and amendments without the consent of or notice to the registered owners of the Bonds.

It is hereby certified and recited that any and all acts, conditions and things required to exist, to happen and to be performed, precedent to and in the incurring of the indebtedness evidenced by this Bond, and in the issuing of this Bond, do exist, have happened and have been performed in due time, form and manner, as required by the Constitution and statutes of the State of California, and that this Bond, is within every debt and other limit prescribed by the Constitution and the statutes of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Trust Agreement or the Refunding Law.

This Bond shall not be entitled to any benefit under the Trust Agreement, or become valid or obligatory for any purpose, until the certificate of authentication hereon endorsed shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, THE CITY OF COACHELLA, a general law city duly organized and validly existing under and pursuant to the Constitution and the laws of the State of California, has caused this Bond to be executed in its name and on its behalf by the Mayor of the City Council, and attested by the City Clerk, and this Bond to be dated as of the Dated Date.

CITY OF COACHELLA

By: _____
Mayor

ATTEST:

City Clerk

[FORM OF CERTIFICATE OF AUTHENTICATION AND REGISTRATION]

This is one of the Bonds described in the within-mentioned Trust Agreement and authenticated the date set forth below.

Dated: _____, 20__

WILMINGTON TRUST, NATIONAL
ASSOCIATION, as Trustee

By: _____
Authorized Signatory

[FORM OF LEGAL OPINION]

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

City Clerk of the City of Coachella

[FORM OF ASSIGNMENT]

For value received _____ hereby sells, assigns and transfers unto _____ (Tax I.D. No.: _____) the within Bond and hereby irrevocably constitute and appoints _____ attorney, to transfer the same on the books of the City at the office of the Trustee, with full power of substitution in the premises.

NOTE: The signature to this Assignment must correspond with the name on the face of the within Registered Bond in every particular, without alteration or enlargement or any change whatsoever.

Dated: _____

Signature Guaranteed by: _____

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

EXHIBIT "B"

FORM OF REQUISITION

TO: Wilmington Trust, National Association

City of Coachella Use Only
Request No. __

DISBURSEMENT REQUEST: REGARDING \$_____ CITY OF COACHELLA 2020
TAXABLE PENSION OBLIGATION BONDS

You are hereby requested to pay from the Costs of Issuance Fund established by the Trust Agreement with respect to the above-referenced bonds, to the person, corporation or other entity designated below as Payee, the sum set forth below such designation, in payment of all () or a portion () of the Costs of Issuance described below.

Name of Payee: _____

Address: _____

Amount: \$_____

Method of Payment: _____

Service Provided: _____

The undersigned hereby certifies that:

- (i) s/he is an Authorized City Representative;
- (ii) this requisition for payment is in accordance with the terms and provisions of Section 6.01 of the Trust Agreement;
- (iii) each item to be paid with the requisitioned funds represents either incurred or due and payable Costs of Issuance;
- (iv) such Costs of Issuance have not been paid from other funds withdrawn from the Costs of Issuance Fund; and
- (v) to the best of the signatory's knowledge no Event of Default has occurred and is continuing under the Trust Agreement.

Dated: _____

CITY OF COACHELLA

By: _____

Name:

Title:

\$ _____
CITY OF COACHELLA
TAXABLE PENSION OBLIGATION BONDS, SERIES 2020

BOND PURCHASE AGREEMENT

_____, 2020

City of Coachella
 1515 Sixth Street
 Coachella, California 92336

Ladies and Gentlemen:

The undersigned Samuel A. Ramirez & Co., Inc. (the “**Underwriter**”) offers to enter into this Bond Purchase Agreement (this “**Purchase Agreement**”) with the City of Coachella, California (the “**City**”), which, upon the acceptance by the City, will be binding upon the City and the Underwriter. This offer is made subject to acceptance by the City by the execution of this Purchase Agreement and delivery of the same to the Underwriter prior to 11:59 P.M., California time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriter upon notice delivered to the City at any time prior to the acceptance hereof by the City. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Trust Agreement (defined herein).

Section 1. Purchase and Sale. Upon the terms and conditions and on the basis of the representations, warranties and agreements herein set forth, the Underwriter hereby agrees to purchase from the City, and the City hereby agrees to issue, sell and deliver to the Underwriter all (but not less than all) of the City of Coachella 2020 Taxable Pension Obligation Bonds (the “**Bonds**”) in the aggregate principal amount of \$_____. The Bonds shall be dated as of their date of delivery. Interest on the Bonds shall be payable semiannually on July 1 and January 1 in each year, commencing _____ 1, [2020] (each an “**Interest Payment Date**”) and will bear interest at the rates and on the dates as set forth in Exhibit A hereto. The purchase price for the Bonds shall be \$_____ (which represents the principal amount of the Bonds in the amount of \$_____, less an Underwriter’s discount of \$_____).

The Underwriter agrees to make a bona fide public offering of the Bonds at the initial offering yields set forth in the Official Statement (defined herein); however, the Underwriter reserves the right to make concessions to dealers and to change such initial offering yields as the Underwriter shall deem necessary in connection with the marketing of the Bonds. The Underwriter agrees that, in connection with the public offering and initial delivery of the Bonds to the purchasers thereof from the Underwriter, the Underwriter will deliver or cause to be delivered to each purchaser a copy of the final Official Statement prepared in connection with the Bonds, for the time period required under Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (“**Rule 15c2-12**”). Terms defined in the Preliminary Official Statement, and to be set forth in the final Official Statement are used herein as so defined.

The City acknowledges and agrees that: (i) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm's-length commercial transaction between the City and the Underwriter; (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as a principal and is not acting as a municipal advisor (as defined in Section 15B of the Securities Exchange Act of 1934, as amended), financial advisor or fiduciary; (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the City with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the City on other matters); (iv) the only obligations the Underwriter has to the City with respect to the transaction contemplated hereby expressly are set forth in this Purchase Agreement; and (v) the City has consulted its own financial and/or municipal, legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

Section 2. The Bonds. The Bonds are being issued pursuant to Articles 10 and 11 (commencing with Section 53570) of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "**Refunding Law**") and the Trust Agreement, dated as of _____ 1, 2020 (the "**Trust Agreement**"), between the City and Wilmington Trust, National Association, as trustee (together with any successor as trustee under the Trust Agreement, the "**Trustee**"). The Bonds shall be obligations of the City payable from any lawfully available funds, shall not be limited as to payment to any special source of funds of the City and the payment thereof shall not be subject to appropriation. The Bonds do not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation. The Bonds otherwise shall be as described in the Preliminary Official Statement and the Official Statement, the Refunding Law and the Legal Documents. The Underwriter's agreement to purchase the Bonds from the City is made in reliance upon the City's representations, covenants and warranties and on the terms and conditions set forth in this Purchase Agreement.

The City is obligated by the Public Employees' Retirement Law, constituting Part 3 of Division 5 of Title 2 of the California Government Code (the "**Retirement Law**"), and the contract between the Board of Administration of the California Public Employees' Retirement System ("**PERS**"), established under Government Code sections 20000 through 21500 of (the "**Retirement Law**"), and the City Council of the City, effective ____ (as amended, the "**PERS Contract**"), to make contributions to PERS to (a) fund pension benefits for its employees who are members of PERS, (b) amortize the unfunded actuarial liability with respect to such pension benefits, and (c) appropriate funds for the purposes described in (a) and (b). The City participates in two retirement plans (with tiers within such plans) under the PERS Contract.

The proceeds of the Bonds will be used to: (i) refund the City's obligations to PERS evidenced by the two retirement plans in which the City participates pursuant to the PERS Contract and representing the current unfunded accrued liability (the "**Unfunded Liability**") with respect to certain pension benefits under the Retirement Law, and (ii) pay certain costs associated with the issuance and delivery of the Bonds.

Section 3. Public Offering. The Underwriter agrees to make an initial public offering of all the Bonds at the public offering prices (or yields) set forth on Exhibit A attached hereto and incorporated herein by reference. Subsequent to the initial public offering, the Underwriter reserves the right to change the public offering prices (or yields) as it deems necessary in connection with the marketing of the Bonds, provided that the Underwriter shall not

change the interest rates set forth on Exhibit A. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices.

Section 4. The Official Statement. By its acceptance of this Purchase Agreement, the City ratifies, confirms and approves of the use and distribution by the Underwriter prior to the date hereof of the Preliminary Official Statement relating to the Bonds, dated _____, 2020 (including the cover page, all appendices and all information incorporated therein and any supplements or amendments thereto and as disseminated in its printed physical form or in electronic form in all respects materially consistent with such physical form, the “**Preliminary Official Statement**”) that the City has deemed “final” as of its date, for purposes of Rule 15c2-12 except for certain omissions permitted to be omitted therefrom by Rule 15c2-12. The City hereby agrees to deliver or cause to be delivered to the Underwriter, within seven (7) business days of the date hereof, copies of the final official statement, dated the date hereof, relating to the Bonds (including all information previously permitted to have been omitted by Rule 15c2-12, the cover page, all appendices, all information incorporated therein and any amendments or supplements as have been approved by the City and the Underwriter (the “**Official Statement**”)) in such quantity as the Underwriter shall reasonably request to comply with Rule 15c2-12(b)(4) and the rules of the Municipal Securities Rulemaking Board (the “**MSRB**”). To the extent required by applicable MSRB Rules, the City hereby confirms that it does not object to distribution of the Official Statement in electronic form.

Section 5. Closing. At 8:00 a.m., California time, on _____, 2020 (the “**Closing Date**”), or at such other time or date as the City and the Underwriter mutually agree upon, the City shall deliver or cause to be delivered to the Trustee, and the Trustee shall deliver or cause to be delivered through the facilities of The Depository Trust Company, New York, New York (“**DTC**”), the Bonds in definitive form, duly executed and authenticated. Concurrently with the delivery of the Bonds, the City shall deliver the documents hereinafter mentioned at the offices of Stradling Yocca Carlson & Rauth, Newport Beach, California (“**Bond Counsel**”) or another place to be mutually agreed upon by the City and the Underwriter. The Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof by wire transfer in immediately available funds. This payment for and delivery of the Bonds, together with the delivery of the aforementioned documents referenced herein, is called the “**Closing.**”

The Bonds shall be registered in the name of Cede & Co., as nominee of DTC in denominations of \$5,000 and any integral multiple thereof as provided in the Trust Agreement, and shall be made available to the Underwriter at least one (1) business day before the Closing for purposes of inspection and packaging. The City acknowledges that the services of DTC will be used initially by the Underwriter to permit the issuance of the Bonds in book-entry form, and agrees to cooperate fully with the Underwriter in employing such services.

Section 6. Representations, Warranties and Covenants of the City. The City represents, warrants and covenants to the Underwriter as follows.

(a) The City is a general law city of the State of California (the “**State**”), duly organized and validly existing pursuant to the Constitution and laws of the State and its charter.

(b) The City had full legal right, power and authority to adopt the Resolution, and the City has, and at the Closing Date will have, full legal right, power and authority (i) to execute and deliver the Trust Agreement, the Continuing Disclosure Certificate relating to the Bonds (the “**Continuing Disclosure Certificate**”) and this Purchase Agreement (collectively, the “**Legal**”

Documents”), to perform its obligations under the Legal Documents, and has by official action duly authorized and approved the execution and delivery of, and the performance by the City of the obligations on its part contained in the Legal Documents, (ii) to issue, sell and deliver the Bonds to the Underwriter as provided herein, and (iii) to carry out, give effect to and consummate the transactions contemplated by the Legal Documents and the Resolution.

(c) The City Council has duly and validly adopted the Resolution at a meeting of the City Council duly noticed and at which a quorum was present, and the Resolution has not been modified or amended and is in full force and effect, and has duly approved the execution and delivery of the Bonds and the other Legal Documents, and the performance by the City of its obligations contained therein, and the taking of any and all action as may be necessary to carry out, give effect to and consummate the transactions contemplated by each of said documents.

(d) The Bonds and the Legal Documents have been, on or before the Closing Date will be, duly executed and delivered by the City, and, on the Closing Date, the Bonds, when authenticated and delivered to the Underwriter in accordance with the Trust Agreement, and the Legal Documents will constitute legally valid and binding obligations, enforceable against the City in accordance with their respective terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, or similar laws or equitable principles relating to or limiting creditors’ rights generally.

(e) The City is, and at the Closing Date will be, in compliance, in all respects, with the Legal Documents.

(f) The City is not in breach of or default under any applicable law or administrative regulation of the State or the United States of America or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party or is otherwise subject, 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, in each case which breach or default has or may have a material adverse effect on the ability of the City to perform its obligations under the Legal Documents.

(g) No consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the City that has not been obtained is or will be required for the issuance and delivery of the Bonds or the consummation by the City of the other transactions contemplated by the Trust Agreement.

(h) The adoption of the Resolution and the execution and delivery by the City of the Legal Documents and the approval by the City of the Official Statement and compliance with the provisions on the City’s part contained in the Legal Documents, will not conflict with, or result in a violation or breach of, or constitute a default under, any law, administrative regulation, judgment, decree, loan agreement, indenture, trust agreement, bond, note, resolution, agreement or other instrument to which the City is a party or is otherwise subject to, which conflict, breach or default has or may have a material adverse effect on the ability of the City to carry out its obligations under the Legal Documents, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any material lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets of City under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, trust agreement, bond, note, resolution, agreement or other instrument, except as provided by the Legal Documents.

(i) Prior to the date hereof, the City has provided to the Underwriter for its review the Preliminary Official Statement, that the City has deemed final for purposes of Rule 15c2-12, has approved the distribution of the Preliminary Official Statement and the Official Statement, and has duly authorized the execution and delivery of the Official Statement (including in electronic form). The Preliminary Official Statement, at the date thereof, and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein (other than the information relating to DTC and its book-entry system, as to which no view is expressed), in light of the circumstances under which they were made, not misleading. As of the date hereof and on the Closing, the Official Statement did not and will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein (other than the information relating to DTC and its book-entry system, as to which no view is expressed), in light of the circumstances under which they were made, not misleading.

(j) By official action of the City prior to or concurrently with the acceptance hereof, the City has duly approved the distribution of the Preliminary Official Statement and the distribution of the Official Statement (including in electronic form), and has duly authorized and approved the execution and delivery of, and the performance by the City of the obligations on its part contained, in the Legal Documents.

(k) The City will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Underwriter, which consent will not be unreasonably withheld. The City will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental authority prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

(l) The financial statements relating to the receipts, expenditures and cash balances of the City as of June 30, 2019 as set forth in the Preliminary Official Statement and in the Official Statement fairly represent the financial position and results of operations of the City as of the dates and for the periods therein set forth in accordance with generally accepted accounting principles. Except as disclosed in the Preliminary Official Statement, the Official Statement or otherwise disclosed in writing to the Underwriter, there has not been any materially adverse change in the financial position and results of operations of the City or in its operations since June 30, 2019 and, except as disclosed in the Preliminary Official Statement or the Official Statement, there has been no occurrence, circumstance or combination thereof which is reasonably expected to result in any such materially adverse change.

(m) As of the time of acceptance hereof and as of the date of Closing, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, is pending or, to the knowledge of the City, threatened (i) in any way questioning the corporate existence of the City or the titles of the officers of the City to their respective offices; (ii) affecting, contesting or seeking to prohibit, restrain or enjoin the execution or delivery of any of the Bonds, or in any way contesting or affecting the validity of the Bonds or the Legal Documents or the consummation of the transactions contemplated thereby or contesting the power of the City to enter into the Legal Documents; (iii) which may result in any material adverse change to the financial condition of the City or to its ability to make payment of principal or redemption price of and interest on the Bonds when due; or (iv) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any

material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and there is no basis for any action, suit, proceeding, inquiry or investigation of the nature described in clause (i) through (iv) of this sentence.

(n) To the extent required by law, the City will undertake, pursuant to the Continuing Disclosure Certificate, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement. Except as otherwise disclosed in the Preliminary Official Statement, the City has not failed to comply in all material respects with any previous undertakings with regard to Rule 15c2-12 to provide annual reports or notices of enumerated events in the past five years and, the City has been in material compliance during the past five years with its continuing disclosure obligations in accordance with Rule 15c2-12.

(o) Any certificate signed by any officer of the City authorized to execute such certificate in connection with the issuance, sale and delivery of the Bonds and delivered to the Underwriter shall be deemed a representation and warranty of the City to the Underwriter as to the statements made therein but not of the person signing such certificate.

(p) The City will promptly apply the proceeds of the Bonds to refund the Unfunded Liability as of the date of issuance of the Bonds and to pay costs associated with the issuance and delivery of the Bonds.

(q) During the period from the date hereof until the Closing Date, the City agrees to furnish the Underwriter with copies of any documents it files with any regulatory authority which are reasonably requested by the Underwriter.

(r) The City is not in material default, nor has the City been in material default at any time, as to the payment of principal or interest with respect to a material obligation issued by the City or with respect to a material obligation guaranteed by the City as guarantor.

(s) As of the date hereof, the City does not have any revenue bonds, capital lease obligations, installment payment obligations or other material financial obligation, nor other material obligations secured by payments from the general fund of the City, except as disclosed in the Preliminary Official Statement and the Official Statement.

(t) The default judgment dated _____, 2020 entered in favor of the City in connection with *City of Coachella v. All Persons Interested, etc.* was duly entered, the appeal period has run without any appeal having been filed, and the default judgment is in full force and effect.

(u) The City had, prior to the adoption of the Resolution, and has, in full force and effect, a Debt Management Policy that complies with Government Code Section 8855(i).

Section 7. Conditions to the Obligations of the Underwriter. The Underwriter has entered into this Purchase Agreement in reliance upon the representations and warranties of the City contained herein. The obligations of the Underwriter to accept delivery of and pay for the Bonds on the date of the Closing shall be subject, at the option of the Underwriter, to the accuracy in all respects of the statements of the officers and other officials of the City, as well as authorized representatives of the City Attorney, Bond Counsel, Nixon Peabody LLP, as disclosure counsel ("Disclosure Counsel") and the Trustee made in any certificates or other

documents furnished pursuant to the provisions hereof, to the performance by the City of its obligations to be performed hereunder at or prior to the date of the Closing, and to the following additional conditions:

(a) The representations, warranties and covenants of the City contained herein shall be true, complete and correct at the date hereof and at the time of the Closing, as if made on the date of the Closing;

(b) At the time of Closing, the Legal Documents shall be in full force and effect as valid and binding agreements between or among the various parties thereto, and the Legal Documents and the Preliminary Official Statement 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 all such reasonable actions as, in the opinion of Bond Counsel, shall reasonably deem necessary in connection with the transactions contemplated hereby;

(c) At the time of the Closing, no default shall have occurred or be existing under the Legal Documents, or any other agreement or document pursuant to which any of the City's financial obligations were executed and delivered, and the City shall not be in default in the payment of principal or interest with respect to any of its financial obligations, which default would result in any material adverse change to the financial condition of the City or adversely impact its ability to make payment of principal or redemption price of and interest on the Bonds when due;

(d) In recognition of the desire of the City and the Underwriter to effect a successful public offering of the Bonds, and in view of the potential adverse impact of any of the following events on such a public offering, this Purchase Agreement shall be subject to termination in the reasonable judgment of the Underwriter by notification, in writing, to the City prior to delivery of and payment for the Bonds, if at any time prior to such time:

(i) there shall have occurred any outbreak or escalation of hostilities, declaration by the United States of America of a national emergency or war or other calamity or crisis the effect of which on financial markets is materially adverse such as to make it, in the reasonable judgment of the Underwriter, impractical to proceed with the purchase or delivery of the Bonds as contemplated by the Official Statement (exclusive of any amendment or supplement thereto); or

(ii) a general banking moratorium shall have been declared by federal, State or New York authorities, or the general suspension of trading on any national securities exchange; or

(iii) an event occurs which in the reasonable opinion of the Underwriter requires a supplement or amendment to the Official Statement and: (i) the City refuses to prepare and furnish such supplement or amendment; or (ii) in the reasonable judgment of the Underwriter, the occurrence of such event materially and adversely affects the marketability of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds; or

(iv) any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or agency of the State, or a decision by any court of competent jurisdiction within the State shall be rendered which materially adversely affects the market price of the Bonds; or

(v) the marketability of the Bonds or the market price thereof, in the reasonable opinion of the Underwriter, has been materially adversely affected by an amendment to the Constitution of the United States of America or by any legislation in or by the Congress of the United States of America or by the State, or the amendment of legislation pending as of the date of this Purchase Agreement in the Congress of the United States of America, or the recommendation to Congress or endorsement for passage (by press release, other form of notice or otherwise) of legislation by the President of the United States of America, the Treasury Department of the United States of America, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or the proposal for consideration of legislation by either such Committee or by any member thereof, or the presentment of legislation for consideration as an option by either such Committee, or by the staff of the Joint Committee on Taxation of the Congress of the United States of America, or the favorable reporting for passage of legislation to either House of the Congress of the United States of America by a Committee of such House to which such legislation has been referred for consideration; or

(vi) an order, decree or injunction shall have been issued by any court of competent jurisdiction, or order, ruling, regulation (final, temporary or proposed), official statement or other form of notice or communication 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: (i) obligations of the general character of the Bonds, or the Bonds, including any or all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended, or that the Trust Agreement is not exempt from qualification under the Trust Indenture Act of 1939; or (ii) the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including any or all underlying obligations, as contemplated hereby or by the Preliminary Official Statement and the Official Statement, is or would be in violation of the federal securities laws as amended and then in effect; or

(vii) legislation shall be introduced, by amendment or otherwise, or be enacted by the House of Representatives or the Senate of the Congress of the United States of America, or a decision by a court of the United States of America shall be rendered, or a stop order, ruling, regulation or official statement by or on behalf of the Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter shall be made or proposed, to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, as contemplated hereby or by the Preliminary Official Statement and the Official Statement, is or would be in violation of any provision of the Securities Act of 1933, as amended and as then in effect, or the Securities Exchange Act of 1934, as amended and as then in effect, or the Trust Indenture Act of 1939, as amended and as then in effect, or with the purpose or effect of otherwise prohibiting the issuance, offering or sale of the Bonds or obligations of the general character of the Bonds, as contemplated hereby or by the Preliminary Official Statement and the Official Statement; or

(viii) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange, which, in the Underwriter's reasonable opinion, materially adversely affects the marketability or market price of the Bonds; or

(ix) the Comptroller of the Currency, the New York Stock Exchange, or other national securities exchange or association or any governmental authority, shall impose as to

the Bonds, or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by or the charge to the net capital requirements or financial responsibility requirements of broker dealers; or

(x) trading in securities on the New York Stock Exchange or other major exchange shall have been suspended or limited or minimum prices have been established on either such exchange which, in the Underwriter's reasonable judgment, materially adversely affects the marketability or market price of the Bonds; or

(xi) any rating of the Bonds or the rating of any securities of the City shall have been downgraded, withdrawn or placed on negative watch by a national rating service, which, in the reasonable judgment of the Underwriter, materially adversely affects the market price of the Bonds; or

(xii) any action shall have been taken by any government in respect of its monetary affairs which, in the reasonable opinion of the Underwriter, has a material adverse effect on the United States securities market, rendering the marketing and sale of the Bonds, or enforcement of sale contracts with respect thereto impracticable; or

(xiii) the commencement of any action, suit or proceeding described in Section 6(m); or

(xiv) any change, which in the reasonable opinion of the Underwriter, materially adversely affects the marketability of the Bonds or, the financial condition of the City.

(e) at or prior to the Closing, the Underwriter shall receive or have received the following documents, in each case to the reasonable satisfaction, in form and substance, of the Underwriter and Jones Hall, A Professional Law Corporation, California ("**Underwriter's Counsel**"):

(i) a copy of the default judgment, dated _____, 2020, entered in favor of the City in connection with *City of Coachella v. All Persons Interested, etc.*, Case No _____ filed in the Superior Court of California, County of Riverside;

(ii) all resolutions relating to the Bonds adopted by the City and certified by an authorized official of the City, authorizing the execution and delivery of the Legal Documents and the delivery of the Bonds and the Official Statement;

(iii) the Legal Documents duly executed and delivered by the respective parties thereto, with only such amendments, modifications or supplements as may have been agreed to in writing by the Underwriter; and

(iv) the approving opinion of Bond Counsel, dated the date of Closing and addressed to the City, in substantially the form attached as Appendix [B] to the Preliminary the Official Statement and the Official Statement, together with a reliance letter thereon addressed to the Underwriter;

(v) a supplemental opinion of Bond Counsel dated the date of Closing and addressed to the Underwriter, to the effect that:

(A) the statements on the cover of the Official Statement and in the Official Statement under the captions ["INTRODUCTION," "THE BONDS," "SECURITY AND SOURCE OF PAYMENT FOR THE BONDS," "VALIDATION," and "TAX MATTERS," and in APPENDIX C – "SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT," APPENDIX D – "PROPOSED FORM OF BOND COUNSEL OPINION" and APPENDIX E – "FORM OF CONTINUING DISCLOSURE CERTIFICATE,"] and excluding any material that may be treated as included under such captions and appendices by any cross-reference, insofar as such statements expressly summarize provisions of the Bonds, the Trust Agreement, and Bond Counsel's final opinion relating to the Bonds, are accurate in all material respects as of the date of Closing;

(B) the Continuing Disclosure Certificate and the Purchase Agreement have been duly authorized, executed and delivered by the City and are the valid, legal and binding agreements of the City enforceable in accordance with their terms, except that the rights and obligations under the Continuing Disclosure Certificate and the Purchase Agreement are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws affecting creditors' rights, to the application of equitable principles if equitable remedies are sought, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against public agencies in the State, and provided that no opinion is expressed with respect to any indemnification or contribution provisions contained therein; and

(C) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Trust Agreement is exempt from qualification under the Trust Indenture Act of 1939, as amended;

(vi) the Official Statement, executed on behalf of the City;

(vii) evidence that the rating on the Bonds is as described in the Official Statement;

(viii) a certificate, dated the date of Closing, signed by a duly authorized officer of the City satisfactory in form and substance to the Underwriter to the effect that: (i) the representations, warranties and covenants of the City contained in this Purchase Agreement are true and correct in all material respects on and as of the date of Closing with the same effect as if made on the date of the Closing by the City, and the City has complied with all of the terms and conditions of the Purchase Agreement required to be complied with by the City at or prior to the date of Closing; (ii) to the best of such officer's knowledge, no event affecting the City has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purposes for which it is to be used or which is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect; (iii) the information and statements contained in the Preliminary Official Statement and the Official Statement (other than information relating to DTC and its book entry system) did not as of their date and do not as of the Closing contain an untrue 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; (iv) the City is not in breach of or default under any applicable law or administrative regulation of the State or the United States of America or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party or is otherwise subject, which would have a material adverse impact on the City's ability to perform its obligations under the Legal Documents, and no event has occurred and is continuing which,

with the passage of time or the giving of notice, or both, would constitute such a default or an event of default under any such instrument; and (v) no further consent is required for inclusion of its audited financial statements in the Preliminary Official Statement and the Official Statement;

(ix) an opinion dated the date of Closing and addressed to the Underwriter, the Trustee and the Bond Counsel, of the City Attorney of the City of Coachella, substantially in the form attached as Exhibit B hereto;

(x) a letter of Stradling Yocca Carlson & Rauth, Newport Beach, California, Disclosure Counsel to the City dated the date of Closing and addressed to the Underwriter substantially to the effect that, on the basis of the information made available to them in the course of their participation in the preparation of the Official Statement as disclosure counsel, but without having undertaken to determine or verify independently, or assuming any responsibility for, the accuracy, completeness or fairness of any of the statements contained in the Official Statement, no facts have come to the attention of the personnel in such firm directly involved in rendering legal advice and assistance to the City in connection with the preparation of the Official Statement which caused them to believe that (A) the Preliminary Official Statement as of its date or the date of the Purchase Agreement (excluding therefrom financial, demographic and statistical data; forecasts, projections, estimates, assumptions and expressions of opinions; statements relating to DTC, Cede & Co. and the operation of the book-entry system; statements relating to the treatment of the Bonds or the interest, discount or premium, if any, thereon or therefrom for tax purposes under the law of any jurisdiction; and the statements contained in the Preliminary Official Statement under the captions ["TAX MATTERS,"] and in [Appendix A and Appendices C through F] to the Preliminary Official Statement; as to all of which they express no view) contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading, except for such information as is permitted to be excluded from the Preliminary Official Statement pursuant to Rule 15c2-12 of the Securities Exchange Act of 1934, as amended, including but not limited to information as to pricing, yields, interest rates, maturities, amortization, redemption provisions, debt service requirements, Underwriter's discount and CUSIP numbers or (B) the Official Statement as of its date or as of the Closing Date (excluding therefrom financial, demographic and statistical data; forecasts, projections, estimates, assumptions and expressions of opinions; statements relating to DTC, Cede & Co. and the operation of the book-entry system, statements relating to the treatment of the Bonds or the interest, discount or premium, if any, thereon or therefrom for tax purposes under the law of any jurisdiction; and the statements contained in the Official Statement under the captions ["TAX MATTERS,"] and in [Appendix A and Appendices C through F] to the Official Statement; as to all of which they express no view) contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading;

(xi) an opinion of counsel to the Trustee, addressed to the Underwriter and the City, dated the date of the Closing, to the effect that:

(A) the Trustee is a national banking association duly organized and validly existing under the laws of the United States of America, having full corporate power to undertake the trust created under the Trust Agreement;

(B) the Trust Agreement has been duly authorized, executed and delivered by the Trustee and, assuming due authorization, execution and delivery by the other parties thereto, the Trust Agreement constitutes the valid, legal and binding obligations of the Trustee enforceable in accordance with their terms, except as 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 equitable remedies are sought;

(C) the Trustee has duly authenticated the Bonds upon the order of City;

(D) the Trustee's actions in executing and delivering the Trust Agreement are in full compliance with, and do not conflict with any applicable law or governmental regulation and, to the best of such counsel's knowledge, after reasonable inquiry with respect thereto, do not conflict with or violate any contract to which the Trustee is a party or any administrative or judicial decision by which the Trustee is bound;

(E) no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the banking or trust powers of the Trustee that has not been obtained is or will be required for the execution and delivery of the Bonds or the consummation by the Trustee of its obligations under the Trust Agreement; and

(F) there is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court or public body pending or, to the best of such counsel's knowledge, threatened against or affecting the Trustee, which would materially adversely impact the Trustee's ability to complete the transactions contemplated by the Trust Agreement.

(xii) a certificate, dated the date of Closing, signed by a duly authorized officer of the Trustee satisfactory in form and substance to the Underwriter, to the effect that:

(A) the Trustee is duly organized and existing as a national banking association under the laws of the United States of America, having the full corporate power and authority to enter into and perform its duties under the Trust Agreement;

(B) the Trustee is duly authorized to enter into the Trust Agreement and has duly executed and delivered the Trust Agreement, and assuming due authorization and execution by the other parties thereto, the Trust Agreement is legal, valid and binding upon the Trustee and enforceable against such party in accordance with its terms;

(C) the Trustee has duly authenticated the Bonds under the Trust Agreement and delivered the Bonds to or upon the order of the Underwriter;

(D) no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the banking or trust powers of the Trustee that has not been obtained is required for the execution and delivery of the Bonds or the consummation by the Trustee of its obligations under the Trust Agreement; and

(E) there is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court or public body pending or, to the best of such counsel's knowledge, threatened against or affecting the Trustee, which would materially adversely impact the Trustee's ability to complete the transactions contemplated by the Trust Agreement.

(xiii) the preliminary and final forms required to be delivered to the California Debt and Investment Advisory Commission pursuant to Section 53583 of the Government Code of the State of California and Section 8855(i) and (j) of the Government Code;

(xiv) a copy of the executed Blanket Issuer Letter of Representations by and between the City and DTC relating to the book-entry system;

(xv) an opinion of Underwriter's Counsel addressed to the Underwriter, in form and substance acceptable to the Underwriter;

(xvi) a Rule 15c2-12 certificate, dated the date of the Preliminary Official Statement and executed by the City;

(xvii) a certificate of the PERS actuary setting forth the amount of the discounted prepayment of the annual contribution of the City to the System for Fiscal Year 2020-21 together with acknowledgment of payment of the Unfunded Liability;

(xviii) a certificate of Urban Futures, Inc., the City's municipal advisor, in form and substance to the Underwriter, to the effect that:

(A) the undersigned is an authorized officer of the Municipal Advisor, which has acted as municipal advisor to the City in connection with the issuance of the Bonds, and as such, is familiar with the facts herein certified and is authorized and qualified to certify the same;

(B) the Municipal Advisor has reviewed the Preliminary Official Statement and the final Official Statement; and

(C) nothing has come to the attention of the Municipal Advisor which would lead it to believe that the Preliminary Official Statement as of the date of the pricing of the Bonds or its date or the Official Statement as of its date or the Closing Date contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(xix) such additional legal opinions, Bonds, proceedings, instruments or other documents as the Underwriter or Underwriter's Counsel may reasonably request.

If the City shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, accept delivery of and pay for the Bonds contained in this Purchase Agreement, this Purchase Agreement shall terminate, and except as set forth in Section 9 hereof, neither the Underwriter nor the City shall be under further obligation hereunder.

Section 8. Changes in Official Statement. Within 90 days after the Closing or within 25 days following the "end of the underwriting period" (as defined in Rule 15c2-12), whichever occurs first, if any event relating to or affecting the Bonds, the Trustee, or the City shall occur as a result of which it is necessary, in the reasonable opinion of the Underwriter, to amend or supplement the Official Statement in order to make the Official Statement not misleading in any material respect in the light of the circumstances existing at the time it is delivered to a purchaser, the City will forthwith prepare and furnish to the Underwriter an amendment or supplement that will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in

order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to purchaser, not misleading. The City shall cooperate with the Underwriter in the filing by the Underwriter of such amendment or supplement to the Official Statement with the MSRB. The Underwriter acknowledges that the “end of the underwriting period” will be the date of Closing unless the Underwriter otherwise notifies the City in writing that it still owns some or all of the Bonds.

Section 9. Expenses. (a) Whether or not the Underwriter accepts delivery of and pays for the Bonds as set forth herein, the Underwriter shall be under no obligation to pay, and the City shall pay out of the proceeds of the Bonds or any other legally available funds of the City, all expenses incidental to the performance of the City’s obligations hereunder, including but not limited to the cost of printing and delivering the Legal Documents to the Underwriter, the costs of printing and shipping and electronic distribution of the Preliminary Official Statement and the Official Statement in reasonable quantities, the fees and disbursements of the City, the Trustee and its counsel, Bond Counsel, Disclosure Counsel, City Attorney, the City’s actuary, accountants, engineers, appraisers, economic consultants and any other experts or consultants retained by the City in connection with the issuance and sale of the Bonds, rating agency fees, advertising expenses, and any other expenses not specifically enumerated in paragraph (b) of this section incurred in connection with the issuance and sale of the Bonds. The City shall pay out of the proceeds of the Bonds, for any expenses incurred by the Underwriter on behalf of the City’s employees and representatives which are incidental to implementing this Purchase Agreement, including meals, transportation, and lodging (but not entertainment expenses) of those employees and representatives.

(b) Whether or not the Bonds are delivered to the Underwriter as set forth herein, the City shall be under no obligation to pay, and the Underwriter shall be responsible for and pay (which may be included as an expense component of the Underwriter’s discount), MSRB, CUSIP Bureau and CDIAC fees and expenses to qualify the Bonds for sale under any “blue sky” laws, and all other expenses incurred by the Underwriter in connection with its public offering and distribution of the Bonds not specifically enumerated in paragraph (a) of this section, including the cost of preparing this Purchase Agreement and other Underwriter documents, travel expenses and the fees and disbursements of Underwriter’s Counsel.

Section 10. Notices. Any notice or other communication to be given to the Underwriter under this Purchase Agreement may be given by delivering the same in writing to Samuel A. Ramirez & Co., Inc., 445 S. Figueroa Street, Suite 2310, Los Angeles, California 90071, Attention: Fernando Guerra, Sr. Vice President. Any notice or communication to be given to the City under this Purchase Agreement may be given by delivering the same in writing to the City of Coachella, at the address first set forth above, Attention: City Manager. All notices or communications hereunder by any party shall be given and served upon each other party.

Section 11. Parties in Interest. This Purchase Agreement is made solely for the benefit of the City and the Underwriter (including the successors or assigns thereof) and no other person shall acquire or have any right hereunder or by virtue hereof. All representations, warranties and agreements of the City in this Purchase Agreement shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Underwriter and shall survive the delivery of and payment for the Bonds.

Section 12. Counterparts. This Purchase Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

Section 13. Governing Law. This Purchase Agreement shall be governed by and construed in accordance with the laws of the State.

SAMUEL A. RAMIREZ & CO., INC.

By: _____
Authorized Officer

Accepted:

CITY OF COACHELLA

By: _____
City Manager

Time of Execution: ____:____

EXHIBIT A
MATURITY SCHEDULE

Maturity Date (July 1)	Principal Amount	Interest Rate	Yield
	\$	%	%

\$ _____ % Term Bond due July 1, 20__; Yield _____%; Price 100.000%
\$ _____ % Term Bond due July 1, 20__; Yield _____%; Price 100.000%

EXHIBIT B

FORM OF CITY ATTORNEY OPINION

_____, 2020

City of Coachella
Coachella, California

_____, California

City of Coachella
City of Coachella Taxable Pension Obligation Bonds, Series 2020

Ladies and Gentlemen:

We have acted as counsel to the City of Coachella (the "City") in connection with the issuance and sale by the City of \$_____ aggregate principal amount of its City of Coachella Taxable Pension Obligation Bonds, Series 2020 (the "Bonds"). We have examined and relied upon originals (or copies certified or otherwise identified to our satisfaction) of such documents, records and other instruments as we deem necessary or appropriate for the purposes of this opinion, including, without limitation: (i) those documents relating to the existence, organization and operation of the City; (ii) Resolution No. _____, adopted by a majority of the City Council of the City (the "City Council") on _____, 2020 (the "Resolution"); (iii) all necessary documentation of the City relating to the authorization, execution and delivery of the Trust Agreement, dated as of _____ 1, 2020 (the "Trust Agreement"), between the City and _____, as trustee; (iii) the default judgment dated _____, 2020, entered in favor of the City in connection with *City of Coachella v. All Persons Interested, etc.*, Case No _____ filed in the Superior Court of California, County of Los Riverside; (iv) the Purchase Agreement, dated _____, 2020 (the "Purchase Agreement"), executed by _____ (the "Representative"), and accepted by the City; (v) the Preliminary Official Statement, dated _____, 2020 (the "Preliminary Official Statement"), relating to the Bonds; (vi) the Official Statement, dated _____, 2020 (the "Official Statement"), relating to the Bonds; (vii) the Continuing Disclosure Certificate, dated _____, 2020 (the "Continuing Disclosure Certificate"), of the City appointing [Urban Futures, Inc.], as dissemination agent; and (viii) such other records, documents, certificates, opinions, and other matters as are in our judgment necessary or appropriate to enable us to render the opinions expressed herein. All capitalized terms used herein and not otherwise defined shall have the meaning given to such terms as set forth in the Trust Agreement.

Based on the foregoing, and with regard to State of California (the "State") law and United States federal law, we are of the opinion that:

- (a) The City is a charter city and municipal corporation of the State, duly organized and validly existing pursuant to the Constitution and laws of the State and its charter.

(b) The resolution of the City approving and authorizing the execution and delivery of the Bonds, the Trust Agreement, the Purchase Agreement, and the Continuing Disclosure Certificate (collectively, the "Legal Documents") and approving and authorizing the issuance of the Bonds and the delivery of the Official Statement and other actions of the City was duly adopted at a meeting of the governing body of the City 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, and the resolution is now in full force and effect and has not been amended or superseded in any way.

(c) Except as disclosed in the Preliminary Official Statement and in the Official Statement, there is no action, suit or proceeding pending, or to the best of our knowledge, threatened against the City to (i) restrain or enjoin the execution or delivery of the Legal Documents (ii) in any way contesting or affecting the validity of the Legal Documents, the Resolution or the authority of the City to enter into the Legal Documents, or (iii) in any way contesting or affecting the powers of the City in connection with any action contemplated by the Official Statement, the Resolution or the Legal Documents.

(d) The execution and delivery of the Legal Documents and compliance with the provisions thereof, do not and will not in any material respect conflict with or constitute on the part of the City a breach of or default under any agreement or other instrument to which the City is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the City is subject, which breach or default has or may have a material adverse effect on the ability of the City to perform its obligations under the Legal Documents.

(e) No authorization, approval, consent, or other order of the State or any other governmental body within the State is required for the valid authorization, execution and delivery of the Legal Documents or the consummation by the City of the transactions on its part contemplated therein, except such as have been obtained and except such as may be required under state securities or blue sky laws in connection with the purchase and distribution of the Bonds by the Underwriter.

Very truly yours,



STAFF REPORT
6/24/2020

TO: Honorable Mayor and City Council Members

FROM: Luis Lopez, Development Services Director

SUBJECT: Community Facilities District (CFD No. 2005-01) – Pueblo Viejo Villas

SPECIFICS:

- a) Resolution No. 2020-36 Determining the Validity of Prior Proceedings relating to Annexation of Property in the City of Coachella CFD No. 2005-01 (Law Enforcement, Fire and Paramedic Services).
- b) Resolution No. 2020-37 on Behalf of CFD No. 2005-01 Calling a Special Election.
- c) Resolution No. 2020-38 Canvassing The Results of The Election Held Within CFD No. 2005-01 (Area No. 31)
- d) Ordinance No. 1164 on Behalf of CFD No. 2005-01 Authorizing the Levy of a Special Tax within Annexation Area No. 31 Annexed to Said District (*1st Reading*)

STAFF RECOMMENDATION:

Staff recommends that the City Council open the public hearing to take public testimony, and take the following actions:

- 1) Adopt Resolution No. 2020-36 and Direct City Clerk to orally verify proof of publication of notices pursuant to Mello-Roos CFD Act of 1982, and confirm absence of any landowner protest;
- 2) Adopt Resolution No. 2020-37 Calling a Special Election.
- 3) Adopt Resolution No. 2020-38 Canvassing the Results of The Election within CFD No. 2005-01 (Annexation Area No. 31)
- 4) Introduce for 1st Reading, by title only, Ordinance No. 1164 Authorizing the Levy of a Special Tax within Annexation Area No. 31 Annexed to CFD No. 2005-01.

BACKGROUND:

On September 14, 2005 the City Council adopted Resolution No. 2005-93 establishing the City of Coachella Community Facilities District No. 2005-01 (Law Enforcement, Fire and Paramedic Services) pursuant to the Mello-Roos Community Facilities Act of 1982, as amended. The District and several annexations of territory have been established in the City of Coachella over the past

15 years. The annexation areas consist of new residential subdivisions and multifamily residential development projects.

On May 13, 2020 the City Council adopted Resolution No. 202-29 stating its intention to annex certain property, consisting of Parcel 2 of Lot Line Adjustment 2018-02 (“Annexation Area No. 31”) also known as the “Pueblo Viejo Villas” site into the District pursuant to the Act. A copy of Resolution No. 2020-29 which includes a description and map of Annexation Area No. 31, and the rate and method of apportionment and manner of collection of the special tax are on file with the City Clerk.

This item was continued from the June 10, 2020 public hearing because the developer had not yet received the Petition and Waiver and the Official Ballot from the current land owner. Those two documents are now attached to this staff report.

DISCUSSION/ANALYSIS:

Pursuant to the conditions of approval imposed on Conditional Use Permit No. 294 which approved the mixed-use building for the Pueblo Viejo Villas transit-oriented development (consisting of a 105-unit multifamily apartments building with 3,000 square feet of commercial) on 2.61 acres of vacant land located at the northeast corner of Cesar Chavez Street and 6th Street, the project site must be annexed into the City-wide Community Facilities District (CFD No. 2005-01). The City Council took the first step in this process by adopting a resolution of intention on May 13, 2020 (Resolution No. 2020-29) describing the property in question.

The resolution of intention affirmed the Annexation 31 Map, and the rate and method of tax collection for the annexed property. The CFD is collected through the annual property tax assessment rolls and, for this project, may be subject to a subsequent Agreement for deferral of assessments. The City has previously entered into CFD assessment financing agreements on new affordable housing developments, and the proposed project will be an affordable housing development. There is currently one landowner and they have filed a “Petition and Waiver” with the City Clerk’s Office certifying their desire to create the District under shortened timelines.

Attached for the City Council’s review and approval are the following resolutions and Ordinance action items:

Resolution 2020-36 of the City Council Determining the Validity of Prior Proceedings relating to Annexation of Property in the City of Coachella Community Facilities District No. 2005-01 (Law Enforcement, Fire and Paramedic Services).

Resolution 2020-37 of the City Council acting on Behalf of the City of Coachella Community Facilities District No. 2005-01 (Law Enforcement, Fire and Paramedic Services) Calling a Special Election.

Resolution 2020-38 of the City Council acting on Behalf of the City of Coachella Community Facilities District No. 2005-01 (Law Enforcement, Fire and Paramedic Services).

Services) Canvassing the Results of the Election Held Within Annexation Area No. 31 Annexed to Said District.

Ordinance No. 1164 - An Ordinance of the City Council acting on Behalf of the City of Coachella Community Facilities District No. 2005-01 (Law Enforcement, Fire and Paramedic Services) Authorizing the Levy of a Special Tax Within Annexation Area No. 31 Annexed to Said District (First Reading).

On the night of the public hearing, staff will provide the Mayor, or designee, with specific instructions on the necessary procedures and public announcements for conducting the above public hearings, and adopting the resolution and ordinance actions.

FISCAL IMPACT:

The attached resolutions and ordinance actions would pave the way to annex the Pueblo Viejo Villas Apartments site (Annexation No. 31) into the City-wide CFD which would collect an annual assessment that pays for Law Enforcement, Fire and Paramedic Services. The current rate and apportionment method would collect \$1,197.23 for every dwelling unit that is constructed within the developed multifamily residential project. Ultimately these funds will be used to augment the operating costs for police, fire, and paramedic services in the City of Coachella.

ALTERNATIVES:

1. Adopt the attached resolutions and introduce Ordinance for 1st Reading, by title only.
2. Continue this item and provide staff with direction.
3. Take no action.

RECOMMENDED ALTERNATIVE(S):

Staff recommends Alternative #1 as noted above.

Attachments: Resolution No. 2020-36
 Resolution No. 2020-37
 Resolution No. 2020-38
 Ordinance No. 1164 (1st Reading)
 Petition & Waiver
 CFD Annexation Map 31
 Owner's Official Ballot
 Rate and Method (CFD 2005-01)
 CFD 2005-01 Report (Annexation of Area 31)

RESOLUTION NO. 2020-36

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COACHELLA DETERMINING THE VALIDITY OF PRIOR PROCEEDINGS RELATING TO ANNEXATION OF PROPERTY (ANNEXATION NO. 31) INTO CITY OF COACHELLA COMMUNITY FACILITIES DISTRICT NO. 2005-1 (LAW ENFORCEMENT, FIRE AND PARAMEDIC SERVICES)

WHEREAS, on September 14, 2005 the City Council (the “Council”) of the City of Coachella, California (the “City”), adopted Resolution No. 2005-79 establishing Community Facilities District No. 2005-01 (Law Enforcement, Fire and Paramedic Services) (the “District”) pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, (the “Act”) and said District and several annexation actions have been established in the City of Coachella; and,

WHEREAS, the Council has heretofore adopted Resolution No. 2020-29 stating its intention to annex certain property, consisting of Parcel 2 of Lot Line Adjustment 2018-02 (“Annexation Area No. 31”), into the District pursuant to the Act; and,

WHEREAS, a copy of Resolution No. 2020-29 incorporating a description and map of the proposed boundaries of Annexation Area No. 31, and setting forth the rate and method of apportionment and manner of collection of the special tax to be levied within Annexation Area No. 31, which will be used to finance a portion of the cost of providing law enforcement, fire and paramedic services that are in addition to those provided in the territory within Annexation Area No. 31, prior to the annexation of Annexation Area No. 31, respectively, to the District and do not supplant services already available within the territory of proposed to be included in Annexation Area No. 31, are on file with the City Clerk and incorporated herein by reference; and,

WHEREAS, Resolution No. 2020-29 set June 10, 2020 as the date of the public hearing on the annexation of Annexation Area No. 31 to the District and this Council held the said public hearing as required by law; and,

WHEREAS, the City Council continued the hearing to June 24, 2020 and at this hearing all persons not exempt from the special tax desiring to be heard on all matters pertaining to the annexation of Annexation Area No. 31 to the District were heard and a full and fair hearing was held; and

WHEREAS, at said hearings evidence was presented to the Council on said matters before it, and this Council at the conclusion of said hearings is fully advised in the premises;

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF COACHELLA AS FOLLOWS:

Section 1. Pursuant to Section 53325.1(b) of the Government Code, the Council finds and determines that the proceedings prior hereto were valid and in conformity with the requirements of the Act.

Section 2. Annexation Area No. 31 is hereby annexed into the District.

Section 3. The description and map of the boundaries of Annexation Area No. 31 on file in the City Clerk's office and as described in said Resolution No. 2020-29 and incorporated herein by reference, shall be the boundaries of Annexation Area No. 31. The map of the proposed boundaries of Annexation Area No. 31 is hereby directed to be recorded with the Office of the County Recorder of Riverside County, California.

Section 4. Except where funds are otherwise available, there shall be levied annually in accordance with procedures contained in the Act, a special tax sufficient to finance a portion of the cost of providing law enforcement, fire and paramedic services that are in addition to those provided in the territory within Annexation Area No. 31 prior to the annexation thereof to the District and do not supplant services already available within the territory proposed to be included in Annexation Area No. 31. The rate and method of apportionment of the special tax and manner of collection is described in detail in Exhibit "A" attached hereto and incorporated herein by this reference. The special tax shall be utilized to pay for authorized services.

Section 5. Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the Streets and Highways Code, a continuing lien to secure each levy of the special tax shall attach to all real property in Annexation Area No. 31, and this lien shall continue in force and effect until the special tax obligation is canceled in accordance with law or until collection of the tax by the City ceases.

Section 6. Council finds that the proposed public services are necessary to meet the increased demand put upon the City as a result of the development within Annexation Area No. 31.

Section 7. The Council finds that there is not an ad valorem property tax currently being levied on property within Annexation Area No. 31 for the exclusive purpose of financing law enforcement, fire and paramedic services.

Section 8. Written protests against annexation of Annexation Area No. 31, or against the furnishing of specified services or facilities or the levying of a specified special tax within Annexation Area No. 31, have not been filed by fifty percent (50%) or more of the registered voters or property owners of one-half (1/2) or more of the area of land within Annexation Area No. 31.

Section 9. The Office of the City Manager, 1515 Sixth Street, Coachella, California 92236, (760) 398-3502, or its designee, is designated to be responsible for preparing annually a current roll of special tax levy obligations by assessor's parcel number and for estimating future special tax levies pursuant to Section 53340.1 of the Government Code.

Section 10. The City Clerk is directed to certify and attest to this Resolution and to take any and all necessary acts to call, hold, canvass and certify an election or elections on the levy of the special tax.

PASSED, APPROVED and ADOPTED this 24th day of June, 2020 by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

Steven A. Hernandez, Mayor
City of
Coachella

ATTEST:

Angela M. Zepeda, City Clerk
City of Coachella

APPROVED AS TO FORM:

Carlos L. Campos, City Attorney
City of Coachella

EXHIBIT A
RATE AND METHOD OF APPORTIONMENT
OF SPECIAL TAX

RESOLUTION NO. 2020-37

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COACHELLA
ACTING ON BEHALF OF CITY OF COACHELLA COMMUNITY
FACILITIES DISTRICT NO. 2005-1 (LAW ENFORCEMENT, FIRE AND
PARAMEDIC SERVICES) CALLING A SPECIAL ELECTION.**

WHEREAS, the City Council (the "Council") of the City of Coachella, California (the "City"), has heretofore adopted Resolution No. 2020-29 stating its intention to annex certain properties, consisting of Parcel 2 of Lot Line Adjustment 2018-02 ("Annexation Area No. 31"), into City of Coachella Community Facilities District No. 2005-1 (Law Enforcement, Fire and Paramedic Services) (the "District") pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, (the "Act"); and

WHEREAS, a copy of Resolution No. 2020-29 incorporating a description and map of the proposed boundaries of Annexation Area No. 31, and setting forth the rate and method of apportionment and manner of collection of the special tax to be levied within Annexation Area No. 31, which will be used to finance a portion of the cost of providing law enforcement, fire and paramedic services that are in addition to those provided in the territory within Annexation Area No. 31 prior to the annexation of Annexation Area No. 31, respectively, to the District and do not supplant services already available within the territory of proposed to be included in Annexation Area No. 31, are on file with the City Clerk and incorporated herein by reference; and

WHEREAS, on June 10, 2020, this Council held a noticed hearing as required by law relative to the proposed annexation of Annexation Area No. 31 into the District; and

WHEREAS, the City Council continued the public hearing to June 24, 2020 and at this hearing all persons not exempt from the special tax desiring to be heard on all matters pertaining to the annexation of Annexation Area No. 31 into the District were heard and a full and fair hearing was held; and

WHEREAS, at said hearing evidence was presented to this Council on said matters before it, and this Council at the conclusion of said hearing was and is fully advised in the premises; and

WHEREAS, this Council adopted its Resolution No. 2020-36 determining the validity of prior proceedings relating to such annexations; and

WHEREAS, the proposed special tax to be levied upon property within Annexation Area No. 31 to finance the above referenced public services has not been precluded by protest of the owners of one-half (1/2) or more of the area of land within Annexation Area No. 31; and

WHEREAS, this Council wishes to present to the respective qualified electors of Annexation Area No. 3 a proposition to levy special taxes on property within Annexation Area No. 31;

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF COACHELLA AS FOLLOWS:

Section 1. Pursuant to Government Code Section 53353.5, the Council hereby submits to the qualified electors of Annexation Area No. 31 a proposition (the “Proposition 31”) to levy special taxes on property within Annexation Area No. 31 in accordance with the rate and method specified in Resolution 2020-29 of the City Council. The Proposition 31 is attached as hereto.

Section 2. A special election is hereby called for Annexation Area No. 31 on the Proposition 31 set forth in Section 1 above.

Section 3. The date of the special elections shall be on the 10th day of June, 2020. The voter ballots shall be returned to the City Clerk at 1515 Sixth Street, Coachella, California 92236, no later than 11:00 o’clock a.m. on June 10, 2020.

Section 4. The City Council finds and determines that there were no registered voters residing within the territories of Annexation Area No. 31 at the time of the protest hearing and ninety (90) days prior thereto. The requirements of Section 53326 of the Government Code having been waived by the sole landowner or sole landowners, the ballot for the special election shall be mailed or hand delivered to the landowner or landowners within each of Annexation Area No. 31.

Section 5. Annexation Area No. 31 shall constitute a single election precinct for the purpose of holding said election.

Section 6. The Council hereby directs that the election be conducted by the City Clerk of the City of Coachella, as the elections official.

PASSED, APPROVED and ADOPTED this 24th day of June, 2020 by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

Steven A. Hernandez, Mayor
City of Coachella

APPROVED AS TO FORM:

Carlos L. Campos, City Attorney
City of Coachella

ATTEST:

Angela M. Zepeda, City Clerk
City of Coachella

ATTACHMENT

RESOLUTION NO. 2020-38

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COACHELLA ACTING ON BEHALF OF CITY OF COACHELLA COMMUNITY FACILITIES DISTRICT NO. 2005-1 (LAW ENFORCEMENT, FIRE AND PARAMEDIC SERVICES) CANVASSING THE RESULTS OF THE ELECTION HELD WITHIN ANNEXATION AREA NO. 31 ANNEXED TO SAID DISTRICT.

WHEREAS, the City Council of the City of Coachella, California (the “Council”) has previously conducted proceedings pertaining to the annexation of certain properties, consisting of Parcel 2 of Lot Line Adjustment 2018-02 (“Annexation Area No. 31”), into the City of Coachella Community Facilities District No. 2005-1 (Law Enforcement, Fire and Paramedic Services) (the “District”), the rate and method of apportionment of a special tax to finance a portion of the cost of providing certain public services, and the calling of an election in regard to the foregoing; and

WHEREAS, on June 10, 2020, an election was held within Annexation Area No. 31 regarding the rate and method of apportionment of the proposed special tax; and

WHEREAS, the City Council continued the public hearing to June 24, 2020 and at this election the proposal for the rate and method of apportionment and manner of collection of the special tax for Annexation Area No. 31 was approved by the qualified electors of Annexation Area No. 31;

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF COACHELLA AS FOLLOWS:

Section 1. It is hereby determined that the election conducted within Annexation Area No. 31 was duly and validly conducted.

Section 2. The Council, acting as the legislative body of the District, is authorized to levy the special tax on behalf of the District, as specified in Resolution No. 2020-36 determining the validity of prior proceedings adopted by the City Council on June 24, 2020.

PASSED, APPROVED and ADOPTED this 24th day of June, 2020 by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

Steven A. Hernandez, Mayor
City of
Coachella

APPROVED AS TO FORM:

Carlos L. Campos, City Attorney
City of Coachella

ATTEST:

Angela M. Zepeda, City Clerk
City of Coachella

ORDINANCE NO. 1164

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COACHELLA ACTING AS THE LEGISLATIVE BODY OF CITY OF COACHELLA COMMUNITY FACILITIES DISTRICT NO. 2005-1 (LAW ENFORCEMENT, FIRE AND PARAMEDIC SERVICES) AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN ANNEXATION AREA NO. 31 ANNEXED TO SAID DISTRICT (*First Reading*)

WHEREAS, on May 13, 2020, the City Council (the “Council”) of the City of Coachella, California (the “City”), adopted Resolution No. 2020-29 stating its intention to annex certain properties, consisting of Parcel 2 of Lot Line Adjustment 2018-02 (“Annexation Area No. 31”), into City of Coachella Community Facilities District No. 2005-1 (Law Enforcement, Fire and Paramedic Services) (the “District”) pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, (the “Act”); and

WHEREAS, notice was published as required by law relative to the intention of the Council to annex Annexation Area No. 31 into the District; and

WHEREAS, on June 10, 2020 this Council held a noticed public hearing as required by law relative to the determination to proceed with the annexation of Annexation Area No. 31 into the District and the rate and method of apportionment and manner of collection of the special tax to be levied within Annexation Area No. 31 to finance certain public services; and

WHEREAS, the City Council continued the public hearing to June 24, 2020 and at this hearing all persons desiring to be heard on all matters pertaining to the annexation of Annexation Area No. 31 were heard and a full and fair hearing was held; and

WHEREAS, the Council subsequent to said hearing adopted Resolution No. 2020-36 determining the validity of prior proceedings relative to the annexation of Annexation Area No. 31 into the District and authorized the levy of a special tax within Annexation Area No. 31; and

WHEREAS, the Council subsequent to said hearing adopted Resolution No. 2020-37 which called an election within Annexation Area No. 31 for June 24, 2020 on the proposition of levying a special tax; and

WHEREAS, on June 24, 2020 an election was held within Annexation Area No. 31 in which the eligible electors approved by more than two-thirds vote the proposition of levying a special tax;

NOW, THEREFORE, BE IT ORDAINED, BY THE CITY COUNCIL OF THE CITY OF COACHELLA AS FOLLOWS:

Section 1. A special tax is levied within the boundaries of Annexation Area No. 31 pursuant to the formula set forth in Exhibit “A” attached hereto and incorporated by reference in an amount necessary to finance a portion of the cost of providing law enforcement, fire and

paramedic services that are in addition to those provided in the territory within Annexation Area No. 31 into the District.

Section 2. This legislative body is hereby further authorized each year, by resolution adopted as provided in section 53340 of the Act, to determine the specific special tax rate and amount to be levied for the next fiscal year, except that the special tax rate to be levied shall not exceed the maximum rate set forth in Exhibit “A.”

Section 3. All of the collections of the special tax shall be used as provided for in the Act and Resolution No. 2020-36 of the Council.

Section 4. The above authorized special tax shall be collected in the same manner as ordinary ad valorem taxes are collected and shall be subject to the same penalties and the same procedure and sale in cases of delinquency and provided for ad valorem taxes, and subject to any subsequent Agreement for CFD In Lieu Payments or comparable Agreement between the City of Coachella and the landowner, subject to approval by the City Council.

Section 5. The Mayor shall sign this ordinance and the City Clerk shall attest to such signature. The City Clerk is directed to cause the title and summary or text of the this ordinance, together with the vote thereon, to be published within fifteen (15) days after its passage at least once in a newspaper of general circulation published and circulated within the territorial jurisdiction of the City, and to post at the main office of the City a certified copy of the full text of the adopted ordinance along with the names of the Council Members voting for and against the ordinance.

Section 6. This ordinance relating to the levy of the special tax takes effect and shall be in force from and after 30 days from the date of final passage. A copy of this ordinance shall be transmitted to the Clerk of the Board of Supervisors of Riverside County, the Assessor and the Treasurer-Tax Collector of Riverside County.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Coachella on this 24th day of June 2020 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Steven A. Hernandez, Mayor

ATTEST:

Angela M. Zepeda, City Clerk

APPROVED AS TO FORM:

Carlos L. Campos, City Attorney

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) SS
CITY OF COACHELLA)

I, Angela M. Zepeda, City Clerk of the City of Coachella do hereby certify that the foregoing is a true and correct copy of an ordinance, being Ordinance No. 1164 duly passed and adopted at regular meeting of the City Council of the City of Coachella, California held on the ____th day of _____ 2020.

By: _____
Angela M. Zepeda, City Clerk

EXHIBIT A

RATE AND METHOD OF APPORTIONMENT

NOTICE OF ADOPTION OF ORDINANCE NO. ____

NOTICE IS HEREBY GIVEN that on _____, 2020, at the Council Chambers of the City of Coachella, 1515 Sixth Street, Coachella, California 92236, the City Council of the City of Coachella, in its capacity as the legislative body of the City of Coachella Community Facilities District No. 2005-1 (Law Enforcement, Fire and Paramedic Services), held a public hearing and adopted Ordinance No. _____. A summary of Ordinance No. _____ follows and is marked as Exhibit "A". At said time and place the testimony of all interested persons or taxpayers for or against said ordinance was heard.

Ordinance No. _____ was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

By: Andrea Carranza, Deputy City Clerk
City of Coachella

Dated: _____, 2020

EXHIBIT "A"

**BEFORE THE CITY COUNCIL OF THE CITY OF COACHELLA IN ITS
CAPACITY AS THE LEGISLATIVE BODY OF THE CITY OF COACHELLA
COMMUNITY FACILITIES DISTRICT NO. 2005-1 (LAW ENFORCEMENT, FIRE
AND PARAMEDIC SERVICES)**

IN THE MATTER OF Authorizing) **ORDINANCE NO. ____ SUMMARY**
the Levy of a Special Tax Within)
Annexation Area No. 31 Annexed)
to City of Coachella Community)
Facilities District No. 2005-1 (Law)
Enforcement, Fire and Paramedic)
Services))

The ordinance authorizes the levy of an annual special tax within Annexation Area No. 31 annexed to City of Coachella Community Facilities District No. 2005-1 (Law Enforcement, Fire and Paramedic Services) (the "District"), collected in the same manner as ordinary ad valorem taxes, in an amount necessary to finance a portion of the cost of providing law enforcement, fire and paramedic services that are in addition to those provided in the territory within Annexation Area No. 31 prior to the annexation of Annexation Area No. 31, to the District, which is necessary to meet increased demands placed upon the City as a result of development or rehabilitation occurring within Annexation Area No. 31.

By: Angela M. Zepeda, City Clerk
City of Coachella

Dated: _____, 2020

TO: CITY COUNCIL OF THE CITY OF COACHELLA
 FROM: Parcel 2 of Lot Line Adjustment 2018-02

ANNEXATION AREA NO. 31

**PETITION (INCLUDING CONSENT AND WAIVER)
 REQUESTING THE ANNEXATION OF PROPERTY INTO
 COMMUNITY FACILITIES DISTRICT NO. 2005-1
 (LAW ENFORCEMENT, FIRE AND PARAMEDIC SERVICES)**

The undersigned landowner does hereby certify under penalty of perjury that the following statements are all true and correct:

1. The undersigned is authorized to represent the landowner identified below and is its designated representative to petition the City Council (the "City Council") of the City of Coachella (the "City") and to give the consent and waiver contained herein with respect to annexation of property into the City of Coachella Community Facilities District No. 2005-1 (Law Enforcement, Fire and Paramedic Services) (the "CFD") formed under the provisions of the "Mello-Roos Community Facilities Act of 1982" (the "Act"), being Chapter 2.5 of Part 1 of Division 2 of title 5 (commencing with Section 53311) of the California Government Code.

2. The undersigned hereby certifies that as of the date indicated opposite their signatures, the landowner listed herein is the owner of all the property within the proposed boundaries of the property ("Annexation Area") proposed to be annexed into the CFD as described in Exhibit "A" hereto.

3. The undersigned, pursuant to Section 53318 of the Act, hereby requests that proceedings be commenced to annex the Annexation Area into the CFD for the purpose of financing law enforcement, fire and paramedic services that are in addition to those provided in the territory within the Annexed Area prior to the annexation of the Annexed Area into the CFD.

4. In accordance with the provisions of the Act, and specifically Sections 53326(a) and 53327(b) thereof allowing certain time and conduct requirements relative to a special landowner election to be waived with the unanimous consent of all the landowners to be included in a community facilities district and concurrence of the election official conducting the election, the undersigned (i) expressly consents to the conduct of the special election at the earliest possible time following the public hearing on the annexation of the Annexed Area into the CFD and (ii) expressly waives any requirement to have the special election conducted within the time periods specified in Section 53326 of the Act or in the California Elections Code.

5. The undersigned waives any requirement for the mailing of the ballot for the special election and expressly agree that said election may be conducted by mailed or hand-delivered ballot to be returned as quickly as possible to the designated election official, being the office of the City Clerk of the City Council and the undersigned request that the results of said election be canvassed and reported to the City Council at the same meeting of the City Council as

the public hearing on the annexation of the Annexed Area into the CFD or the next available meeting.

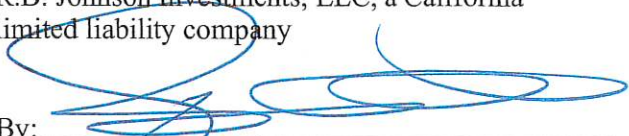
6. The undersigned expressly waives all applicable waiting periods for the election and waives the requirement for analysis and arguments relating to the special election, as set forth in Section 53327 of the Act, and consents to not having such materials provided to the landowner in the ballot packet, and expressly waives any requirements as to the form of the ballot.

7. The undersigned expressly waives all notice requirements relating to hearings and special elections, whether by posting, publishing or mailing, and whether such requirements are found in the California Elections Code, the California Government Code or other laws or procedures, including but limited to any notice provided for by compliance with the provisions of Section 4101 of the California Elections Code.

8. The undersigned hereby consents to and expressly waives any and all claims based on any irregularity, error, mistake or departure from the provisions of the Act or other laws of the State and any and all laws and requirements incorporated therein, and no step or action in any proceeding relative to the annexation of the Annexed Area into the CFD or the special election therein shall be invalidated or affected by any such irregularity, error, mistake or departure.

IN WITNESS WHEREOF, I hereunto set my hand this 12th day of June, 2020.

R.B. Johnson Investments, LLC, a California limited liability company



By: _____

Name: Rodney B. Johnson

Title: Manager

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY COUNCIL OF THE CITY OF COACHELLA THIS _____ DAY OF _____, 2020.

City Clerk

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 EL DORADO

On 6-12-2020 before me, JR Henderson Notary Public
(insert name and title of the officer)

personally appeared Rodney B. Johnson
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.

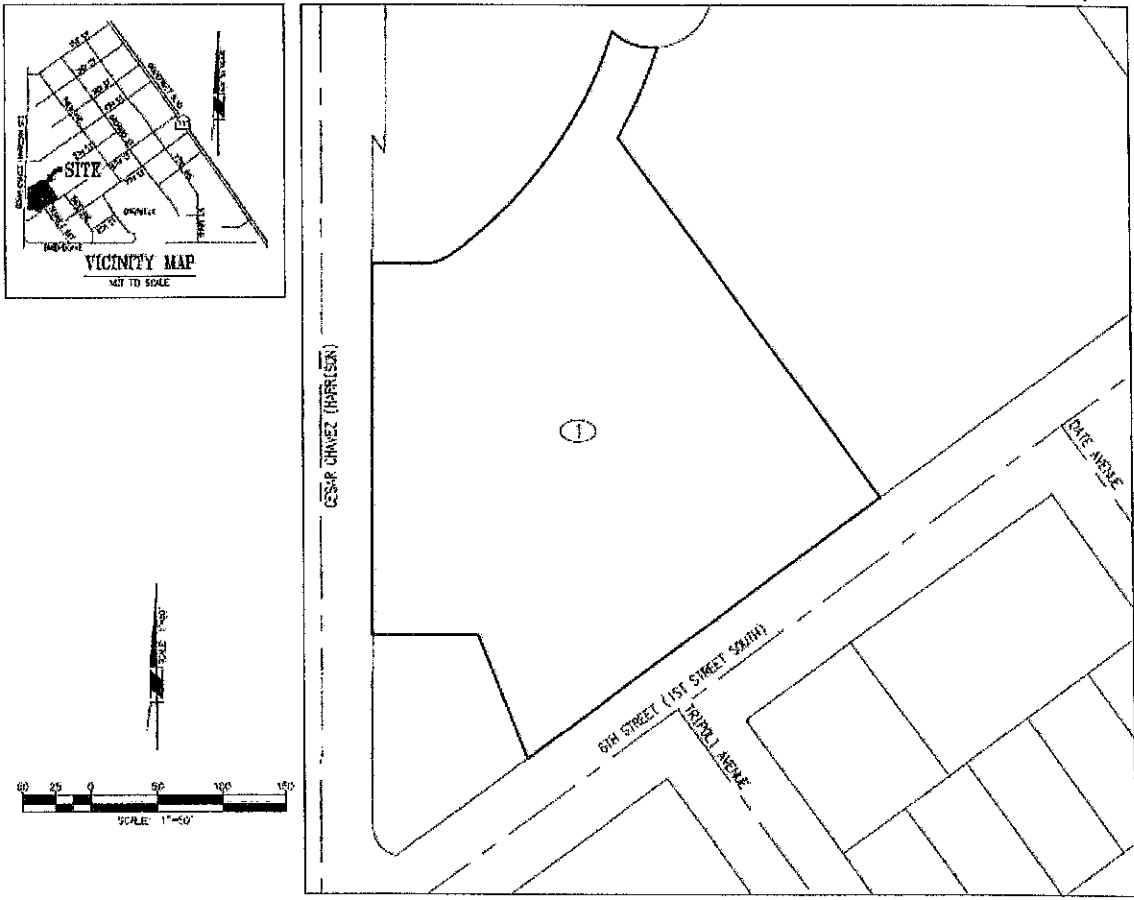
WITNESS my hand and official seal.

Signature [Handwritten Signature]

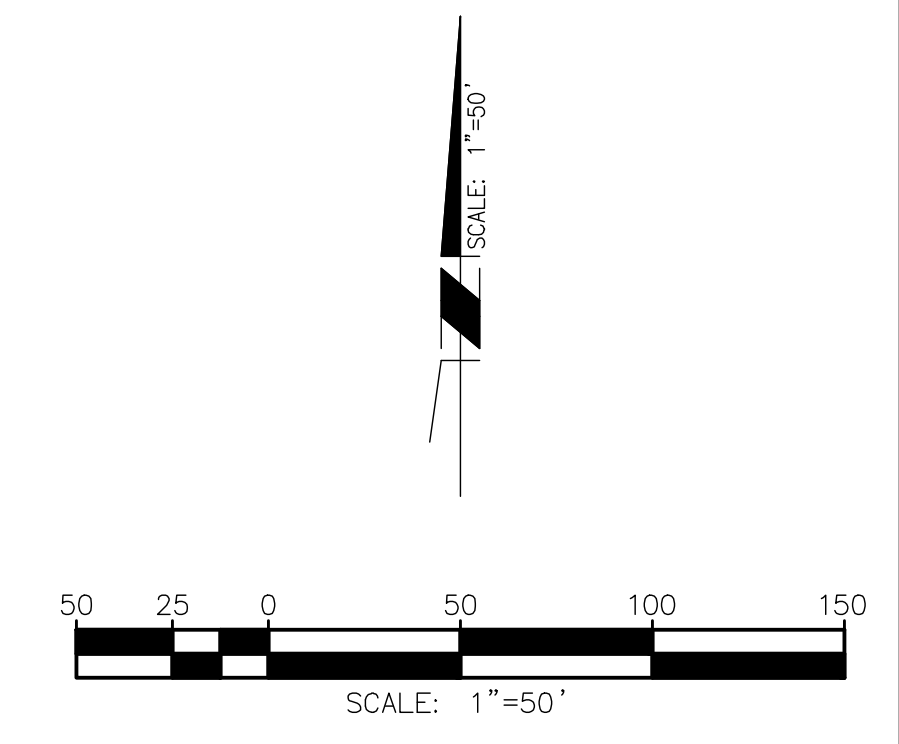
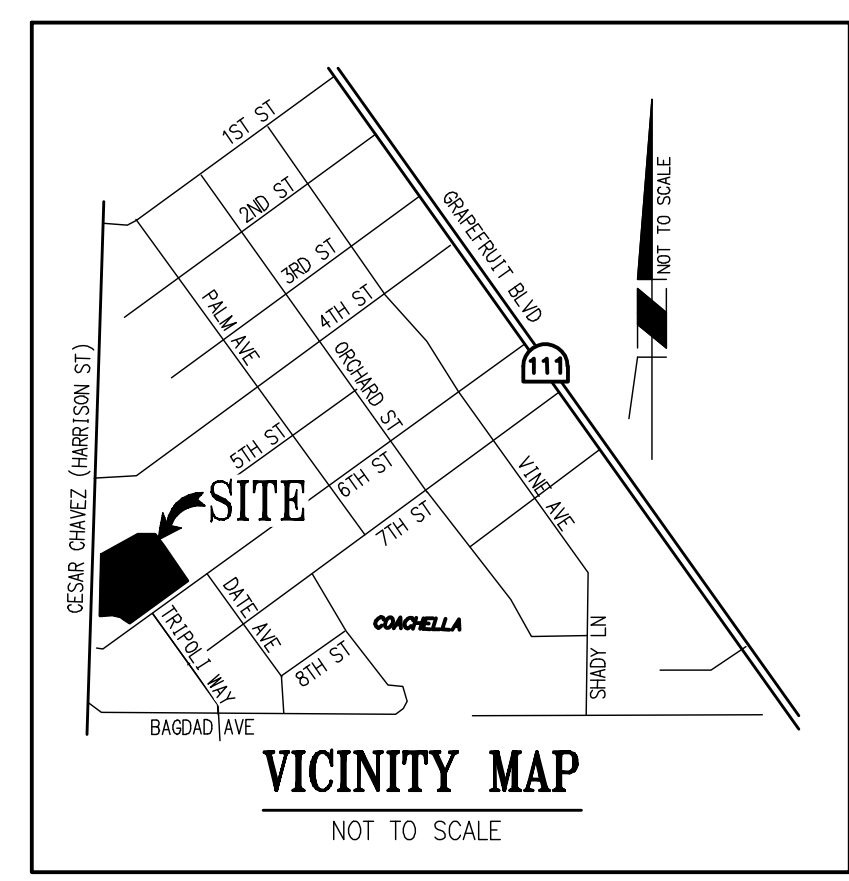
(Seal)



EXHIBIT A
PROPOSED BOUNDARIES OF THE ANNEXED AREA



IN THE CITY OF COACHELLA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
ANNEXATION MAP NO. _____
PUEBLO VIEJO VILLAS
COMMUNITY FACILITIES DISTRICT NO 2005-1
(LAW ENFORCEMENT, FIRE AND PARAMEDIC SERVICES)



FILED IN THE OFFICE OF THE CITY CLERK THIS ____ DAY OF _____, 20____.

I HEREBY STATE THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF ANNEXATION NO. ____, PUEBLO VIEJO VILLAS, TO COMMUNITY FACILITIES DISTRICT NO. 2005-1 (LAW ENFORCEMENT, FIRE AND PARAMEDIC SERVICES), CITY OF COACHELLA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF, HELD ON THE ____ DAY OF _____, 2020, BY ITS RESOLUTION NO. _____.

 ANGELA ZEPEDA
 CITY CLERK
 CITY OF COACHELLA

FILED THIS ____ DAY OF _____, 2020, AT THE HOUR OF _____ O'CLOCK ____ M. IN THE BOOK ____ PAGES ____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AND AS INSTRUMENT NO. _____ IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

 PETER ALDANA
 ASSESSOR - COUNTY CLERK - RECORDER
 COUNTY OF RIVERSIDE
 STATE OF CALIFORNIA

REFERENCE IS MADE TO THAT BOUNDARY MAP OF COMMUNITY FACILITIES DISTRICT NO. 2005-1 (LAW ENFORCEMENT, FIRE AND PARAMEDIC SERVICES) OF THE CITY OF COACHELLA RECORDED WITH RIVERSIDE COUNTY RECORDERS OFFICE ON SEPTEMBER 7, 2005, IN BOOK 63 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICT, PAGE 1000, AS INSTRUMENT NO. 2005-0737672.

THE LINES AND DIMENSIONS OF EACH LOT OR PARCEL SHOWN ON THIS DIAGRAM SHALL BE THOSE LINES AND DIMENSIONS AS SHOWN ON THE RIVERSIDE COUNTY ASSESSORS MAPS FOR THOSE PARCELS LISTED.

THE RIVERSIDE COUNTY ASSESSORS MAPS SHALL GOVERN FOR ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH LOTS OF PARCELS.

ASMT. NO.	ASSESSOR'S PARCEL NO.	ACREAGE
①	778-080-007	2.66± ACRES

LEGEND

- ASSESSMENT BOUNDARY
- ① ASSESSMENT NUMBER

OFFICIAL BALLOT

**CITY OF COACHELLA
COMMUNITY FACILITIES DISTRICT NO. 2005-1
(LAW ENFORCEMENT, FIRE AND PARAMEDIC SERVICES)
ANNEXATION AREA NO. 31
(Pueblo Viejo Villas - Parcel 2 of Lot Line Adjustment No. 2018-02)**

**SPECIAL TAX ELECTION
June 10, 2020**

To vote, mark a cross (+) in the voting square after the word "YES" or after the word "NO." All marks otherwise made are forbidden.

This ballot is provided to R.B. Johnson Investments LLC, as owner or authorized representative of such sole owner of land within Annexation Area No. 31 of City of Coachella Community Facilities District No. 2005-1 (Law Enforcement, Fire and Paramedic Services) and represents 1 vote.

If you wrongly mark, tear, or deface this ballot, return it to the City Clerk of the City of Coachella at 1515 Sixth Street, Coachella, California 92236.

PROPOSITION Shall City of Coachella Community Facilities District No. 2005-1 (Law Enforcement, Fire and Paramedic Services) be authorized to levy special taxes thereof pursuant to the rate and method of apportionment of special taxes (the "Special Tax Formula") set forth in Resolution No. 2005-79 to finance the authorized services, all as provided for in the Special Tax Formula.

YES	X
NO	

**RATE AND METHOD OF APPORTIONMENT FOR
CITY OF COACHELLA COMMUNITY FACILITIES DISTRICT NO. 2005-1
(LAW ENFORCEMENT, FIRE AND PARAMEDIC SERVICES)**

A Special Tax as hereinafter defined shall be levied on all Assessor's Parcels in Community Facilities District No. 2005-1 of the City of Coachella (the "CFD") and collected each Fiscal Year commencing in Fiscal Year 2006-07, in an amount determined by the City Council of the City of Coachella, through the application of the Rate Method of Apportionment as described below. All of the real property in the CFD, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

"Assessor's Parcel" means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor of the County designating parcels by Assessor's parcel number.

"CFD Administration" means an official of the City, or designee thereof, responsible for providing for the levy and collection of the Special Taxes.

"CDF" means City of Coachella Community Facilities District No. 2005-1 (Law Enforcement, Fire and Paramedic Services).

"City" means the City of Coachella.

"City Council" means the City Council of the City.

"Commercial or Industrial Property" means for each Fiscal Year, property for which a building permit for new construction of a commercial or industrial use building has been issued.

"County" means the County of Riverside.

"Developed Multi-Family Residential Property" means for each Fiscal Year, all Taxable Property for which a building permit for new construction of a multi-family dwelling with four or more units was issued prior to June 30 of the prior Fiscal Year, exclusive of property for which the property owner pays Transient Occupancy Taxes or the property owner has entered into an agreement with the City pursuant to which such property owner pays Transient Occupancy Taxes.

“Developed Property” means for each Fiscal Year, all Developed Multi-Family Residential Property and Developed Single-Family Residential Property.

“Developed Single-Family Residential Property” means for each Fiscal Year, all Taxable Property for which a building permit new construction of a single-family dwelling unit was issued prior to June 30 of the prior Fiscal Year.

“Fiscal Year” means the period starting July 1 and ending on the following June 30.

“Resolution of Formation” means the resolution adopted by the City as authorized by Section 53325.1 of the California Government Code.

“Special Tax” means the special tax to be levied in each Fiscal Year on each Assessor’s Parcel Taxable Property.

“State” means the State of California.

“Taxable Property” means all the Assessor’s Parcels within the boundaries of the CFD which are not exempt from the Special Tax pursuant to law or Section E below.

“Transient Occupancy Taxes” means those transient occupancy taxes payable to the City pursuant to Ordinance.

“Undeveloped Property” means, for each Fiscal Year, all Assessor’s Parcels not classified as Developed Property or Commercial or Industrial Property.

B. ASSIGNMENT TO LAND USE CLASSES

Each Fiscal Year, all Taxable Property within the CFD classified as Developed Single-Family Residential Property or Developed Multi-Family Residential Property shall be subject to Special Taxes in accordance with the rate and method of apportionment determined pursuant to Sections C and D below.

C. MAXIMUM SPECIAL TAX

1. Developed Single-Family Residential Property

a. Maximum Special Tax

The 2005-06 thru 2014-15 Maximum Special Tax for each Assessor’s Parcel classified as Developed Single-Family Residential Property shall be \$663.00 for Police Services and \$405.00 for Fire/Paramedic Services.

b. Increase in the Maximum Special Tax

On each July 1, commencing on July 1, 2015, the Maximum Special Tax shall be increased by an amount equal to the percentage increase in the U.S. Department of Labor Statistics, Consumer Price Index, for Los Angeles-Riverside-Orange County, California,

for the 12 month period ending the preceding December 31, of the amount in effect for the previous Fiscal Year.

2. Developed Multi-Family Residential Property

a. Maximum Special Tax

The 2005-06 thru 2014-15 Maximum Special Tax for each Assessor's Parcel classified as Developed Multi-Family Residential Property shall be \$663.00 for Police Services and \$405.00 for Fire/Paramedic Services multiplied by the number of separate dwelling units applicable to such Assessor's Parcel.

b. Increase in the Maximum Special Tax

On each July 1, commencing on July 1, 2015, the Maximum Special Tax shall be increased by an amount equal to the percentage increase in the U.S. Department of Labor Statistics, Consumer Price Index, for Los Angeles-Riverside-Orange County, California, for the 12 month period ending the preceding December 31, of the amount in effect for the previous Fiscal Year.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing with Fiscal Year 2005-06 and for each following Fiscal Year, the City Council shall levy the Special Tax at the Maximum Special Tax on all Developed Single-Family Residential Property and Developed Multi-Family Residential Property.

E. EXEMPTIONS: EXCLUSIONS

No Special Tax shall be levied on Undeveloped Property, Commercial or Industrial Property or for Developed Property developed as part of a development with less than 4 units. In the event that a Developed Multi-Family Residential Property that has been excluded from a levy of the Special Tax by reason of the payment by the property owner of Transient Occupancy Tax, and should that payment be terminated, such Assessor Parcel shall not longer be excluded from Developed Multi-Family Residential Property and will be subject to the Special Tax.

F. APPEALS AND INTERPRETATIONS

Any taxpayer may file a written appeal of the Special Tax on his/her property with the CFD Administrator, provided that the appellant is current in his/her payments of Special Taxes. During the pendency of an appeal, all Special Taxes previously levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the calculation of the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination. If the CFD Administrator agrees with the appellant, the CFD Administrator shall eliminate or reduce the Special Tax on the appellant's property and/or provide a refund to the appellant. If the CFD Administrator disagrees with the appellant and the appellant is dissatisfied with the determination, the appellant then has 30 days in which to appeal to the Board by filing a written notice of appeal with the Board Secretary, provided that the

appellant is current in his/her payments of Special Taxes. The second appeal must specify the reasons for its disagreement with the CFD Administrator's determination.

G. MANNER OF COLLECTION

The Special Tax will be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that the CFD may directly bill the Special Tax, may collect Special Taxes at different time or in a different manner if necessary to meets its financial obligations, and may covenant to foreclose and may actually foreclose on delinquent Assessor's Parcels as permitted by the Act.

H. PREPAYMENT OF THE SPECIAL TAX

The Special Tax may not be prepaid.

I. TERM OF THE SPECIAL TAX

The Annual Maximum Special Tax shall be levied in perpetuity or unit Law Enforcement, Fire and Paramedic Services are no longer being provided by the City within the CFD, whichever is earlier.

COMMUNITY FACILITIES DISTRICT REPORT

PREPARED FOR



ANNEXATION AREA 31 TO
COMMUNITY FACILITIES
DISTRICT NO. 2005-1
Law Enforcement, Fire and Paramedic Services

Prepared by:
City of Coachella
Finance Department

Dated: June 2020

TABLE OF CONTENTS

COMMUNITY FACILITIES DISTRICT 2005-1

Section I – Introduction	Page 3
Section II – Description of Services	Page 3
Section III – Cost Estimate	Pages 4
Section IV – Rates and Method of Apportionment of Special Tax	Pages 4
Section V – Area to be Developed	Pages 5
Section VI – Area to be Annexed	Pages 7
Boundary Maps	

APPENDIX “A”

Rate and Method of Apportionment	
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AGENCY: CITY OF COACHELLA

PROJECT: COMMUNITY FACILITIES DISTRICT NO. 2005-1

COMMUNITY FACILITIES DISTRICT REPORT

“MELLO-ROOS COMMUNITY FACILITIES DISTRICT ACT OF 1982”

SECTION I. INTRODUCTION

WHEREAS, the City Council of the CITY OF COACHELLA, RIVERSIDE COUNTY, CALIFORNIA (hereinafter referred to as the “Council”), did, pursuant to the provisions of the “Mello-Roos Community Facilities Act of 1982”, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government code of the State of California, and specifically Section 53321.5 thereof, (the “Act”) expressly ordered the filing of a written “Report” with Council for a proposed Community Facilities District (the “Report”). This Community Facilities District shall be referred to as COMMUNITY FACILITIES DISTRICT NO. 2005-1 Law Enforcement, Fire and Paramedic Services (hereinafter referred to as the “District” and “CFD No. 2005-1”); and,

WHEREAS, on August 1, 2005, the Council adopted Resolution No. 2005-79 (the “Resolution”), and the Resolution ordering said Report, did direct that said Report generally contain the following:

- A brief description of the services by type proposed to be financed by CFD No. 2005-1, Law Enforcement, Fire and Paramedic Services;
- An estimate setting forth costs of providing such services;
- The rate and method of apportionment of the special tax in sufficient detail to allow each landowner or resident within the proposed District to estimate the annual amount of payment thereof.

NOW, THEREFORE, the undersigned, authorized representative of THE CITY OF COACHELLA, the appointed responsible officer or person directed to prepare the Report, pursuant to the provisions of the Act, does hereby submit the following data:

SECTION II. DESCRIPTION OF SERVICES

The services are the operation and maintenance of law enforcement, fire and paramedic services.

Operation means the administration and performance of duties required of law enforcement, fire and paramedic personnel.

Maintenance means the furnishing of services and materials for the ordinary and usual maintenance and operation of law enforcement, fire and paramedic facilities and equipment.

Based upon the above, it is my opinion that the services being funded are those that are necessary to meet certain increased demands placed upon the CITY OF COACHELLA, as a result of development occurring within the boundaries of the District.

SECTION III. COST ESTIMATE

A cost estimate of the fair and reasonable cost of the proposed services and incidental expenses in connection with said services, including all other related costs is as follows:

The costs to provide law enforcement, fire and paramedic services are estimated at \$1,197.23 per single-family residence, or per developed multifamily residential unit per year. The cost of the services shall include incidental expenses, including the costs associated with forming the District, determination of the amount of the Special Tax, collection of the Special Tax, costs incurred in order to carry out the authorized purposes of the District and any other expenses incidental to the completion of the authorized work.

Dated: _____

CITY OF COACHELLA

By: _____

NATHAN STATHAM
FINANCE DIRECTOR
CITY OF COACHELLA
RIVERSIDE COUNTY
STATE OF CALIFORNIA

SECTION IV. RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX

1. The Special Tax allows each property owner within the proposed District to estimate the annual amount that would be required for payment. The rate and method of apportionment of the Special Tax is attached hereto as Appendix A (the "Rate and Method"). The Special

Tax will be collected in the same manner and at the same time as ad valorem property taxes and subject to the same penalties and provisions; however, the

Special Tax may be collected at a different time or in a different manner if necessary for CFD No. 2005-1 to meet its financial obligations.

- 2. All of the property located within CFD No. 2005-1 Law Enforcement, Fire and Paramedic Services, unless exempted by law or by the rate and method proposed for CFD No. 2005-1, shall be taxed for the purpose of providing necessary services to serve the District. Pursuant to Section 53325.3 of the Act, the tax imposed “is a Special Tax and not a special assessment, and there is no requirement that the tax be apportioned on the basis of benefit to any property.” The Special Tax may be based on benefit received by property, the cost of making the authorized services available or other reasonable basis as determined by the Council, although the Special Tax may not be apportioned on an ad valorem basis pursuant to Article XIII A of the California Constitution.
- 3. For particulars as to the rate and method of apportionment, see the attached and incorporated Appendix A.

SECTION V. AREA TO BE DEVELOPED

In addition to the original map and other recorded annexations, the area to be developed includes the following properties.

Tract No. 32074 comprised of the following Assessor’s parcel Numbers:

<u>BOOK</u>	<u>PAGE</u>	<u>PARCEL</u>
767	14	007

Tract No. 31698 comprised of the following Assessor’s parcel Numbers:

<u>BOOK</u>	<u>PAGE</u>	<u>PARCEL</u>
767	2	001
767	2	004

Tract No. 31550 comprised of the following Assessor’s parcel Numbers:

<u>BOOK</u>	<u>PAGE</u>	<u>PARCEL</u>
767	19	003

Tract No. 31551 comprised of the following Assessor’s parcel Numbers:

<u>BOOK</u>	<u>PAGE</u>	<u>PARCEL</u>
765	5	001
765	5	006
765	5	005
765	5	007
765	5	016

Tract No. 32075 comprised of the following Assessor's parcel Numbers:

<u>BOOK</u>	<u>PAGE</u>	<u>PARCEL</u>
767	2	002
767	2	006

Tract No. 31714 comprised of the following Assessor's parcel Numbers:

<u>BOOK</u>	<u>PAGE</u>	<u>PARCEL</u>
765	5	010
765	5	011
765	5	012
765	5	006

Tract No. 31533 comprised of the following Assessor's parcel Numbers:

<u>BOOK</u>	<u>PAGE</u>	<u>PARCEL</u>
765	5	025

Tract No. 32264 comprised of the following Assessor's parcel Numbers:

<u>BOOK</u>	<u>PAGE</u>	<u>PARCEL</u>
765	44	023
765	44	016
765	44	012

Tract No. 30831 comprised of the following Assessor's parcel Numbers:

<u>BOOK</u>	<u>PAGE</u>	<u>PARCEL</u>
603	26	044

Parcel Map 36246 comprised of the following Assessor’s parcel Numbers:

<u>BOOK</u>	<u>PAGE</u>	<u>PARCEL</u>
768	23	001

Tract No. 37088-1 comprised of the following Assessor’s parcel Numbers:

<u>BOOK</u>	<u>PAGE</u>	<u>PARCEL</u>
612	28	018

SECTION VI. AREA TO BE ANNEXED

Annexation Map No. 31 (Parcel 2 of Lot Line Adjustment 2018-02) comprised of the following Assessor’s parcel Numbers:

<u>BOOK</u>	<u>PAGE</u>	<u>PARCEL</u>
778	8	009

It is my opinion that the special tax rate and method of apportionment, as above set forth, is fair and reasonable.

This Report has been prepared and consolidated by the City of Coachella Finance Department, and is herewith submitted to the Council pursuant to the applicable provisions of the Mello-Roos Community Facilities Act of 1982.

DATED: _____ CITY OF COACHELLA

BY: _____
NATHAN STATHAM
FINANCE DIRECTOR
CITY OF COACHELLA
RIVERSIDE COUNTY
STATE OF CALIFORNIA