



AGENDA

**CITY COUNCIL OF THE CITY OF MORENO VALLEY
MORENO VALLEY COMMUNITY SERVICES DISTRICT
CITY AS SUCCESSOR AGENCY FOR THE
COMMUNITY REDEVELOPMENT AGENCY OF
THE CITY OF MORENO VALLEY
MORENO VALLEY HOUSING AUTHORITY
MORENO VALLEY PUBLIC FINANCING AUTHORITY
BOARD OF LIBRARY TRUSTEES**

September 7, 2021

REGULAR MEETING – 6:00 PM

City Council Study Sessions

Second Tuesday of each month – 6:00 p.m.

City Council Meetings

Special Presentations – 5:30 P.M.

First & Third Tuesday of each month – 6:00 p.m.

City Council Closed Sessions

Will be scheduled as needed at 4:30 p.m.

City Hall Council Chamber – 14177 Frederick Street

Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, in compliance with the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to the ADA Coordinator, at 951.413.3120 at least 72 hours before the meeting. The 72-hour notification will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

Dr. Yxstian A. Gutierrez, Mayor

Ulises Cabrera, Council Member

David Marquez, Council Member

Victoria Baca, Mayor Pro Tem

AGENDA
CITY COUNCIL OF THE CITY OF MORENO VALLEY
September 7, 2021

CALL TO ORDER - 5:30 PM

Special Presentations

1. Shield 4 Kids Presentation

**.AGENDA
JOINT MEETING OF THE
CITY COUNCIL OF THE CITY OF MORENO VALLEY
MORENO VALLEY COMMUNITY SERVICES DISTRICT
CITY AS SUCCESSOR AGENCY FOR THE
COMMUNITY REDEVELOPMENT AGENCY OF THE
CITY OF MORENO VALLEY
MORENO VALLEY HOUSING AUTHORITY
MORENO VALLEY PUBLIC FINANCING AUTHORITY
AND THE BOARD OF LIBRARY TRUSTEES**

***THE CITY COUNCIL RECEIVES A SEPARATE STIPEND FOR CSD
MEETINGS***

**REGULAR MEETING – 6:00 PM
SEPTEMBER 7, 2021**

CALL TO ORDER

Joint Meeting of the City Council, Community Services District, City as Successor Agency for the Community Redevelopment Agency, Housing Authority and the Board of Library Trustees - actions taken at the Joint Meeting are those of the Agency indicated on each Agenda item.

PLEDGE OF ALLEGIANCE

ROLL CALL

INTRODUCTIONS

**PUBLIC COMMENTS ON ANY SUBJECT ON THE AGENDA OR NOT ON THE
AGENDA UNDER THE JURISDICTION OF THE CITY COUNCIL**

Those wishing to speak should complete and submit a BLUE speaker slip to the Sergeant-at-Arms. There is a three-minute time limit per person. All remarks and questions shall be addressed to the presiding officer or to the City Council.

JOINT CONSENT CALENDARS (SECTIONS A-E)

All items listed under the Consent Calendars, Sections A, B, C, D, and E are considered to be routine and non-controversial, and may be enacted by one motion unless a member of the City Council, Community Services District, City as Successor Agency for the Community Redevelopment Agency, Housing Authority or the Board of Library Trustees requests that an item be removed for separate action. The motion to adopt the Consent Calendars is deemed to be a separate motion by each Agency and shall be so recorded by the City Clerk. Items withdrawn for report or discussion will be heard after public hearing items.

A. CONSENT CALENDAR-CITY COUNCIL

- A.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

- A.2. MINUTES - CITY COUNCIL - REGULAR MEETING - JUN 15, 2021 6:00 PM

Recommendation: Approve as submitted.

- A.3. COUNCIL DISCRETIONARY EXPENDITURE REPORTS FOR FISCAL YEAR 2020/2021 FROM JULY 1, 2020 THROUGH JUNE 30, 2021 (Report of: City Clerk)

Recommendation:

- 1. Receive and file the Fiscal Year 2020/2021 Council Discretionary Expenditure Report for July 1, 2020 through June 30, 2021.

- A.4. MAYORAL APPOINTMENT TO THE PARKS, COMMUNITY SERVICES, AND TRAILS COMMITTEE (Report of: City Clerk)

Recommendation:

- 1. Receive and confirm the Mayoral appointment as follows:

PARKS, COMMUNITY SERVICES AND TRAILS COMMITTEE

<u>Name</u>	<u>Position</u>	<u>Term</u>
Rylee Peak	Teen Member	Ending 09/07/23

- A.5. Amendment to Public Facilities Fee Credit and Entitlement Fund Agreement with SP/CCI LLC to extend the agreement for five years (Report of: Community Development)

Recommendations: That the City Council:

- 1. Approve the Amendment to the Public Facilities Fee Credit and Entitlement Fund Agreement with SP/CCI, LLC for Acquisition of Parcels APN 478-120-003 & -004 (“Agreement”); and
- 2. Authorize the City Manager to execute the Agreement in the form attached hereto and authorize the Community Development Director to approve any minor changes to the Agreement that may be necessary and subsequent documents required to effectuate the intent of the Agreement, subject to the approval of the City Attorney.

A.6. AUTHORIZATION TO AWARD AN AGREEMENT FOR PROFESSIONAL CONSULTANT DESIGN SERVICES TO HR GREEN PACIFIC, INC. FOR CITYWIDE PAVEMENT REHABILITATION PROGRAM PROJECTS (Report of: Public Works)

Recommendations:

1. Award an Agreement for Professional Consultant Services to HR Green Pacific, Inc. to provide design related services for citywide pavement rehabilitation program projects in the amount of \$534,479.40;
2. Authorize the City Manager to execute the agreement with HR Green Pacific, Inc., subject to the approval by the City Attorney;
3. Authorize the issuance of a Purchase Order to HR Green Pacific, Inc. in the amount of \$534,479.40 when the agreement has been signed by all parties using State Gas Tax and SB1/RMRA State Gas Tax funds (Funds 2000 and 2000A);
4. Authorize the Public Works Director/City Engineer to execute any subsequent related amendments to the agreement with HR Green Pacific, Inc., not to exceed the Purchase Order amount, subject to the approval by the City Attorney; and
5. Authorize a budget adjustment as set forth in the Fiscal Impact section of this report.

A.7. APPROVAL OF A REIMBURSEMENT AGREEMENT WITH EASTERN MUNICIPAL WATER DISTRICT FOR FUTURE ROAD REPAIRS AND IMPROVEMENTS (Report of: Public Works)

Recommendation:

1. Approve the Reimbursement Agreement (“Agreement”) with Eastern Municipal Water District for road repair and improvement substantially to form; and
2. Authorize the City Manager to make minor changes to the draft Agreement if necessary and execute the Agreement, in substantial conformance with the attached, and other subsequent documents and instruments related to the Agreement as necessary, to include amendments, subject to the approval of the City Attorney.

- A.8. ADOPT RESOLUTION NO. 2021-XX ACCEPTING EASEMENTS OVER PORTIONS OF BRADSHAW CIRCLE FOR PUBLIC UTILITY PURPOSES ONLY (Report of: Public Works)

Recommendations:

1. Adopt Resolution No. 2021-XX, a resolution of the City Council of the City of Moreno Valley, California, accepting easements over portions of Bradshaw Circle, specifically, Lots B, C, and D of Parcel Map 11496 for public utility purposes only; and
2. Direct the City Clerk to certify the acceptance of said dedication and cause said certification to be recorded in the Office of the Recorder of the County of Riverside together with said Resolution.

- A.9. PAYMENT REGISTER - JULY 2021 (Report of: Financial & Management Services)

Recommendation:

1. Receive and file the Payment Register.

- A.10. LIST OF PERSONNEL CHANGES (Report of: Financial & Management Services)

Recommendation:

1. Ratify the list of personnel changes as described.

- A.11. RECEIPT OF QUARTERLY INVESTMENT REPORT FOR THE QUARTER ENDED JUNE 30, 2021 (Report of: Financial & Management Services)

Recommendation:

1. Receive and file the Quarterly Investment Report for quarter ended June 30, 2021, in compliance with the City's Investment Policy.

- A.12. COVID-19 PANDEMIC RESOLUTIONS EXTENDING THE LOCAL STATE OF EMERGENCY AND CERTAIN EMERGENCY MEASURES (RESO. NO. 2021-XX) (Report of: Financial & Management Services)

Recommendations:

That the City Council adopt Resolution No. 2021-XX Extending the Local State of Emergency and Certain Emergency Measures related to the Local, State and National Declarations of a State of Emergency related to the COVID-19 Pandemic.

A.13. AUTHORIZATION TO AWARD AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES TO RSG, INC. ("RSG") FOR AFFORDABLE COMPLIANCE MONITORING INCLUDING SB341 REPORTING REQUIREMENTS (Report of: Financial & Management Services)

Recommendations:

1. Approve the Agreement for Professional Consultant Services with RSG, Inc. ("RSG") to provide Affordable Housing Compliance Monitoring including SB341 Reporting Requirement for 3 years, with an option to extend the agreement for an additional 2-year term.
2. Authorize the City Manager to execute the Agreement for Professional Consultant Services with RSG, Inc. ("RSG").
3. Authorize the issuance of purchase orders for service beginning once the Agreement has been fully executed in the not-to-exceed (NTE) amount of \$236,625.
4. Authorize the City Manager to execute any subsequent related Amendments to the Agreement, including the authority to authorize associated Purchase Orders in accordance with the terms of the Agreement, subject to the approval of the City Attorney.

A.14. ACCEPT THE U.S. DEPARTMENT OF THE TREASURY EMERGENCY RENTAL ASSISTANCE PROGRAM PART 2 (ERAP2) FUNDS. (Report of: Financial & Management Services)

Recommendations:

1. Adopt Resolution No. 2021-XX, a Resolution of the City Council of the City of Moreno Valley, California Authorizing Participation in the State Rental Assistance Program 2 in the amount of \$6,032,832.
2. Accept the U.S. Department of the Treasury Direct Allocation of Emergency Rental Assistance Program Part 2 ("ERAP2") funds in the amount of \$5,012,189, and receive any additional redirected funding from ERAP as recommended by the California Department of Housing and Community Development (HCD).
3. Authorize the amendment of the existing consulting agreement with Willdan Financial Services ("WFS") to include administration support for ERAP2 for an additional amount of \$75,000, as approved by the City Attorney.
4. Authorize a budget amendment as set forth in the fiscal impact section.

5. Authorize the City Manager to execute an agreement with United Way of Inland Valleys and the County of Riverside, and allocate ERAP2 funding to expedite direct assistance to our community.

A.15. APPROVE THE SMOKE & CARBON MONOXIDE ALARM GIVEAWAY/REBATE PILOT STARTER RESIDENTIAL PROGRAM (Report of: Financial & Management Services)

Recommendations:

1. Approve the smoke & carbon monoxide alarm giveaway/rebate pilot starter residential program;
2. Authorize the City Manager to implement the smoke & carbon monoxide alarm giveaway/rebate pilot starter residential program;
3. Authorize a budget adjustment as set forth in the Fiscal Impact section of this report.

A.16. APPROVE AND EXECUTE THE AGREEMENT WITH MUSCO SPORTS LIGHTING, LLC, FOR SPORTS LIGHTING UPGRADES AT MORRISON PARK, PROJECT NO. 807 0057-3015, AND BUDGET APPROPRIATION (Report of: Parks & Community Services)

Recommendations:

1. Approve the Agreement for the sports lighting upgrades at Morrison Park with Musco Sports Lighting, LLC;
2. Authorize the Executive Director to execute the Agreement for sports lighting upgrades at Morrison Park with Musco Sports Lighting, LLC, and issuance of the Purchase Order for construction after the Agreement has been fully executed;
3. Authorize the Executive Director to execute any subsequent related Extensions or Amendments to the Agreement within the authorized funding, subject to the approval of the City Attorney;
4. Approve Musco Sports Lighting, LLC, as the sole source for procurement and installation of the proposed lights and associated equipment.

B. CONSENT CALENDAR-COMMUNITY SERVICES DISTRICT

B.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

B.2. MINUTES - REGULAR MEETING OF JUN 15, 2021 6:00 PM (See A.2)

Recommendation: Approve as submitted.

C. CONSENT CALENDAR - HOUSING AUTHORITY

C.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

C.2. MINUTES - REGULAR MEETING OF JUN 15, 2021 6:00 PM (See A.2)

Recommendation: Approve as submitted.

D. CONSENT CALENDAR - BOARD OF LIBRARY TRUSTEES

D.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

D.2. MINUTES - REGULAR MEETING OF JUN 15, 2021 6:00 PM (See A.2)

Recommendation: Approve as submitted.

E. CONSENT CALENDAR - PUBLIC FINANCING AUTHORITY

E.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

E.2. MINUTES - REGULAR MEETING OF JUN 15, 2021 6:00 PM (See A.2)

Recommendation: Approve as submitted.

F. PUBLIC HEARINGS

Questions or comments from the public on a Public Hearing matter are limited to five minutes per individual and must pertain to the subject under consideration.

Those wishing to speak should complete and submit a GOLDENROD speaker slip to the Sergeant-at-Arms.

F.1. PUBLIC HEARING FOR FOUR NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM MAIL BALLOT PROCEEDINGS (Report of: Financial & Management Services)

Recommendations: That the City Council:

1. Conduct the Public Hearing and accept public testimony for the mail ballot proceedings for the National Pollutant Discharge Elimination System (NPDES) Residential or Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate to be applied to the property tax bill of the parcels identified herein for Maria Luna (located at 11950 Mathews Rd.), 24771 Nandina LLC (located on the south side of Nandina Ave., west of Perris Blvd.), Raising Cane's Restaurant, LLC (located on the southwest corner of Centerpoint Dr. and Frederick St.), and LCG MVII, LLC (located on the southeast corner of Heacock St. and Hemlock Ave.).
2. Direct the City Clerk to open and count the returned NPDES ballots;
3. Verify and accept the results of the mail ballot proceedings as maintained by the City Clerk on the Official Tally Sheet and if approved, set the rate and impose the applicable NPDES Regulatory Rate on the Assessor's Parcel Numbers as mentioned;
4. Receive and file the Official Tally Sheet with the City Clerk's office.

G. GENERAL BUSINESS

G.1. AUTHORIZATION TO REFINANCE THE 2015 AND 2016 LEASE REVENUE BONDS (Report of: Financial & Management Services)

Recommendations: That the City Council and the Moreno Valley Public Financing Authority:

1. Adopt Resolution No. 2021-##, Resolution Of The City Council Of The City Of Moreno Valley Approving The Issuance By The Moreno Valley Public Financing Authority Of Not To Exceed \$35,000,000 Aggregate Principal Amount Of Lease Revenue Refunding Bonds, Series 2021 (Taxable) To Refinance Certain Capital Improvements; Authorizing Execution And Delivery Of Related Documents
2. Adopt Resolution No. MVPFA 2021-##, Resolution Authorizing The Issuance And Sale Of Not To Exceed \$35,000,000 Aggregate Principal Amount Of Lease Revenue Refunding Bonds, Series 2021 (Taxable) To Refinance Certain Capital Improvements; Authorizing Execution And Delivery Of Related Documents

H. ITEMS REMOVED FROM CONSENT CALENDARS FOR DISCUSSION OR SEPARATE ACTION

I. REPORTS

I.1. CITY COUNCIL REPORTS

(Informational Oral Presentation - not for Council action)

March Joint Powers Commission (JPC)

Riverside County Habitat Conservation Agency (RCHCA)

Riverside County Transportation Commission (RCTC)

Riverside Transit Agency (RTA)

Western Riverside Council of Governments (WRCOG)

Western Riverside County Regional Conservation Authority (RCA)

School District/City Joint Task Force

I.2. CITY MANAGER'S REPORT

(Informational Oral Presentation - not for Council action)

CLOSING COMMENTS AND/OR REPORTS OF THE CITY COUNCIL, COMMUNITY SERVICES DISTRICT, CITY AS SUCCESSOR AGENCY FOR THE COMMUNITY REDEVELOPMENT AGENCY, HOUSING AUTHORITY, PUBLIC FINANCING AUTHORITY, AND THE BOARD OF LIBRARY TRUSTEES.

ADJOURNMENT

PUBLIC INSPECTION

The contents of the agenda packet are available for public inspection on the City's website at www.moval.org and in the City Clerk's office at 14177 Frederick Street during normal business hours.

Any written information related to an open session agenda item that is known by the City to have been distributed to all or a majority of the City Council less than 72 hours prior to this meeting will be made available for public inspection on the City's website at www.moval.org and in the City Clerk's office at 14177 Frederick Street during normal business hours.

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CERTIFICATION

I, Pat Jacquez-Nares, City Clerk of the City of Moreno Valley, California, certify that 72 hours prior to this Regular Meeting, the City Council Agenda was posted on the City's website at: www.moval.org and in the following three public places pursuant to City of Moreno Valley Resolution No. 2007-40:

City Hall, City of Moreno Valley
14177 Frederick Street

Moreno Valley Library
25480 Alessandro Boulevard

Moreno Valley Senior/Community Center
25075 Fir Avenue

Pat Jacquez-Nares, CMC & CERA
City Clerk

Date Posted: September 2, 2021

TO:

FROM: Pat Jacquez-Nares, City Clerk

AGENDA DATE: September 7, 2021

TITLE: SHIELD 4 KIDS PRESENTATION

RECOMMENDED ACTION

CITY COUNCIL GOALS

None

CITY COUNCIL STRATEGIC PRIORITIES

1. Economic Development
2. Public Safety
3. Library
4. Infrastructure
5. Beautification, Community Engagement, and Quality of Life
6. Youth Programs

ATTACHMENTS

None

APPROVALS

**MINUTES
JOINT MEETING OF THE
CITY COUNCIL OF THE CITY OF MORENO VALLEY
MORENO VALLEY COMMUNITY SERVICES DISTRICT
CITY AS SUCCESSOR AGENCY FOR THE
COMMUNITY REDEVELOPMENT AGENCY OF THE
CITY OF MORENO VALLEY
MORENO VALLEY HOUSING AUTHORITY
MORENO VALLEY PUBLIC FINANCING AUTHORITY
BOARD OF LIBRARY TRUSTEES**

**REGULAR MEETING – 6:00 PM
June 15, 2021**

CALL TO ORDER

The Joint Meeting of the City Council, Community Services District, City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley, Moreno Valley Housing Authority, Moreno Valley Public Financing Authority and the Board of Library Trustees was called to order at 6:00 p.m. by Mayor Gutierrez in the Council Chamber located at 14177 Frederick Street.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Gutierrez

ROLL CALL

Council:	Dr. Yxstian A. Gutierrez	Mayor
	Victoria Baca	Mayor Pro Tem
	David Marquez	Council Member
	Ulises Cabrera	Council Member

INTRODUCTIONS

Staff:	Pat Jacquez-Nares	City Clerk
	Steve Quintanilla	Interim City Attorney
	Mike Lee	City Manager
	Brian Mohan	Acting Assistant City Manager/Chief Financial Officer
	Michael Wolfe	Assistant City Manager/Director of Public Works/City Engineer
	Manuel Mancha	Community Development Director
	Patty Nevins	Planning Official
	Patti Solano	Parks & Community Services Director

Minutes Acceptance: Minutes of Jun 15, 2021 6:00 PM (CONSENT CALENDAR-CITY COUNCIL)

Abdul Ahmad
Chris Durham

Fire Chief
Lieutenant

PUBLIC HEARING ITEM F.4 WAS TAKEN OUT OF ORDER AND MOVED TO THE FIRST ITEM ON THE AGENDA.

F. PUBLIC HEARINGS

- F.4. Comprehensive General Plan Update, Climate Action Plan, Municipal Code Zoning Ordinance Amendment, and Zoning Atlas Amendment (RESO. NOS. 2021-46, 2021-47 & ORD. NO. 981) (Report of: Community Development)

Planning Official Nevins provided a brief report on this item.

Consultant Hill presented a brief summary on the General Plan Update.

Mayor Gutierrez opened the public hearing at 6:24 p.m.

Tom Thornsley

1. Announced his intention to make a point of order, due to no motion made to move the item up on the agenda
2. Stated that District 2 was not being represented in the General Plan Update. Residents of District 2 brought up concerns with the updated plan and their questions were not addressed to their satisfaction.

David Slawson

1. Stated he was a longtime resident and provided his history of service within the City. He believed that the update to the General Plan was on point and addressed the City's needs.
2. Stated that he liked the highway, office, and commercial land uses by the freeway.
3. Stated that he liked the downtown center mixed use.
4. Stated that he supported the presented General Plan Update and urged the Council to approve.

Angel Lopez-Ramirez

1. Stated he was a candidate for District 2.
2. Stated his opposition to this item.
3. Thanked Tom for addressing that District 2 was not being represented. Requested that the Council table this item.
4. Acknowledged that Council Member Cabrera and Council Member Marquez had tried to cover the vacant seat.

Lindsay Robinson

1. Stated her opposition to the advancement of the item on the agenda, the GPAC members, and the additional housing component in District 2.
2. Stated concerns with the lack of outreach regarding this matter due to COVID, and people that did not have internet access.

3. Stated concerns that there were no truck routes in District 2 and that residents on Redlands Blvd. never received notification for the commercial use.
4. Stated that the EIR was not done correctly and should not be approved until it has been revised.

Janet Bernabe

1. Stated she was the Organizing Director for the Center for Community Action and Environmental Justice (CCA EJ) and stated their concerns and opposition to the General Plan update.

Carolyn Brodeur

1. Stated her opposition to the apartments being built in her area.
2. She was concerned that the placement of apartments and family homes would ruin the rural area in District 2.

Keri Then

1. Stated her concerns on the General Plan process from its inception.
2. Stated her concerns with the lack of prime agricultural area representation on the GPAC Committee.
3. Stated her concerns with the lack of participation and inclusion of District 2 residents' suggestions and the lack of answers to their questions. Requested that the item be delayed to address these concerns.

Tom Jerele Sr.

1. Stated his support for the plan and believed it was a very thorough and in depth plan.

Susan Zeitz

1. Stated her opposition to the entire general plan item.
2. Stated District 2 was not represented and had requested postponement of the General Plan Update adoption until the Council vacancy was filled.
3. Requested that the Mayor and Council Members table item F-4.

David Zeitz

1. Stated his concerns, opposition, and requested that the Mayor and Council Members table or vote no on Item F-4 until the District 2 Council Member was elected.

Roy Bleckert

1. Stated that Moreno Valley had been behind on updating the General Plan for 15 years.
2. Acknowledged and agreed with Mr. Slawson and Mr. Jerele, on the support for General Plan update.
3. Stated that the City needed to move forward with this plan.

Louise Palomarez

1. Stated that she was a Community Activist and that the City needed affordable housing.
2. Stated that Council Member Cabrera and Council Member Marquez were representing District 2.
3. Stated that Mr. Lopez-Ramirez was campaigning for the race of District 2 Council Member.
4. Stated that the people that opposed the updated plan, just wanted to keep their large lots. She believed that the City needed to adopt the General Plan Update in order to move the City forward.

Joe Lockhart

1. Stated that he lived across the proposed project on Oliver and that apartments should not be placed there.
2. Stated that the City would benefit by building high end executive houses instead of high density housing.
3. Stated concerns regarding being properly represented by Council Member Cabrera and Council Member Marquez.

There being no more speakers in favor or in opposition, Mayor Gutierrez closed the public hearing at 7:02 p.m.

Mayor Gutierrez asked if the Council approved F-4 would this approve a specific project. Did the developer have to apply and go through the Planning Commission CUP process and get approved, then go through appeals, then go through council?

Consultant Hill answered no specific projects would be approved at this time; the developments would still need to follow standard procedures, environmental review, and the project approval process.

Mayor Gutierrez stated that the information was provided to residents at the GPAC meetings and the Planning Commission meetings.

Consultant Hill confirmed that initial outreach to develop a vision was done, then followed up with additional outreach. There were two GPAC meetings to discuss those concepts with the Planning Commission and the final concept came to the Council. Five workshops were conducted for a city of 200,000 residents which was higher than most cities. The City of Sacramento which was double capacity of the City of Moreno Valley they were doing fewer workshops.

Mayor Gutierrez stated that the General Plan was a long-range planning tool that could be changed. He asked if the City Council would be able to amend the plan.

Consultant Hill answered that the City could amend their general plan up to four times a year.

Council Member Marquez asked if anyone remembered March 16, 2020, the date the State shut down. He questioned the notion that people were concerned with the general plan update when they were worried about supporting their families.

Consultant Hill stated that he was working on a number of General Plans most of them had outreach of some sort going on during COVID last year. All of the projects had to pivot to the virtual format. In many communities, there was higher attendance because it was easier for people to sit in their living rooms or join via phone.

Council Member Marquez restated that even though all these events happened, people were still interested in what was happening with the General Plan. He requested clarification on the Educational Gateway comment made at the Planning Commission.

Consultant Hill confirmed that it was their experience with this and other cities, that people were interested. He displayed the Land Use Maps so that everyone could see the Gateway area, which was shown in Pink, North of Highway 60 on the East side of town. The Gateway concept area was developed with community input, a series of workshops, and ultimately presented to the City Council in June of last year. At the time it was presented to the Council, it was for a vision that was similar to what was in the Highway 60 corridor plan for a commercial complex, kind of a shopping center. The Mayor and the Council suggested another option an educational campus instead. There were concerns that commercial at that location would compete with what the City was trying to do with the downtown center or the redevelopment of the Moreno Valley Mall. There was discussion on allowing a wider mix of uses but Council Member Thornton said that she did not want that. She wanted to look for a more specific use. That feedback from the Mayor and Council was taken into consideration and was presented for public review. In order to ensure that everyone was on the same page, Consultant Hill read the definition of a Highway Office Commercial designation which provides for a distinctive employment or educational campus at the eastern gateway to the City. Primary permitted uses will be office, educational and research and development facilities organized in a clustered development pattern with intervening areas of landscape and open space. Permitted auxiliary commercial uses include restaurant, retail and services uses. The architectural style of development should reinforce the rural character intended for the surrounding area.

Council Member Marquez asked if the consultant thought changing the zoning in that particular area would enhance anything that was built there.

Consultant Hill answered that in consultation with the economic consultant that did the market study to look at what would be feasible; their opinion was that the site was difficult to develop. If the City wanted to encourage that kind of vibrant mix use places because of the way that the retail landscapes was

changing throughout the Country there was less demand for retail when people did more online shopping that the best bet would be to try to concentrate those commercial uses into the downtown center in Moreno Valley. The designation was written based on feedback that was received from the Council and in response to anticipated market conditions. Overall for the best use in that area it was anticipated to be an educational and employment campus. With the specificity that was in the General Plan Update, the sensitivity to contexts, and respecting the agricultural area, he believed that changing the zoning to try to implement that vision would be helpful.

Council Member Marquez asked if he thought that the sanitation dump area would have an effect on anything that was built there?

Consultant Hill stated that the dump area was not right adjacent to it, the dump was up in the hills, and the roadway used was far removed. Trucks would not be passing through that area. He believed it could be separated.

Council Member Cabrera requested clarification on the planning process as it pertained to the approval of any projects upon approval of the General Plan.

Planning Official Nevins stated that all projects required some type of plot plan approval for a new building; a few minor projects could go through a minor plot plan. Most projects would require a major plot plan which required Planning Commission approval. Anything that required a tentative map, would need to go to the Planning Commission, as well. Final maps go to the City Council for approval. Therefore, the majority of projects would definitely go to Planning Commission for further review and approval. The Planning Commission decision could be appealed by the City Council or by anyone else who would be interested in filing the appeal.

Council Member Cabrera further asked if they would clarify the map rezoning and changes to the General Plan Update map.

Consultant Hill stated that the proposed General Plan Update targeted the changes to the current adopted General Plan Land Use map. The changes were primarily concentrated in the concepts area that focused on the community outreach input that was discussed at the GPAC review with the Planning Commission and City Council. There were some minor changes in the Edgemont area to reduce some density within the airport crash zone, for safety purposes that was stipulated by the airport land use plan. Otherwise, the zoning and land use was not changed from the current state.

Mayor Gutierrez recessed the Council meeting at 7:20 p.m.

Mayor Gutierrez reconvened the Council meeting at 7:28 p.m.

Mayor Pro Tem Baca stated that the land belonged to private individuals and that was taken into consideration by staff and the City Council in June. She

further stated that there would be changes coming to Moreno Valley. Mayor Pro Tem Baca stated that the City had grown as a community because of the progressive members in the City Council who voted to bring revenue to the City. She stated that the tax dollars paid for Police and Fire services, the City Council made sure that the tax dollars were spent responsibly. Mayor Pro Tem Baca strives to keep local government in control and not let the control go to the State. She stated that the City Council needed to adopt the General Plan Update. Not everyone wanted large lots of land because both adults were working and they did not have time for larger lots. She also stated that the City could not deny the right of individuals to live in Northeast part of Moreno Valley just because a few residents did not want to have apartments, townhomes, and condominiums. The City was in need affordable housing. Mayor Pro Tem Baca stated that the City Council did not know how the previous District 2 representative would have voted and they did not know how the future District 2 representative would vote either. However, the General Plan was worked on for many months and that there had been opportunities for individuals to give their opinion on the project with all the community outreach. No one was denied the opportunity in this matter. Mayor Pro Tem Baca recognized the consulting agency for doing a good job with the community outreach regarding the General Plan Update.

Council Member Marquez asked how much the General Plan Update cost.

Planning Official Nevins replied that the consultant fees were \$1.5 million, which did not include City staff time.

Council Member Marquez stated \$1.5 million and asked how many hours had City staff worked on this.

Planning Official Nevins answered hundreds of hours, there was a dedicated senior planner, additional planners, and all the directors worked on it. The City Manager's office and everyone in the City participated on this project.

Council Member Marquez would like to thank all staff that participated in this project. He stated that staff tried to do something for the Community to grow and they did a good job. Council Member Marquez said that in regards to the housing element, the Council wanted to ensure that the control stayed locally and not relinquished to the State. He further stated that the Beazer Homes project their homeowners talked to him about hearing their neighbors flushing their toilets because the houses were built so close together. Homeowners did know that the houses were going to be built that close and now they were stuck with that house. Council Member Marquez stated that City was forecasted to build 13,000 homes by the State, and the City needed to meet that mandate, so they can maintain local control. He stated that builders were not going to build a 1,000 square foot home on a two-acre lot. Council Member Marquez recommended that on the Northeast side of the City executive homes should be built. He stated that one of the executives from a car manufacturing company lamented the lack of executive homes in Moreno

Valley. Council Member Marquez stated that if a builder saw the need for executive homes that they could build executive homes in the Northeast side of the city and it would make Moreno Valley a model city. He stated that when a developer builds commercial buildings in the Northeast that developer would continue to build commercial because of the zone. Council Member Marquez does not want a repeat of what happened on Heacock and Hemlock, a warehouse in the middle of a residential area. He stated that the Moreno Valley Trade center was on the map listed as a warehouse, and it had not been presented to them. Council Member Marquez stated that he agreed with the rest of the General Plan, the climate control, and the EIR. Council Member Marquez stated that in the General Plan the City had projected for 22,000 new homes to be build and 39,000 new jobs. However, the State of California project required 13,500 jobs and the City was not on the same page as the State with the housing element. He asked that they table this matter until August due to the housing element of the project. Council Member Marquez stated that the decision would affect the City for the next 20 years.

Council Member Cabrera thanked staff for their hard work on this item. The General Plan was adopted fifteen years ago. No one saw the pandemic coming and the outreach was already scheduled. The passing of their colleague Dr. Carla J. Thornton was also unforeseen and she was very active with the engagement on the General Plan Update. He stated that the City needed to build more affordable housing now. The State and Cities needed to do a better job at retaining businesses and residents by enticing new businesses and residents to come and live in their cities. The good items in this General Plan outweigh the negative items. Moreno Valley needed to be ready to have big businesses to come into the City. The approval of this General Plan did not approve the building of any structures. New projects needed to come before the Council for approval.

Mayor Gutierrez confirmed what Council Member Cabrera stated that the General Plan had been in discussion for many years and the City was behind in the adoption of their new General Plan. The Council was not approving a specific project with the approval of the General Plan Update. The General Plan was a guidebook, a long-range planning tool that the City uses. Anytime that a developer or applicant wanted to develop they would need to follow the City's approval process. The process included the submittal of a CUP application, discussions, and meetings with staff, meeting the necessary conditions, presentation to the Planning Commission for approval, and lastly to the Council on appeal. The Council's approval of the General Plan Update does not stop the City's approval process. The approval would keep the City in compliance and keep local control. The City also needed to be consistent with the Airport Land Use Commission (ALUC) in order to continue to have the March Air Force Base open.

Recommendations: That the City Council:

1. **APPROVE** Resolution No. 2021-46 **CERTIFYING** that the Final Environmental Impact Report (EIR) for the comprehensive General Plan update, Climate Action Plan, Municipal Code Zoning Ordinance amendment and related changes to the Official Zoning Atlas map on file with the Community Development Department, incorporated herein by this reference, have been completed in compliance with the California Environmental Quality Act and CEQA Guidelines, that the City Council reviewed and considered the information in the Final EIR and that the Final EIR reflects the City’s independent judgement and analysis; and **ADOPTING** the Facts, Findings and Statement of Overriding Considerations regarding the Final EIR for the City of Moreno Valley Comprehensive General Plan Update, attached hereto as Exhibit A; and **ADOPTING** the Mitigation Monitoring and Reporting Program for the Final EIR for the proposed Comprehensive General Plan Update project and Climate Action Plan, attached as Exhibit B; and
2. **APPROVE** Resolution No. 2021-47 **APPROVING** PEN19-0240, City of Moreno Valley Comprehensive General Plan update and Climate Action Plan respectively; and
3. **ADOPT** Ordinance No. 981, Amending the Municipal Code Zoning Ordinance amendment and the City’s Official Zoning Atlas map respectively (PEN21-0020), consistent with the General Plan update.

RESULT: **APPROVED [3 TO 1]**
MOVER: Ulises Cabrera, Council Member
SECONDER: Victoria Baca, Mayor Pro Tem
AYES: Dr. Yxstian A. Gutierrez, Victoria Baca, Ulises Cabrera
NAYS: David Marquez

Mayor Gutierrez recessed the Council meeting at 8:06 p.m.

Mayor Gutierrez reconvened the Council meeting at 8:11 p.m.

PUBLIC COMMENTS ON ANY SUBJECT ON THE AGENDA AND NOT ON THE AGENDA UNDER THE JURISDICTION OF THE CITY COUNCIL

Marquita Clay

1. Stated she was a recent graduate of California Baptist University, a mentee of the late Dr. Thornton, and a public member representing the Citizens Public Safety Committee. Ms. Clay provided a brief update on what the Citizens Public Safety Committee has done this past year.

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Wayne Woodliff

1. Stated he was a business member of the Citizens Public Safety Committees and completed the Citizens Public Safety Committee update. All of the members of the committee were excited to see that the community was moving toward a normal environment.

Tom Thornsley

1. Expressed his disappointment on the General Plan Update action.
2. Stated his opposition to the placing the appointments as a slate for approval. He requested that the resumes of the potential appointees be provided to the members of the Council and the public to garner support for the appointments.

Angel Lopez-Ramirez

1. Stated it was World Elder Abuse Awareness Day, federal agencies, municipalities and state offices took the challenge to avoid the abuse, exploitation, and neglect of elders in the communities. Elders had been receiving scam phone calls, the campaign provided information to the community of this issue.

Lindsay Robinson

1. Stated her concerns with the Mayor's appointment process. She also would like to see the other members of the Council appoint members to these committees.

Martin Cabrera Jr.

1. Provided his vision for the City of Moreno Valley. He would like to create the Disneyland of medical centers here in Moreno Valley. He would like to partner up with investors to create this vision.

Keri Then

1. Stated that Mayor Pro Tem Baca attacked the residents of District 2 with her remarks.
2. Stated her mother was born Mary Ann Rivas, her grandfather's name was Leo Rivas, and her great grandmother's name was Esparza who was born in Mexico.
3. Stated she was a political rival of Dr. Thornton and Angel Ramirez.
4. Stated her disdain for the mistreatment of a military veteran from another member of the audience and did not want that treatment allowed in the chamber.

Robert Then

1. Requested representation for District 2.

Susan Zeitz

1. Requested that the Council do what was right for the City.
2. Stated her disdain for the Council Members that support Iddo Benzeevi.

Tom Jerele Sr.

1. Commended the Council for their approval of the General Plan Update.
2. Stated he was happy to get sewers.
3. Provided an example of a great development in Moreno Valley, Coto de Caza.

4. Praised the people of the City for their assistance daily.

Louise Palomarez

- 1. Stated that the speakers were disrespecting the Mayor and Mayor Pro Tem.
- 2. Stated that the speakers were liars and were slanderers.

JOINT CONSENT CALENDARS (SECTIONS A-E)

RESULT:	APPROVED [UNANIMOUS]
MOVER:	David Marquez, Council Member
SECONDER:	Ulises Cabrera, Council Member
AYES:	Dr. Yxstian A. Gutierrez, Victoria Baca, David Marquez, Ulises Cabrera

A. CONSENT CALENDAR-CITY COUNCIL

A.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

A.2. City Council - Regular Meeting - May 18, 2021 6:00 PM

Recommendation: Approve as submitted.

A.3. PAYMENT REGISTER- APRIL 2021 (Report of: Financial & Management Services)

Recommendation:

Receive and file the Payment Register.

A.4. LIST OF PERSONNEL CHANGES (Report of: Financial & Management Services)

Recommendation:

Ratify the list of personnel changes as described.

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- A.5. COVID-19 PANDEMIC RESOLUTIONS EXTENDING THE LOCAL STATE OF EMERGENCY AND CERTAIN EMERGENCY MEASURES (RESO. NO. 2021-48) (Report of: Financial & Management Services)

Recommendations:

That the City Council adopt a Resolution Extending the Local State of Emergency and Certain Emergency Measures related to the Local, State and National Declarations of a State of Emergency related to the COVID-19 Pandemic.

- A.6. ADOPT A RESOLUTION TO APPROVE A JOINT COMMUNITY FACILITIES AGREEMENT BY AND AMONG VAL VERDE UNIFIED SCHOOL DISTRICT, THE CITY OF MORENO VALLEY, AND PASSCO PACIFICA LLC RELATING TO VAL VERDE UNIFIED SCHOOL DISTRICT COMMUNITY FACILITIES DISTRICT NO. 2021-1 (RESO. NO. 2021-49) (Report of: Financial & Management Services)

Recommendation:

Adopt Resolution No. 2021-49, a Resolution Approving the Joint Community Facilities Agreement between the Val Verde Unified School District, City of Moreno Valley and Passco Pacifica LLC, in substantially the form attached hereto with modifications subject to City Attorney approval, and authorize the City Manager to execute the Agreement and related documents.

- A.7. PURSUANT TO LANDOWNER PETITIONS, ANNEX CERTAIN PARCELS INTO COMMUNITY FACILITIES DISTRICT NO. 2014-01 (MAINTENANCE SERVICES) - AMENDMENT NO. 55, 58, and 59 (RESO. NO. 2021-50) AND AMENDMENT NO. 56 (RESO. NO. 2021-51) (Report of: Financial & Management Services)

Recommendation:

1. Acting as the legislative body of Community Facilities District No. 2014-01 (Maintenance Services), adopt Resolution No. 2021-50, a Resolution of the City Council of the City of Moreno Valley, California, ordering the annexation of territory to City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services) and approving the amended maps for said District (Amendment No. 55, 58, and 59) (HF Logistics-SKX-T1, LLC, HF Logistics-SKX-T2, LLC, and Highland Fairview Partners 1, located on the northeast corner of Eucalyptus Ave. (Fir Ave.) and Redlands Blvd.).
2. Acting as the legislative body of Community Facilities District No. 2014-01 (Maintenance Services), adopt Resolution No. 2021-51, a Resolution of the City Council of the City of Moreno Valley, California, ordering the annexation of territory to City of Moreno Valley

Community Facilities District No. 2014-01 (Maintenance Services) and approving the amended map for said District. (Amendment No. 56) (D.R. Horton Los Angeles Holding Company, Inc, located west of Moreno Beach Dr., between Alessandro Blvd. and Brodiaea Ave.).

- A.8. ADOPT RESOLUTION AUTHORIZING AMENDMENT NO. 8 TO THE LOAN AGREEMENT BETWEEN THE CITY OF MORENO VALLEY AND THE POLICE FACILITIES DEVELOPMENT IMPACT FEE FUND (RESO. NO. 2021-52) (Report of: Financial & Management Services)

Recommendation:

Adopt a Resolution of the City Council of the City of Moreno Valley, California, authorizing Amendment No. 8 to the loan agreement between the City of Moreno Valley and the Police Facility Development Impact Fee fund.

- A.9. AUTHORIZATION TO AWARD A CONSTRUCTION CONTRACT TO ALL AMERICAN ASPHALT FOR PAVEMENT REHABILITATION FOR VARIOUS LOCAL STREETS – CDBG FISCAL YEAR 2020/21, PROJECT NO. 801 0088 (AGMT. NO. 2021-119) (Report of: Public Works)

Recommendation:

1. Award a construction contract to All American Asphalt for the Pavement Rehabilitation for Various Local Streets – CDBG FY 2020/21 project and authorize the City Manager to execute a contract with All American Asphalt in substantial conformance with the attached contract in the amount of \$1,294,784.00 for the construction of the project, funded by Community Development Block Grant (CDBG) (Fund 2512), Capital Project Reimbursement Fund (Fund 3008), and Gas Tax (Fund 2000);
2. Authorize the issuance of a Purchase Order for All American Asphalt in the amount of \$1,424,262.40 (bid amount plus a 10% contingency) when the contract has been signed by all parties; and
3. Authorize the Public Works Director/City Engineer to execute any subsequent change orders to the contract, but not exceeding the total contingency of \$129,478.40, subject to the approval of the City Attorney.

Council Member Cabrera stated that this was an exciting item because it was funding for our streets.

A.10. AUTHORIZATION TO AWARD A CONSTRUCTION CONTRACT TO SPECTRUM CONSTRUCTION GROUP INC. (AGMT. NO. 2021-120) FOR THE CITYWIDE PAVEMENT REHABILITATION PROGRAM FY 2020/21, PROJECT NO. 801 0087, AND AGREEMENTS FOR CONSULTANT CONSTRUCTION ENGINEERING SERVICES TO LOR GEOTECHNICAL GROUP INC. (AGMT. NO. 2021-121) AND KDM MERIDIAN (2021-122) FOR PROJECT NOS. 801 0087, 801 0088, AND 803 0043 (Report of: Public Works)

Recommendation:

1. Award a construction contract to Spectrum Construction Group Inc. (AGMT. NO. 2021-120) for the Citywide Pavement Rehabilitation Program FY 2020/21 (Project No. 801 0087) and authorize the City Manager to execute a contract in substantial conformance with the attached contract in the amount of \$3,609,731.65, funded by Senate Bill 1 (SB1) Funds (2000A), Community Development Block Grant (CDBG) Funds (Fund 2512), and Capital Project Reimbursement Fund (Fund 3008);
2. Award an Agreement for Professional Consultant Service to KDM Meridian (AGMT. NO. 2021-121) to provide construction surveying services for three projects: Citywide Pavement Rehabilitation Program FY 2020/21 (Project No. 801 0087), Pavement Rehabilitation for Various Local Streets - CDBG FY 2020/21 (Project No. 801 0088), and Corporate Yard Master Plan Improvements - Infiltration Trench Installation (Project No. 803 0043), and authorize the City Manager to execute the agreement with KDM Meridian in the amount of \$75,580.00;
3. Award an Agreement for Professional Consultant Service to LOR Geotechnical Group Inc. (AGMT. NO. 2021-122) to provide material testing and geotechnical services for three projects: Citywide Pavement Rehabilitation Program FY 2020/21 (Project No. 801 0087), Pavement Rehabilitation for Various Local Streets - CDBG FY 2020/21 (Project No. 801 0088), and Corporate Yard Master Plan Improvements - Infiltration Trench Installation (Project No. 803 0043), and authorize the City Manager to execute the agreement with LOR Geotechnical Group Inc. in the amount of \$239,682.00;
4. Authorize the issuance of a Purchase Order to Spectrum Construction Group Inc. in the amount of \$3,970,704.81 (bid amount plus a 10% contingency), three Purchase Orders to KDM Meridian in the total amount of \$75,580.00, and three Purchase Orders to LOR Geotechnical Group Inc. in the total amount of \$239,682.00 necessary for completing the construction of said projects; and

5. Authorize the Public Works Director/City Engineer to execute any subsequent change orders to the Spectrum Construction Group Inc. contract not exceeding the contingency of \$360,973.16, subject to the approval of the City Attorney.

Council Member Cabrera stated that this was an exciting item because it was funding for our streets.

A.11. APPROVE AN AGREEMENT BETWEEN WRCOG AND THE CITY OF MORENO VALLEY FOR TUMF FUND REIMBURSEMENT BY WRCOG FOR THE REDLANDS BLVD / SR-60 INTERCHANGE, PROJECT NO. 801 0064 (AGMT. NO. 2021-123) (Report of: Public Works)

Recommendation:

1. Accept and Approve the Transportation Uniform Mitigation Fee (TUMF) Program reimbursement agreement between the Western Riverside Council of Governments (WRCOG) and the City of Moreno Valley (City) for Project Approval & Environmental Document (PA&ED) Phase for the Redlands Blvd/ SR-60 Interchange;
2. Authorize the City Manager to execute the TUMF Program reimbursement agreement, in substantial conformance with the attached template, upon concurrence by WRCOG, and subject to the approval of the City Attorney;
3. Authorize the Public Works Director to execute any subsequent amendments to the TUMF Program reimbursement agreement, subject to the approval of the City Attorney; and
4. Authorize a budget adjustment as set forth in the Fiscal Impact section of this report.

A.12. AUTHORIZATION TO AWARD AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES TO STC TRAFFIC, INC. FOR CITY TRAFFIC ENGINEER CONSULTANT SERVICES (AGMT. NO. 2021-124) (Report of: Public Works)

Recommendations:

1. Approve the Agreement for Professional Consultant Services with STC Traffic, Inc. to provide City Traffic Engineering on-call services for the Transportation Engineering Division, using funds from the City Council approved Operating Budget for FY2021/22;
2. Authorize the City Manager to execute the Agreement for Professional Consultant Services with STC Traffic, Inc., subject to the approval of the City Attorney;

- 3. Authorize the issuance of a Purchase Order with STC Traffic, Inc., in an amount not-to-exceed \$250,000.00, and authorize the Chief Financial Officer to approve subsequent related purchase orders with STC Traffic, Inc., in accordance with the approved terms of the Agreement; and
- 4. Authorize the Public Works Director/City Engineer to execute subsequent extensions and/or amendments, up to a maximum of four annual extensions, to the Agreement.

A.13. MAYORAL APPOINTMENTS TO VARIOUS BOARDS AND COMMISSIONS, AND CITY COUNCIL COMMITTEE PARTICIPATION (Report of: City Clerk)

Recommendation:

- 1. Receive and confirm the slate of Mayoral appointments as follows:

EMERGING LEADERS COUNCIL

<u>Name</u>	<u>Position</u>	<u>Term</u>
Kassandra Morin	TBD at ELC Meeting	Ending 05/31/23
Mumtahina Tajrian	TBD at ELC Meeting	Ending 05/31/23
Ashley Beltran Munoz	TBD at ELC Meeting	Ending 05/31/23
Pooja Datir	TBD at ELC Meeting	Ending 05/31/23
Aashish Palikhey	TBD at ELC Meeting	Ending 05/31/23
Nathan Van Hoang	TBD at ELC Meeting	Ending 05/31/23
Faye Boado	TBD at ELC Meeting	Ending 05/31/23
Danvy Nguyen	TBD at ELC Meeting	Ending 05/31/23
Andrea Delgado	Alternate	Ending 05/31/23
Ciara Ashley Barba	Alternate	Ending 05/31/23
Rohit Datir	Member-at-Large	Ending 05/31/23
Quinn Castellanos	Member-at-Large	Ending 05/31/23
Laura Moorehead	Ann Member-at-Large	Ending 05/31/23

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Mehreen Suzaan Member-at-
Large Ending 05/31/23

ACCESSIBILITY APPEALS BOARD

Name Position Term
Esther Johnson * Member Ending 06/30/24

LIBRARY COMMISSION

Name Position Term
Mona Lisa Stallworth * Member Ending 06/30/24

PARKS, COMMUNITY SERVICES AND TRAILS COMMITTEE

Name Position Term
Christopher Melendrez * Member Ending 06/30/23
Cassandra Leigh Member Ending 6/30/23
Swedlund*

SENIOR CITIZENS' ADVISORY BOARD

Name Position Term
Cleveland Johnson * Member Ending 06/30/24
Cynthia L. Ward * Member Ending 06/30/24
Robert Snyder * Member Ending 06/30/24

TRAFFIC SAFETY COMMISSION

Name Position Term
Stella Corbalan * VVUSD PTO Ending 06/30/24
Rep.
David Layne * Public Member Ending 06/30/24
Anita Robinson Public Member Ending 06/30/24

UTILITIES COMMISSION

Name Position Term
Bradly Stevens * Public Member Ending 06/30/24

* Pending successful completion of a background check

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COUNCIL COMMITTEE PARTICIPATION

<u>Advisory Commission/Board/Subcommittee</u>	<u>Primary</u>	<u>Term</u>
Arts Commission	Cabrera	Ending 12/31/21
Emerging Leaders Council	Cabrera	Ending 12/31/21
Environmental and Historical Preservation Board	Gutierrez	Ending 12/31/21
Library Commission	Marquez	Ending 12/31/21
Parks, Community Services and Trails Committee	Cabrera	Ending 12/31/21
Senior Citizens' Board	Baca	Ending 12/31/21
Traffic Safety Commission	Marquez	Ending 12/31/21
Utilities Commission	Gutierrez	Ending 12/31/21
Economic Development Subcommittee	Gutierrez/Cabrera	Ending 12/31/21
Finance Subcommittee	Gutierrez/Cabrera	Ending 12/31/21
Citizens' Public Safety Committee	Baca	Ending 12/31/21
Public Safety Subcommittee	Baca/Alt. Gutierrez	Ending 12/31/21
Parks and Community Services Council Committee	Gutierrez/Baca	Ending 12/31/21

Council Member Marquez commented he was happy with this slate of appointees and congratulated all of the appointees.

Council Member Cabrera congratulated all the appointees. He thanked Mayor Gutierrez for removing the Planning Commission appointees from the list.

B. CONSENT CALENDAR-COMMUNITY SERVICES DISTRICT

B.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

B.2. MINUTES - REGULAR MEETING OF MAY 18, 2021 6:00 PM (See A.2)

Recommendation: Approve as submitted.

B.3. SECOND READING AND ADOPTION OF ORDINANCE NO. CSD 55, AN ORDINANCE OF THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY LEVYING A SPECIAL TAX IN CONNECTION WITH ITS COMMUNITY FACILITIES DISTRICT NO. 2021-01 (PARKS MAINTENANCE) AND TAKING CERTAIN RELATED ACTIONS (Report of: Financial & Management Services)

Recommendation:

Conduct the second reading by title only and adopt Ordinance No. CSD 55.

B.4. ACCEPTANCE OF CHILD DEVELOPMENT PROGRAM FUNDS FROM THE CALIFORNIA DEPARTMENT OF SOCIAL SERVICES TO OPERATE CHILD CARE SERVICES FOR FISCAL YEAR 2021-22 AND ADOPTION OF THE RESOLUTION TO CERTIFY APPROVAL OF THE GOVERNING BOARD (RESO. NO. CSD 2021-25) (Report of: Parks & Community Services)

Recommendations:

1. Authorize acceptance of child development program funds in the amount of \$814,041 and any subsequent amendments for Fiscal Year (FY) 2021-22 from the California Department of Social Services for the purpose of providing school age child care and development services; and
2. Adopt Resolution No. CSD 2021-25. A resolution of the Moreno Valley Community Services District of the City of Moreno Valley, California, certifying approval of the governing board to enter into this transaction with the California Department of Social Services for the purpose of providing child care and development services and to authorize designated personnel to sign contract documents for FY 2021-22.
3. Authorize a budget adjustment as set forth in the Fiscal Impact section of this report.

C. CONSENT CALENDAR - HOUSING AUTHORITY

C.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

C.2. MINUTES - REGULAR MEETING OF MAY 18, 2021 6:00 PM (See A.2)

Recommendation: Approve as submitted.

D. CONSENT CALENDAR - BOARD OF LIBRARY TRUSTEES

D.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

D.2. MINUTES - REGULAR MEETING OF MAY 18, 2021 6:00 PM (See A.2)

Recommendation: Approve as submitted.

E. CONSENT CALENDAR - PUBLIC FINANCING AUTHORITY

E.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

E.2. MINUTES - REGULAR MEETING OF MAY184, 2021 6:00 PM (See A.2)

Recommendation: Approve as submitted.

F. PUBLIC HEARINGS

F.1. PUBLIC HEARING ESTABLISHING APPROPRIATIONS (“GANN”) LIMIT FOR FISCAL YEAR 2021/22 (RESO. NOS. 2021-53 and CSD 2021-26) (Report of: Financial & Management Services)

Acting Assistant City Manager and Chief Financial Officer Mohan provided a brief summary of this item.

Mayor Gutierrez opened the public hearing at 8:41 p.m. There being no speakers in favor or in opposition of this item, Mayor Gutierrez closed the public hearing at 8:41 p.m.

Recommendations: That the City Council and CSD:

1. Conduct a Public Hearing to receive public comments on the City of Moreno Valley General Fund appropriations limit for Fiscal Year 2021/22.
2. Adopt Resolution No. 2021- 53, a resolution of the City Council of the City of Moreno Valley, California, establishing the appropriations limit for Fiscal Year 2021/22.

- 3. Conduct a Public Hearing to receive public comments on the Moreno Valley Community Services District's appropriations limit for Fiscal Year 2021/22.
- 4. Adopt Resolution No. CSD 2021-26, a resolution of the Moreno Valley Community Services District establishing the appropriations limit for Fiscal Year 2021/22.

RESULT: APPROVED [UNANIMOUS]
MOVER: Victoria Baca, Mayor Pro Tem
SECONDER: Ulises Cabrera, Council Member
AYES: Dr. Yxstian A. Gutierrez, Victoria Baca, David Marquez, Ulises Cabrera

F.2. PUBLIC HEARING FOR DELINQUENT SOLID WASTE ACCOUNTS (Report of: Financial & Management Services)

Acting Assistant City Manager and Chief Financial Officer Mohan provided a brief summary of this item.

Mayor Gutierrez opened the public hearing at 8:43 p.m. There being no speakers in favor or in opposition of this item, Mayor Gutierrez closed the public hearing at 8:43 p.m.

Recommendations: That the City Council:

- 1. Conduct the Public Hearing and accept public testimony regarding Calendar Year (CY) 2020 unpaid solid waste accounts to be applied to the Fiscal Year (FY) 2021/22 County of Riverside property tax roll for collection;
- 2. Approve the Solid Waste Delinquency Report from Waste Management, Inc. (Waste Management) listing the CY 2020 delinquent solid waste accounts for placement on the FY 2021/22 County of Riverside property tax roll for collection; and
- 3. Direct the City Clerk to file the Solid Waste Delinquency Report with the County of Riverside Auditor-Controller.

RESULT: APPROVED [UNANIMOUS]
MOVER: David Marquez, Council Member
SECONDER: Ulises Cabrera, Council Member
AYES: Dr. Yxstian A. Gutierrez, Victoria Baca, David Marquez, Ulises Cabrera

F.3. PUBLIC HEARING FOR DELINQUENT NUISANCE ABATEMENT (RESO. NO. 2021-54) (Report of: Fire Department)

Fire Chief Ahmad provided a brief summary of this item.

Council Member Marquez congratulated the new Fire Marshall Doug Bloom. He asked for the lien repayment process.

Acting Assistant City Manager and Chief Financial Officer Mohan explained the property lien process.

Mayor Gutierrez opened the public hearing at 8:49 p.m. There being no speakers in favor or in opposition of this item, Mayor Gutierrez closed the public hearing at 8:49 p.m.

Recommendations:

1. Conduct a public hearing and accept public testimony on delinquent nuisance abatement account.
2. Adopt Resolution No. 2021-54 Resolution of the City Council of the City of Moreno Valley, California, Confirming Statements of Costs against Real Property located in the City of Moreno Valley, for Abatements of Public Nuisances and Direction that Said Statement of Costs Constitute a Lien upon Said Properties.
3. Approve placing the submitted Property Assessment List of delinquent nuisance abatement accounts on the Fiscal Year (FY) 2021/2022 Riverside County property tax roll for collection.
4. Direct the City Clerk to file with the Riverside County Tax Assessor's office a certified copy of Resolution No. 2021-54 and the Property Assessment List as required by Section 6.04.120 of the City of Moreno Valley Municipal Code.
5. Authorize the Chief Financial Officer to adjust the proposed special assessments in the event there are any parcel changes, clerical errors, or other adjustments as may be necessary between the date the special taxes were calculated and the date the fixed charges are submitted to the County of Riverside, provided the applied special assessments does not exceed the maximum special assessments.

RESULT: APPROVED [UNANIMOUS]
MOVER: David Marquez, Council Member
SECONDER: Ulises Cabrera, Council Member
AYES: Dr. Yxstian A. Gutierrez, Victoria Baca, David Marquez, Ulises Cabrera

F.4. WAS TAKEN OUT OF ORDER AND MOVED TO THE FIRST ITEM ON THE AGENDA.

G. GENERAL BUSINESS – NONE

H. ITEMS REMOVED FROM CONSENT CALENDARS FOR DISCUSSION OR SEPARATE ACTION – NONE

I. REPORTS

I.1. CITY COUNCIL REPORTS

(Informational Oral Presentation - not for Council action)

March Joint Powers Commission (JPC)

Mayor Pro Tem Baca reported the update from the March Joint Powers Commission meeting held on June 9th. The Commission approved a contract for an audit of the profit sharing calculation between the JPA and Meridian Park LLC. We approved some minor adjustments to the JPA salary scale. We approved a Final Parcel Map for the commercial project at Cactus and Meridian, and we approved an agreement for the Lateral B drainage project.

Riverside County Habitat Conservation Agency (RCHCA) – None

Riverside County Transportation Commission (RCTC)

Mayor Gutierrez reported that Moreno Valley received a \$430,000 funding allocation to construct pedestrian improvements throughout the City for Fiscal Year 2021/2022. The funding is from RCTC's SB 821 competitive grant program used for local pedestrian and bicycle projects.

Riverside Transit Agency (RTA)

Council Member Marquez reported that Riverside Transit Agency released their latest Ride Guide. The Guide provides up to date route information, protocols for safe travel on the bus, social media links to receive rider alerts, and current promotions. Please visit RiversideTransit.com for further details.

Western Riverside Council of Governments (WRCOG)

Mayor Pro Tem Baca reported on the items covered at the WRCOG Executive Committee meeting on June 7, 2021. They included that each year WRCOG recognizes individuals and/or organizations that put forth an extraordinary commitment to improving quality of life in Western Riverside County with an Award for Outstanding Community Service. The 2020 Award for Outstanding Community Service in the government category was awarded to the Riverside Transit Agency (RTA). In 2020, RTA launched the first-of-its-kind meal delivery Program to combat social isolation and delivered meals to homebound seniors

and people with disabilities. RTA employees also supported the Moreno Valley Senior Center to prepare 7,620 meals for older adults struggling with access to food and facing mental health challenges due to isolation. We also appointed a new Executive Director, Kurt Wilson and he will be aboard on July 1st.

Western Riverside County Regional Conservation Authority (RCA)

Council Member Marquez reported on the items covered at the RCA Board of Directors meeting on June 7, 2021 they included Moreno Valley's MSHCP fee collection totaled \$124,362.00 (44 residential permits and 3.43 acres of commercial/industrial) for the month of April 2021.

School District/City Joint Task Force – None

I.2. CITY MANAGER'S REPORT

(Informational Oral Presentation - not for Council action)

City Manager Lee reported that two cool centers had been activated one at the cottonwood golf center and the second one at the senior center due to the current heat wave. He wished the Council a happy summer recess because the month of July the Council would be going dark. He urged everyone to stay safe and stay cool.

CLOSING COMMENTS AND/OR REPORTS OF THE CITY COUNCIL, COMMUNITY SERVICES DISTRICT, CITY AS SUCCESSOR AGENCY FOR THE COMMUNITY REDEVELOPMENT AGENCY, HOUSING AUTHORITY, PUBLIC FINANCING AUTHORITY, AND THE BOARD OF LIBRARY TRUSTEES.

Council Member Marquez

1. Reminded everyone of his two town hall meetings at Weston Park: the one tomorrow evening would be on Public Safety and the one on Saturday morning, at 10:00 a.m., would be on Finance and Public Works.
2. Urged residents to use the cooling centers. Stated that RTA's dial a ride program could be called for pick ups and rides to the cooling centers.
3. Stated that this week the CHP DUI taskforce met and that the stats were down considerably.
4. Stated that the 4th of July illegal fireworks fine increase of \$1,000 was working.
5. Reported on the efforts of the Freeway cleanups by Caltrans and the ongoing issue of the roaming homeless people. Stated the City would continue to request that the weeds in that area be cleaned up.
6. Wished everyone a quiet evening, and bid them farewell until the meetings resumed in August.

Council Member Cabrera

1. Greeted everyone, stated that it had been a rough year and that today the State of California reopened. Urged everyone to be respectful and wear masks indoors and make sure that they were following the COVID guidelines.
2. Acknowledged that his brother Martin came to speak at the meeting and supported his comments.
3. Stated that regardless of political views, everyone should always be respectful to each other, as we all represent the City.
4. Announced that the Dr. Carla J. Thornton Teen Spot opened last week.
5. Announced that the Amphitheatre was opening on June 24th.
6. Announced that the Perris Pavilion "Food Lab" in District 3 would be opening within the next several weeks.
7. Stated that the demonstration garden was in construction and was coming along.
8. Stated he would be on a panel the next day for the San Gabriel City Manager's Association.
9. Congratulated the class of 2021, especially the college and university students.
10. Requested that the meeting close in memory of the 600,000 lives lost to COVID.

Mayor Pro Tem Baca

1. Thanked her colleagues that voted to approve the General Plan Update.
2. Stated that the Council Members may not agree with each other, however, they were moving the City forward and they had to do what was best for the City. She loved her City and has always been an advocate for more jobs in the City.
3. Announced that Thursday, June 24 at 5:30 p.m. was the grand opening of the Amphitheatre and invited everyone to attend and enjoy the music of the Latin Nation band.
4. Reminded everyone of the 4th of July parade, and to sign up to participate in the parade. Stated it was like Halloween in July. She further invited everyone to attend the FunFest and to enjoy the bands scheduled for that afternoon.

Mayor Gutierrez

1. Stated that everyone should be respectful to one another and hold one another accountable.
2. The General Plan Update started with a vision and now it would be the General Plan 2040 vision for the City. The Plan was a tool for the City to use and could be amended. The City had a project approval process that would still be followed.
3. Congratulated the new appointees especially the new members of the ELC, who were excited to be part of the City's youth government.
4. Announced the opening of the Dr. Carla J. Thornton TeenSpot, thanked the staff that attended. The TeenSpot was equipped with a ping-pong table.
5. Reminded everyone to stay cool, go to the cooling centers, if necessary, and to stay hydrated.
6. Invited everyone to all of the summer festivities.
7. Thanked all the public safety team for all the work they do.
8. Wished all fathers a Happy Fathers Day.

ADJOURNMENT

There being no further business to come before the City Council, Mayor Gutierrez adjourned the meeting at 9:15 p.m. in memory of the 600,000 lives lost from the COVID pandemic.

Submitted by:

Pat Jacquez-Nares, CMC & CERA
 City Clerk
 Secretary, Moreno Valley Community Services District
 Secretary, City as Successor Agency for the Community
 Redevelopment Agency of the City of Moreno Valley
 Secretary, Moreno Valley Housing Authority
 Secretary, Board of Library Trustees
 Secretary, Public Financing Authority

Approved by:

Dr. Yxstian A. Gutierrez
 Mayor
 City of Moreno Valley
 President, Moreno Valley Community Services District
 Chairperson, City as Successor Agency for the Community
 Redevelopment Agency of the City of Moreno Valley
 Chairperson, Moreno Valley Housing Authority
 Chairperson, Board of Library Trustees
 Chairperson, Public Financing Authority



Report to City Council

TO: Mayor and City Council

FROM: Pat Jacquez-Nares, City Clerk

AGENDA DATE: September 7, 2021

TITLE: COUNCIL DISCRETIONARY EXPENDITURE REPORTS FOR FISCAL YEAR 2020/2021 FROM JULY 1, 2020 THROUGH JUNE 30, 2021

RECOMMENDED ACTION

Recommendation:

1. Receive and file the Fiscal Year 2020/2021 Council Discretionary Expenditure Report for July 1, 2020 through June 30, 2021.

SUMMARY

This staff report is prepared at the request of the City Council to provide transparency with respect to the expenditure of City funds from City Council Discretionary Expenditure Accounts. These reports are for each Council Member's year to date expenditures for Fiscal Year 2020/2021, for July 1, 2020 through June 30, 2021. Each Council District receives an annual budget allocation of \$3,000 and the Mayor receives an annual budget allocation of \$6,000.

With the adoption of the current fiscal year budget and pursuant to Resolution No. 2019-27, unused monies from Fiscal Year 2019/2020 have been carried over to the current Fiscal Year as approved by the City Manager. The Discretionary Expenditure Reports now reflect the amended budget amount.

The expenditure reports are included routinely in the City Council agenda as an additional means of distributing reports on activities to the Council and public. The reports are to be posted to the City's website following Council approval. The monthly reports provide unaudited information and are reconciled to the City's general ledger. Following the end of the Fiscal Year, the financial information shall be reviewed as part of the City's independent financial audit.

NOTIFICATION

Posting of the agenda as required by the Brown Act.

PREPARATION OF STAFF REPORT

Prepared By:
Regina Flores
Senior Deputy City Clerk

Department Head Approval:
Pat Jacquez-Nares
City Clerk

CITY COUNCIL GOALS

None

CITY COUNCIL STRATEGIC PRIORITIES

- 1. Economic Development
- 2. Public Safety
- 3. Library
- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs

ATTACHMENTS

- 1. Jul - June Discretionary Report

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	8/31/21 6:06 PM
City Attorney Approval	<u>✓ Approved</u>	
City Manager Approval	<u>✓ Approved</u>	8/31/21 6:19 PM



MAYOR DR. YXSTIAN A. GUTIERREZ

Fiscal Year 2020/2021 Council Discretionary Expenditures
 Accounts: 1010-10-01-10015-620130 Mayor Discretionary
 1010-10-01-10015-620131 Mayor Discretionary - Carryover
 July 1, 2020 - June 30, 2021

Date	Amount	Description
		No expenditures to report for July 2020
		No expenditures to report for August 2020
		No expenditures to report for September 2020
		No expenditures to report for October 2020
		No expenditures to report for November 2020
		No expenditures to report for December 2020
		No expenditures to report for January 2021
		No expenditures to report for February 2021
		No expenditures to report for March 2021
		No expenditures to report for April 2021
		No expenditures to report for May 2021
		No expenditures to report for June 2021
	\$ -	TOTAL Council Discretionary Expenditures for FY 20/21
	\$ 6,000.00	FY 20/21 Adopted Budget Amount
	\$ 2,575.00	Carryover Budget Amount FY 19/20
	\$ 8,575.00	FY 20/21 Amended Budget Amount
	\$ 8,575.00	FY 20/21 Budget Amount Remaining

Source: Unaudited financial data from the City's accounting records.
 Updated as of: 08/31/2021



COUNCIL DISTRICT 1 VICTORIA BACA
 Fiscal Year 2020/2021 Council Discretionary Expenditures
 Accounts: 1010-10-01-10011-620111 District 1 Discretionary
 1010-10-01-10011-620116 District 1 Discretionary - Carryover
 July 1, 2020 - June 30, 2021

Date	Amount	Description
		No expenditures to report for July 2020
		No expenditures to report for August 2020
9/3/2020	\$ 400.00	Sponsorship MVAQ Pool Fees
		No expenditures to report for October 2020
		No expenditures to report for November 2020
		No expenditures to report for December 2020
		No expenditures to report for January 2021
		No expenditures to report for February 2021
		No expenditures to report for March 2021
		No expenditures to report for April 2021
		No expenditures to report for May 2021
		No expenditures to report for June 2021
	<u>\$ 400.00</u>	TOTAL Council Discretionary Expenditures for FY 20/21
	\$ 3,000.00	FY 20/21 Adopted Budget Amount
	<u>\$ 1,989.00</u>	Carryover Budget Amount FY 19/20
	<u>\$ 4,989.00</u>	FY 20/21 Amended Budget Amount
	\$ 4,589.00	FY 20/21 Budget Amount Remaining

Source: Unaudited financial data from the City's accounting records.
 Updated as of: 08/31/2021



COUNCIL DISTRICT 2 VACANT

Fiscal Year 2020/2021 Council Discretionary Expenditures
Accounts: 1010-10-01-10012-620112 District 2 Discretionary
1010-10-01-10012-620117 District 2 Discretionary - Carryover
July 1, 2020 - June 30, 2021

Date	Amount	Description
		No expenditures to report for July 2020
8/26/2020	\$ 994.36	Point Emblem - Custom Challenge Coins
		No expenditures to report for September 2020
10/31/2020	\$ 37.70	Staples - Screen Protector for City Issued Cell Phone
10/31/2020	\$ 7.05	Cupcake & Espresso Bar - Refreshments for Listening Session
10/31/2020	\$ 4.85	Cupcake & Espresso Bar - Refreshments for Listening Session
		No expenditures to report for November 2020
		No expenditures to report for December 2020
		No expenditures to report for January 2021
		No expenditures to report for February 2021
		No expenditures to report for March 2021
		No expenditures to report for April 2021
		No expenditures to report for May 2021
		No expenditures to report for June 2021
	<u>\$ 1,043.96</u>	TOTAL Council Discretionary Expenditures for FY 20/21
	\$ 3,000.00	FY 20/21 Adopted Budget Amount
	\$ 3,639.00	Carryover Budget Amount FY 19/20
	<u>\$ 6,639.00</u>	FY 20/21 Amended Budget Amount
	\$ 5,595.04	FY 20/21 Budget Amount Remaining

Source: Unaudited financial data from the City's accounting records.
Updated as of: 08/31/2021



COUNCIL DISTRICT 3 DAVID MARQUEZ

Fiscal Year 2020/2021 Council Discretionary Expenditures
 Accounts: 1010-10-01-10013-620113 District 3 Discretionary
 1010-10-01-10013-620118 District 3 Discretionary - Carryover
 July 1, 2020 - June 30, 2021

Date	Amount	Description
		No expenditures to report for July 2020
		No expenditures to report for August 2020
		No expenditures to report for September 2020
		No expenditures to report for October 2020
11/25/2020	\$ 500.00	Sponsorship Building Lives Moreno Valley Food Pantry
		No expenditures to report for December 2020
		No expenditures to report for January 2021
		No expenditures to report for February 2021
		No expenditures to report for March 2021
		No expenditures to report for April 2021
		No expenditures to report for May 2021
6/30/2021	35.85	Morrison Park Clean Up Refreshments
6/30/2021	49.97	Meeting with Assembly Member Medina
6/30/2021	24.30	Drinks for June Town Halls
	<u>\$ 610.12</u>	TOTAL Council Discretionary Expenditures for FY 20/21
	\$ 3,000.00	FY 20/21 Adopted Budget Amount
	<u>\$ 2,578.00</u>	Carryover Budget Amount FY 19/20
	<u>\$ 5,578.00</u>	FY 20/21 Amended Budget Amount
	\$ 4,967.88	FY 20/21 Budget Amount Remaining

Source: Unaudited financial data from the City's accounting records.
 Updated as of: 08/31/2021

Attachment: Jul - June Discretionary Report (5527 : COUNCIL DISCRETIONARY EXPENDITURE REPORTS FOR FISCAL YEAR 2020/2021)



COUNCIL DISTRICT 4 ULISES CABRERA

Fiscal Year 2020/2021 Council Discretionary Expenditures
 Accounts: 1010-10-01-10014-620114 District 4 Discretionary
 1010-10-01-10014-620119 District 4 Discretionary - Carryover
 July 1, 2020 - June 30, 2021

Date	Amount	Description
7/31/2020	\$ 10.00	Wake Up MoVal July 22 Meeting
8/24/2020	\$ 357.66	Sponsorship Be Kind to Your Mind Virtual Wellness Event
9/30/2020	\$ 10.00	Wake Up MoVal September 23 Meeting
		No expenditures to report for October 2020
		No expenditures to report for November 2020
12/17/2020	\$ 800.00	Sponsorship Power Speaks Louder Toy Drive
12/31/2020	\$ 1,000.00	Sponsorship Operation Big Blessings Toy Drive
1/31/2021	\$ 72.00	Registration Riverside County BIA Economic Forecast Registration
2/11/2021	\$ 677.85	Sponsorship Unity of the Faith Food Pantry
2/28/2021	\$ (67.00)	Refund Registration Cancellation BIA Economic Forecast less Processing Fee
		No expenditures to report for March 2021
		No expenditures to report for April 2021
		No expenditures to report for May 2021
6/7/2021	\$ 109.38	Power Speaks Louder U-Haul Rental
	\$ 2,969.89	TOTAL Council Discretionary Expenditures for FY 20/21
	\$ 3,000.00	FY 20/21 Adopted Budget Amount
	\$ 2,733.00	Carryover Budget Amount FY 19/20
	\$ 5,733.00	FY 20/21 Amended Budget Amount
	\$ 2,763.11	FY 20/21 Budget Amount Remaining

Source: Unaudited financial data from the City's accounting records.
 Updated as of: 08/31/2021



Report to City Council

TO: Mayor and City Council

FROM: Pat Jacquez-Nares, City Clerk

AGENDA DATE: September 7, 2021

TITLE: MAYORAL APPOINTMENT TO THE PARKS, COMMUNITY SERVICES, AND TRAILS COMMITTEE

RECOMMENDED ACTION

Recommendation:

1. Receive and confirm the Mayoral appointment as follows:

PARKS, COMMUNITY SERVICES AND TRAILS COMMITTEE

<u>Name</u>	<u>Position</u>	<u>Term</u>
Rylee Peak	Teen Member	Ending 09/07/23

CITY COUNCIL GOALS

Advocacy. Develop cooperative intergovernmental relationships and be a forceful advocate of City policies, objectives, and goals to appropriate external governments, agencies and corporations.

CITY COUNCIL STRATEGIC PRIORITIES

1. Economic Development
2. Public Safety
3. Library
4. Infrastructure
5. Beautification, Community Engagement, and Quality of Life
6. Youth Programs

ATTACHMENTS

- 1. Rylee Peak_Redacted

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	8/31/21 5:59 PM
City Attorney Approval	<u>✓ Approved</u>	
City Manager Approval	<u>✓ Approved</u>	8/31/21 6:18 PM



City of Moreno Valley COMMISSIONS

Teen Membership Application Form

CITY CLERK
MORENO VALLEY
RECEIVED
21 JUL 16 PM 12:13
For City Clerk's Use
Stamp Date and Time Received

Name: Rylee Peak
 Home Address: [REDACTED]
Moreno Valley, CA 92557
 How long have you resided in Moreno Valley? 5 yrs

CONFIDENTIAL INFORMATION

Home Phone No.: _____ Driver's License No.: N/A
 Work Phone No.: _____ E-mail Address: [REDACTED]
 Cell Phone No.: [REDACTED] Date of Birth: [REDACTED]

Name of High School/Middle School: Palm Middle School
 Address: 11900 Slawson Ave
Moreno Valley, CA 92557

Commission: 1st choice Parks, community service, & trails committee
 2nd choice Art commission

Why do you wish to serve on this Commission?

To serve my community & be a part of the change I want to see in the world. As the basis and foundation of my goals to give back and have a positive impact where I live. To learn from those with more experience & education.

List any education, training, or special skills, you have which may be relevant or of particular use to this Commission:

Steam Academy, coding club, lego robotics, school site council, martial arts, & speech & debate.

Explain briefly your understanding of what this Commission does, including its powers and limitations.

Votes on decisions regarding the specific committee. Takes community feedback & suggestions and puts them into action.

What do you hope to accomplish by your participation?

To make a positive impact in my community, to learn & gain more experience. To make connections with other members of my community. To further assist in my future career path.

Attachment: Rylee Peak_Redacted (5511 : MAYORAL APPOINTMENT TO THE PARKS, COMMUNITY SERVICES AND TRAILS COMMITTEE)

List any employment, volunteer work, or membership in a service/community organization that you have served on, or are now a member of. Please provide the name(s) of the agency(ies) and dates served:

Palm Middle School school site council Vice Chairman
2020 - present

What other areas of interest do you have in our City government?

I aspire to one day have a career in politics and have a current interest in our city council, mayors office, & the library teen advisory board.

Would you be available for meetings during the day or evening?

Attendance of at least one (1) meeting is required prior to the appointment.

Date(s) of the meeting(s) attended: _____

Pursuant to Resolution 2016-42 all board or commission members must be registered voters of the City of Moreno Valley, provided they are at least 18 years old.

I hereby authorize the City of Moreno Valley to review, on a confidential basis, such information regarding me as may be contained in the California State Summary Criminal History and in records of the California Department of Motor Vehicles. Yes No (Not applicable to minors)

I hereby agree to attend all Commission meetings, unless excused, and understand that I may be removed for lack of attendance, pursuant to Municipal Code, Subsection 2.06.010(C) which states, "If a member is absent without advance permission of the board or commission or the appointing authority from three consecutive regular meetings or from 25% of the duly scheduled meetings of the board or commission within any fiscal year, the membership shall thereupon become vacant and shall be filled as any other vacancy."

CERTIFICATE OF APPLICANT: I certify that all statements in this application are true and complete to the best of my knowledge and belief, and that any false statements of material fact will subject me to the City of Moreno Valley from any liability for the use



07/15/2021
Date

Please Note: Applications will be kept on file for potential future vacancies for one year after the application submittal date. Applications are accepted year-round. All applications are public record; personal information may be redacted to protect applicants' privacy.

Attachment: Rylee Peak_Redacted (5511 : MAYORAL APPOINTMENT TO THE PARKS, COMMUNITY SERVICES AND TRAILS COMMITTEE)



Report to City Council

TO: Mayor and City Council

FROM: Manuel A. Mancha, Community Development Director

AGENDA DATE: September 7, 2021

TITLE: AMENDMENT TO PUBLIC FACILITIES FEE CREDIT AND ENTITLEMENT FUND AGREEMENT WITH SP/CCI LLC TO EXTEND THE AGREEMENT FOR FIVE YEARS

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Approve the Amendment to the Public Facilities Fee Credit and Entitlement Fund Agreement with SP/CCI, LLC for Acquisition of Parcels APN 478-120-003 & -004 ("Agreement"); and
2. Authorize the City Manager to execute the Agreement in the form attached hereto and authorize the Community Development Director to approve any minor changes to the Agreement that may be necessary and subsequent documents required to effectuate the intent of the Agreement, subject to the approval of the City Attorney.

SUMMARY

This report recommends approval of an amendment to the Public Facilities Fee Credit and Entitlement Fund Agreement with SP/CCI, LLC for Acquisition of Parcels APN 478-120-003 & -004 to allow the Developer access to fee credits and entitlement funds as previously authorized in the Agreement for an additional five years.

DISCUSSION

In 2011, the City Council approved an agreement with SP/CCI LLC for the conveyance of real property in which the City acquired parcels from the developer for a future City park site and fire station site. As part of the accord between the City and Developer, the City provided a public facilities fee credit for 367 Parkland (Quimby In-Lieu) Single Family Residential (SFR) Unit fee credits and 264 Fire Facilities Single Family

Residential (SFR) Unit fee credits, along with an entitlement fund credit of \$130,000.00, as part of the purchase price. These items, memorialized in the Agreement, had a term of 10 years, set to expire on December 14, 2021.

The Developer intends to use the fee credits and the entitlement fund for a residential development project generally on the north side of Cactus Avenue, west of Redlands Boulevard. The Developer had initiated project reviews with the City via a Pre-application in 2019. However, due to the COVID-19 pandemic and the need to explore options with the Riverside County Flood Control District on Master Plan of Drainage design aspects, the Developer was unable to commence and complete the entitlement process as previously planned. Applications were submitted in 2021 and the Developer is requesting additional time to utilize the entitlement fund and fee credits in order to complete the entitlement process and utilize the fee credits for construction.

Staff recommends amending the Fee Credit Agreement to extend the duration for five years (until December 14, 2026).

ALTERNATIVES

Do not amend the Agreement; this may impact the Developer's desire to complete the project and is not consistent with the intent of the prior property acquisition.

FISCAL IMPACT

The extension of the agreement provides the Developer with a continued reduction in two development impact fees (Parks and Fire) as well as a continued credit for entitlement processing as previously approved by the City Council.

NOTIFICATION

The Developer was provided a copy of the staff report. Public notification is provided through publication of the agenda.

PREPARATION OF STAFF REPORT

Prepared By:
Patty Nevins
Planning Official

Department Head Approval:
Manuel A. Mancha
Community Development Director

Concurred By:
Michael L. Wolfe
Assistant City Manager / Public Works Director / City Engineer

CITY COUNCIL GOALS

Community Image, Neighborhood Pride and Cleanliness. Promote a sense of community pride and foster an excellent image about our City by developing and executing programs which will result in quality development, enhanced neighborhood preservation efforts, including home rehabilitation and neighborhood restoration.

CITY COUNCIL STRATEGIC PRIORITIES

- 1. Economic Development
- 2. Public Safety
- 3. Library
- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs

ATTACHMENTS

- 1. Letter-Michael Wolfe RE Fee Credits
- 2. Amended SP CCI Fee Agreement_20210826
- 3. SP/CCI Fee Credit & Entitlement Agreement
- 4. P&S Agreement-CMV-SP-CCI
- 5. SP CCI, LLC Staff Report December 2011

APPROVALS

Budget Officer Approval	<u> ✓ Approved </u>	8/29/21 7:50 PM
City Attorney Approval	<u> ✓ Approved </u>	
City Manager Approval	<u> ✓ Approved </u>	8/30/21 9:10 AM

Stowe Properties, Inc.
 1421 Seacrest Drive
 Corona del Mar, CA 92625
ibildm@gmail.com
 714-448-5849

August 25, 2021

Mr. Michael L. Wolfe
 Assistant City Manager
 Public Works Director/City Engineer
 City Manager's Office City of Moreno Valley

RE: Extension of Public Facilities Fee Credit & Entitlement Fund Agreement with SP/CCI, LLC

Dear Mr. Wolfe:

We appreciate your consideration for our request to extend the Public Facilities Fee Credit and Entitlement Fund Agreement. We extend our appreciation to the Moreno Valley City Council and City Staff as well. As you are aware, we obtained these credits as a partial payment for the sale of the parcel located at the corner of Redlands Blvd. and Brodiaea Ave. to the City of Moreno Valley. Although we have not been able to use these credits due to multiple factors over time, we are optimistic about current market conditions and our current projects in the City which would allow us to make use of the fee credits as originally intended. We look forward to working with you and please contact us anytime if we can provide any additional information.

Respectfully,

SP/CCI, LLC

By: Stowe Passco Development LLC, its Manager

By: Stowe Properties Inc, its Manager

By: Nat Stowe Harty



President

cc: Bill Passo, Passco Pacifica LLC
 Oscar Graham, Passco Pacifica LLC
 Scott Allen, Passco Pacifica LLC

Attachment: Letter-Michael Wolfe RE Fee Credits (5513 : Amendment to Fee Credit Agreement with SP/CCI LLC)

**PUBLIC FACILITIES FEE CREDIT
AND
ENTITLEMENT FUND
AGREEMENT

AMENDMENT**

This Amendment to Public Facilities Fee Credit and Entitlement Fund Agreement with SP/CCI, LLC for Acquisition of Parcels APN 478-120-003 & -004 dated December 14, 2011 (“Amendment”), is entered into by between the City of Moreno Valley, a municipal corporation (“City”) and SP/CCI, LLC, a California Limited Liability Company (“Developer”) on this _____ day of _____, 2021.

RECITALS:

WHEREAS, City and Developer entered into a Public Facilities Fee Credit and Entitlement Fund Agreement with SP/CCI, LLC for Acquisition of Parcels APN 478-120-003 & -004 dated December 14, 2011 (“Agreement”); and

WHEREAS, pursuant to the Agreement, City and Developer agreed that the Public Facilities Fees and Entitlement Fund shall be effective for 10 years, effective from the date this agreement is fully executed or the date of escrow closing; and

WHEREAS, Developer has requested an extension in the term of the Agreement for a period of five years which City is not legally obligated to provide under the terms and conditions of the Agreement.

NOW THEREFORE, IN CONSIDERATION OF THE COVENANTS, CONDITIONS AND PROMISES CONTAINED HEREIN, THE PARTIES HERETO AGREE AS FOLLOWS:

Section 1. Recitals

The Recitals set forth above are true and correct and are hereby incorporated into this Amendment by this reference, as though set forth in full herein.

Section 2. Term Extension

The term of the Agreement shall be extended to December 14, 2026, subject to the terms and conditions of this Amendment.

Section 3. Nexus/Reasonable Relationship Challenges

As it relates to the subject Fee Credit Agreement and this Amendment, Developer consents to and waives any rights it may have now or in the future to challenge the legal validity of, the conditions or requirements set forth in this Amendment and the attached Agreement including, without limitation, any claim that they constitute an abuse of the police power, violate substantive due process, deny equal protection of the laws, effect a taking of property without payment of just compensation, or impose an unlawful tax.

Section 4. Civil Code Section 1542 Waiver

As it relates to the subject Fee Credit Agreement and this Amendment, Developer hereby waives any and all rights Developer or its successors and assigns may have under Article XIIC or Article XIID of the California Constitution and any and all rights Developer or its successors and assigns may have under any other applicable law to contest the fees, exactions and assessments and/or their amounts under this Amendment and the Agreement as follows:

In furtherance of the Parties' intentions, Developer with and under advice of counsel, hereby expressly waives any and all right and benefit conferred upon Developer by the provisions of Civil Code Section 1542, which provides as follows:

"A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that if known by him or her would have materially affected his or her settlement with the debtor or released party."

As it relates to the subject Fee Credit Agreement and this Amendment, Developer further expressly waives any and all rights and benefits conferred upon Developer by any provision of any other state, federal or local statute, code, ordinance or law similar to Section 1542 of the Civil Code. Developer expressly consents that the waiver of rights contained in the first paragraph shall be given full force and effect, according to the express terms and provisions of the instant waiver, to unknown and unsuspected claims, demands and causes of action, if any, arising out of or relating to the waiver of rights contained in this Amendment and the Agreement.

Initials:
Developer  _____

Section 5. Legal Action; Attorneys' Fees

Either party may, in addition to any other rights or remedies, institute legal action to cure, correct or remedy a default, enforce any covenant or agreement herein, enjoin any threatened or attempted violation hereof, or enforce by specific performance the obligations and rights of the parties hereto. The prevailing party in any such action shall

Attachment: Amended SP CCI Fee Agreement_20210826 (5513 : Amendment to Fee Credit Agreement with SP/CCI LLC)

be entitled to its reasonable attorneys' fees and costs to be paid by the losing party.

Section 6. No Damages Relief

Notwithstanding anything else in this Amendment and the attached Agreement to the contrary, the parties acknowledge that neither would have entered into this Amendment and the Agreement had either been exposed to damage claims for any breach hereof. As such, the parties agree that in no event shall either party be entitled to recover monetary damages of any kind whatsoever (other than the recovery of costs and attorney's fees pursuant to the terms of this Amendment or applicable law) against the other for breach of this Amendment or the attached Agreement.

Section 7. Non-Liability of City's Officers and Employees

No officer or employee of the City shall be personally liable to Developer, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to Developer or to its successor, or for any breach of any obligation of the terms of this Amendment or the attached Agreement.

Section 8. Notices

Any notice or communication required hereunder among the City and the Developer shall be in writing and may be given either personally or by registered mail, return-receipt requested. Notice, whether given by registered mail or personal delivery, shall be deemed to have been given and received on the actual receipt by any of the addresses designated below as the party to whom notices are to be sent. Any party hereto may at any time, upon written notice to the other party hereto, designate any other address in substitution of the address to which such notice or communication shall be given. Such notices or communications shall be given to the parties at their addresses set forth below:

To City:

City of Moreno Valley
 Attention: City Manager
 14177 Frederick Street
 P.O. Box 88005
 Moreno Valley, CA
 92552-0805

To Developer:
Stowe Properties Inc.
C/O Nat S. Harty
1421 Seacrest Drive
Corona del Mar, CA 92625

Section 9. Captions and Headings

The captions and headings contained in this Amendment are provided for identification purposes only and shall not be interpreted to limit or define the content of the provisions described under the respective caption or heading.

Section 10. Modifications and Amendments

This Amendment may be modified or amended only by a written instrument signed by both parties.

Section 11. Waiver

- a. No waiver shall be binding, unless executed in writing by the party making the waiver.
- b. No waiver of any provision of this Amendment or the attached Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any such waiver constitute a continuing or subsequent waiver of the same provision.
- c. Failure of either party to enforce any provision of this Amendment or the attached Agreement shall not constitute a waiver of the right to compel enforcement of the remaining provisions of this Amendment or the attached Agreement.

Section 12. Severability

If any one or more of the sentences, clauses, paragraphs or sections contained herein is declared invalid, void or unenforceable by a court of competent jurisdiction, the same shall be deemed severable from the remainder of this Amendment and the attached Agreement and shall not affect, impair or invalidate any of the remaining sentences, clauses, paragraphs or sections contained herein.

Section 13. **Interpretation**

This Amendment and the attached Agreement shall not be interpreted against either party on the grounds that one of the parties was solely responsible for preparing it or caused it to be prepared as both parties were involved in drafting them.

Section 14. **Applicable Law**

This Amendment and the attached Agreement shall be construed and enforced in accordance with the laws of the State of California.

Section 15. **Venue**

In the event that suit is brought by either party to this Amendment or the attached Agreement, the parties agree that venue shall be exclusively vested in the State courts of the County of Riverside, California or where appropriate, in the United States District Court, Southern District of California, Riverside, California.

Section 16. **Litigation Expenses and Attorneys' Fees**

In the event any action, suit or proceeding is brought for the enforcement of, or the declaration of any right or obligation pursuant to this Amendment and the attached Agreement as a result of any alleged breach of any provision of this Amendment or the attached Agreement, the prevailing party in such suit or proceeding shall be entitled to recover its costs and expenses, including reasonable attorney's fees, from the losing party, and any judgment or decree rendered in such a proceeding shall include an award thereof.

Section 17. **Entire Agreement**

This Amendment and the attached Agreement attached hereto contain all the representations and the entire agreement between the parties with respect to the subject matter hereof. Except as otherwise specified in this Amendment and the attached Agreement, any prior correspondence, memoranda, warranties, representations and agreements unless otherwise provided in this Amendment or in the attached Agreement, are superseded in total by this Amendment and the Agreement attached hereto.

Section 18. **Execution in Counterparts**

This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same

instrument. Electronic signatures shall be deemed to constitute evidence of the Amendment having been executed.

Section 19. Authority to Execute Amendment

The person or persons executing this Amendment on behalf of Developer and City warrant and represent that they have the authority to execute this Amendment and the authority to bind Developer and City, as applicable, to the performance of their respective obligations hereunder.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed as of the dates written above.


CITY OF MORENO VALLEY

SP/CCI, LLC

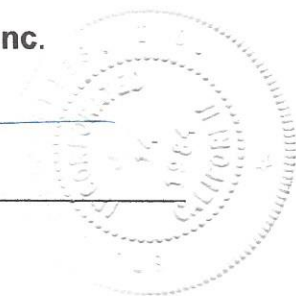
Mike Lee, City Manager

By: Stowe Passco Development, LLC
Its Manager
By: Stowe Properties, Inc.
Its Manager

APPROVED AS TO CONTENT:



Nat S. Harty, President



ATTEST:

Pat Jacquez-Nares,
City Clerk

APPROVED AS TO FORM:

Steven B. Quintanilla,
Interim City Attorney

Attachment: Amended SP CCI Fee Agreement_20210826 (5513 : Amendment to Fee Credit Agreement with SP/CCI LLC)

**PUBLIC FACILITIES FEE CREDIT AND
ENTITLEMENT FUND AGREEMENT
WITH SP/CCI, LLC FOR ACQUISITION OF
PARCELS APN 478-120-003 & -004**

This Public Facilities Fee Credit and Entitlement Fund Agreement (“PFF Agreement”) is entered into between the City of Moreno Valley (“City”) and SP/CCI, LLC, a California Limited Liability Company (“Developer”), as of 12 - 14, 2011 (“the Effective Date”), and sets forth the understanding of City and Developer with respect to the following:

1. Recitals.

1.1 Whereas, Developer is the owner of that certain real property in the Cactus Corridor Specific Plan, and is the Developer by authority of a Development Agreement with the University of California Riverside for the project known as L’Aquila at Rancho Belago south of the Auto Mall in the City of Moreno Valley, County of Riverside, California (the “Project”); and

1.2 Whereas, this agreement between the City and Developer, relative to the partial acquisition of parcels APN 478-120-003 & -004 provides Developer credits for 367 Parkland (Quimby In-Lieu) Single Family Residential Unit (SFR) Fee Credits and 264 Fire Facilities Single Family Residential Unit (SFR) Fee Credits. The value of these credits shall be the fee for Parkland (Quimby In-Lieu) and Fire Facilities at time of building permit issuance; and

1.3 Whereas, City agrees to a density transfer to Developer for other projects in the Cactus Corridor Specific Plan at least equivalent to the underlying zoning for the remainder portion of parcel 478-120-004 equal to approximately 0.658 acres, contingent on merger of said remainder parcel with adjacent properties by the Developer.

1.4 Whereas, City establishes an entitlement fund in the amount of \$130,000 to cover City fees and cost associated with planning entitlement applications for the property owner’s projects in the City; and

Now, therefore, City and Developer, in consideration of their respective commitments below, agree as follows:

2. Fee Credits:

2.1 City and Developer have reached an understanding as to the terms of this PFF Agreement, specifically that the City shall apply the credits for 367 lots against the

**PUBLIC FACILITIES FEE CREDIT AND
ENTITLEMENT FUND AGREEMENT
WITH SP/CCI, LLC FOR ACQUISITION OF
PARCELS APN 478-120-003 & -004**

Parkland (Quimby In-Lieu) Fees, and 264 lots for Fire Facilities Fees in effect at the time of building permit issuance , but not less than \$685,120 for Parkland Fees and not less than \$171,280 for the Fire Facilities Fee.

2.2 City and Developer agree that the Fee Credits can be transferred or sold by the Developer subject to the provisions of Section 6.9 of this Agreement.

3. Entitlement Fund:

3.1 City establishes an entitlement fund in the amount of \$130,000 to cover City fees and cost associated with planning entitlement applications for the property owner's projects in the City. The entitlement fund can be transferred or sold by the Developer in the future subject to the provisions of Section 6.9 of this Agreement.

4. Timing and Validation of Public Facilities Fees and the Entitlement Fund:

4.1 City and Developer agree that the Public Facilities Fees and Entitlement Fund shall be effective for 10 years, effective from the date this agreement is fully executed or the date of escrow closing.

5. Enforcement.

5.1 Enforcement by Either Party. The City agrees that unless this PFF Agreement is amended or terminated by mutual agreement of City and Developer, this PFF Agreement shall be enforceable by any party hereto notwithstanding any change hereafter in any applicable General Plan, Specific Plan, City Ordinance, Rule or Regulation.

5.2 The Cumulative Remedies. In addition to any other rights or remedies, either party may institute a legal action to cure, correct or remedy any default, to enforce any covenant or agreement herein, or to enjoin any threatened or attempted violation, including suits for declaratory relief, specific performance, relief in the nature of mandamus and actions for damages. All the remedies described above shall be cumulative and not exclusive to one another, and the exercise of any one or more of the remedies herein shall not constitute a waiver or election with respect to any other available remedy.

**PUBLIC FACILITIES FEE CREDIT AND
ENTITLEMENT FUND AGREEMENT
WITH SP/CCI, LLC FOR ACQUISITION OF
PARCELS APN 478-120-003 & -004**

5.3 Attorneys' Fees. In any arbitration, administrative proceedings, or any action in any courts of competent jurisdiction, brought by one or more parties to enforce any provision of this PFF Agreement, or to enforce any rights or remedies under this PFF Agreement, including any action for declaratory or equitable relief, the prevailing party shall be entitled to reasonable attorneys' fees and all reasonable costs, expenses and disbursements in connection with such action.

6. Miscellaneous Provisions.

6.1 Covenants, Conditions and Restrictions. The terms of this PFF Agreement shall be binding upon the parties, their successors and assigns. Any successor in interest of Developer may enforce the provisions of this PFF Agreement.

6.2 Governing Law. This PFF Agreement, including, without limitation, its existence, validity, construction and operation, and the rights of each of the parties hereunder, shall be determined in accordance with the laws of the State of California.

6.4 Recitals. The recitals in this PFF Agreement constitute part of this PFF Agreement and each party shall be entitled to rely on the truth and accuracy of each recital as an inducement to enter into this PFF Agreement.

6.5 Time. Time is of the essence for this PFF Agreement and for each and every term and condition hereof.

6.6 No Third Party Beneficiaries. This PFF Agreement is made and entered into for the sole protection and benefit of the parties and their successors and assigns. Except as expressly provided in this PFF Agreement, no other person shall have any rights or cause of action based upon any provision of this PFF Agreement.

6.7 Waiver. The failure of either party at any time to seek redress for any violation of this PFF Agreement, or to insist upon the strict performance of any term or condition of this PFF Agreement, shall not prevent any subsequent act or omission of the same or similar nature from having all the force and effect of the original breach or default, and such subsequent act or omission may be proceeded against by either party to the fullest extent provided by this PFF Agreement. No provision of this PFF

**PUBLIC FACILITIES FEE CREDIT AND
ENTITLEMENT FUND AGREEMENT
WITH SP/CCI, LLC FOR ACQUISITION OF
PARCELS APN 478-120-003 & -004**

Agreement shall be deemed to have been waived by either party unless the waiver is in writing and is signed by the party waiving its rights or claims.

6.8 Binding Effect. The covenants and agreements contained in this PFF Agreement shall inure to the benefit of, and shall be binding upon each of the parties and their respective heirs, administrators, successors and assign.

6.9 Transfer of Credits. The Developer shall notify the City of any proposed transfer of credits at least 30 days prior to the effective date of said transfer. Such notification shall provide a copy of the transfer documentation, including the name and contact information for the transferee. Any transferee shall be subject to the provisions of this Agreement. The transferee may use the Fee Credits to defray Parkland or Fire impact fees on a per unit basis for any residential project in the City. The Entitlement Fund may be used for the Developer's projects in the City of Moreno Valley as mentioned in 1.1.

SIGNATURE PAGE TO FOLLOW

**PUBLIC FACILITIES FEE CREDIT AND
ENTITLEMENT FUND AGREEMENT
WITH SP/CCI, LLC FOR ACQUISITION OF
PARCELS APN 478-120-003 & -004**

EXECUTED on the date or dates set forth below. This Agreement shall be effective as of the date signed by all parties.

DATED: 12/2/11

Grantor:
SP/CCI, LLC, a California Limited Liability Company

By: Stowe Passco Development, LLC, Manager

By: Stowe Properties, Inc., Manager

[Signature]

By: Nat S. Harty President

DATED: 12/14/11

Grantee:
CITY OF MORENO VALLEY

By: Michelle Dawson

Its: City Manager

[Signature]

Attest: _____

City Clerk
(only needed if Mayor signs)

APPROVED AS TO FORM:

Deputy [Signature]
City Attorney

Attachment: SP/CCI Fee Credit & Entitlement Agreement [Revision 1] (5513 : Amendment to Fee Credit Agreement with SP/CCI LLC)

ACKNOWLEDGMENT

State of California
County of Riverside)

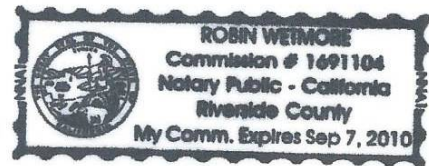
On Dec. 15, 2011 before me, Robin Wetmore, Notary Public
(insert name and title of the officer)

personally appeared Michelle Dawson
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 Robin Wetmore (Seal)



Re: Public Facilities Fee Credit &
Entitlement Fund Agreement
with SP/CCI, LLC for Acquisition
of parcels APN 478-120-003 + 004

Attachment: SP/CCI Fee Credit & Entitlement Agreement [Revision 1] (5513 : Amendment to Fee Credit Agreement with SP/CCI LLC)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

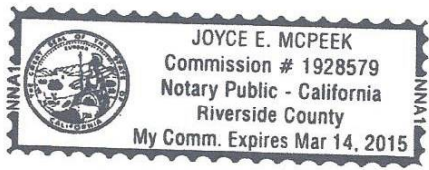
State of California

County of RIVERSIDE }

On DEC 2, 2011 before me, Joyce E. McPeck, Notary
Date Here Insert Name and Title of the Officer

personally appeared NAT S. HARTY
Name(s) of Signer(s)

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: Joyce E. McPeck, Notary
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Public Facilities Fees Credit & Entitlement Fund Agreement

Document Date: 12-2-11 Number of Pages: 6

Signer(s) Other Than Named Above: NONE

Capacity(ies) Claimed by Signer(s)

Signer's Name: NAT S. HARTY Signer's Name: _____

Corporate Officer — Title(s): PRES Corporate Officer — Title(s): _____

Individual Partner — Limited General Individual

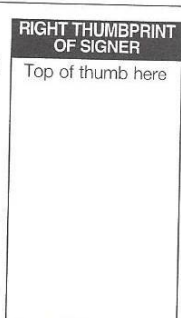
Attorney in Fact Attorney in Fact

Trustee Trustee

Guardian or Conservator Guardian or Conservator

Other: _____ Other: _____

Signer Is Representing: _____ Signer Is Representing: _____



Attachment: SP/CCI Fee Credit & Entitlement Agreement [Revision 1] (5513 : Amendment to Fee Credit Agreement with SP/CCI LLC)

AGREEMENT FOR CONVEYANCE OF REAL PROPERTY

THIS AGREEMENT is entered into by and between SP/CCI, LLC, a California limited liability company ("Grantor") and CITY OF MORENO VALLEY, a municipal corporation ("Grantee").

RECITALS

A. Grantor owns certain real property located at the southwest corner of Redlands Boulevard and Brodiaea Avenue, Moreno Valley, bearing Assessor Parcel No. 478-120003 & 004 (the "Property").

B. Grantee desires to purchase a portion of the Property and Grantor desires to sell and convey a portion of the Property as described in Exhibit A and depicted in Exhibit B, both of which are attached hereto (the "Parcel").

C. The parties desire by this Agreement to provide the terms and conditions for the purchase and sale of the Parcel.

AGREEMENT

The parties therefore agree as follows:

1. PURCHASE.

Grantee agrees to buy and Grantor agrees to sell and convey the Parcel for the purchase price and upon the terms and conditions hereinafter set forth. The Purchase Price, defined below, is acknowledged by both parties to be a negotiated value for the Parcel.

2. ESCROW.

Upon execution of this Agreement by all parties, Grantee shall open an escrow (the "Escrow") with Lawyers Title (the "Escrow Holder") for the purpose of consummating the purchase and sale of the Parcel. The parties hereto shall execute and deliver to Escrow Holder such escrow instructions prepared by Escrow Holder as may be required to consummate this transaction. Any such instructions shall not conflict with, amend, or supersede any provision of this Agreement. If there is any inconsistency between such instructions and this Agreement, this Agreement shall control unless the parties agree in writing otherwise. The Escrow Instructions shall include the following terms and conditions of sale:

2.1 Purchase Price.

The total purchase price for the Parcel shall be \$1,262,400, which will be in a combination of cash and fee credits as shown in attached Exhibit D. The cash portion of the purchase price and fee credits documentation shall be transferred by Grantee to Grantor through Escrow Holder at Close of Escrow.

2.2 Close of Escrow.

Escrow shall close on or before sixty (60) days following the execution of this Agreement (the "Close of Escrow"). If the Escrow is not in a condition to close within 60 days from the opening date of "Escrow", any party who is not then in default may, in writing, demand the return of its/his/her money and/or documents. Thereupon, subject to the provisions in paragraph 3, all obligations and liabilities of the parties under this Agreement shall cease and terminate.

2.3 Condition of Title to the Parcel.

Grantor shall convey title to the Parcel to Grantee as evidenced by a CLTA Standard Form Policy or Binder of Title Insurance ("Title Policy") issued by a title insurance company to be selected by Grantee in an amount equal to the purchase price. The Title Policy shall show as exceptions with respect to the Parcel only matters approved in writing by Grantee. Any exceptions to title representing monetary liens or encumbrances are hereby disapproved by Grantee, and Escrow Holder is hereby authorized and instructed to cause the reconveyance, partial reconveyance, or subordination, as the case may be, of any such monetary exceptions to Grantee's title to the Parcel at or prior to the Close of Escrow.

2.4 Escrow and Closing Costs.

Grantee shall pay the cost of the Title Policy, all Escrow fees (including reconveyance fees, trustee's fees or forwarding fees for any partial reconveyance or subordination of a deed of trust or mortgage), and all recording costs incurred herein. All parties acknowledge that Grantee is exempt from payment of documentary transfer taxes.

2.5 Investigations.

Prior to the Close of Escrow, Grantee may, at its option, conduct, at Grantee's expense, any and all investigations, inspections, surveys, and tests of the Property including, without limitation, soils, groundwater, wells, percolation, geology, environmental, drainage, engineering and utilities investigations, inspections, surveys, and tests, which determines, in its sole discretion, are required to determine the suitability of the Parcel for Grantee's intended use thereof. If Grantee determines that the Parcel is not suitable for its intended use, Grantee may disapprove this item and terminate this Agreement as provided at Section 2.2 above. Grantor hereby grants to Grantee, and Grantee's employees, representatives, agents and independent contractors, a license to enter the Property for purposes of conducting such investigations, inspections, surveys, and tests. Grantee shall repair any damage to the Property resulting from such investigations, inspections, surveys, and tests conducted by Grantee or Grantee's employees, representatives, agents or independent contractors. Grantee's approval of any of such investigations, inspections, surveys, or tests shall not alter or diminish Grantor's representations or warranties under this Agreement, and Grantor acknowledges and agrees that Grantee is relying upon

Grantor's representations and warranties made herein, unless such representation or warranty is specifically waived in whole or in part by Grantor. Grantee to indemnify Grantor and provide a policy of general liability insurance of \$1,000,000 for Grantee's employees and agents during the investigative period and name Grantor as additional insured.

2.6 Deposit of Funds and Documents.

(a) Prior to Close of Escrow, Grantee shall deposit into Escrow (I) all Escrow and Closing Costs as described above; (ii) the cash portion of the purchase price to be paid to Grantor through Escrow; and (iii) such other documentation as is necessary to close Escrow in conformance herewith.

(b) Prior to the Close of Escrow, Grantor shall deposit into Escrow (I) the properly executed Grant Deed conveying the Parcel, a copy of which is attached to this Agreement as Exhibit C; and (ii) such other documents and sums, if any, as are necessary to close Escrow in conformance herewith.

2.7 Grantee's Conditions Precedent to Close of Escrow.

The Close of Escrow is subject to the following conditions:

(a) All representations and warranties of Grantor set forth in this Agreement shall be true and correct as of the Close of Escrow; and

(b) Grantor shall timely perform all obligations required by the terms of this Agreement to be performed by them.

2.8 Grantor's Conditions Precedent to Close of Escrow.

For the benefit of Grantor, the Close of Escrow shall be conditioned upon the timely performance by Grantee of all obligations required of Grantee by the terms of this Agreement.

3. REPRESENTATIONS AND WARRANTIES OF GRANTOR.

Grantor makes the following representations and warranties, each of which shall survive the Close of Escrow:

(a) Grantor holds title to an indefeasible estate in fee simple in the Property. Grantor is the sole owner of the Property and has good, absolute and marketable title to the Property and has full power and authority to own and sell and convey the Parcel over, under and/or through the Property to Grantee and to enter into and perform his/her/its obligations pursuant to this Agreement;

(b) The execution and delivery of this Agreement by Grantor, Grantor's performance hereunder, and the consummation of this transaction will not constitute a

violation of any order or decree or result in the breach of any contract or agreement to which Grantor are at present parties, or by which Grantor are bound;

(c) Grantor will not enter into any agreements or undertake any new obligations prior to Close of Escrow which will in any way burden, encumber or otherwise affect the Property without the prior written consent of Grantee;

(d) To Grantor's knowledge, no litigation and no governmental, administrative or regulatory act or proceeding regarding the environmental, health and safety aspects of the Property is pending, proposed or threatened;

(e) According to Grantor's knowledge, the Property is not in violation of any federal, state or local statute, regulation or ordinance relating to industrial hygiene or to environmental conditions on, under or about the Property, including, but not limited to, soil and groundwater conditions underlying the Property which could affect the Parcel or its use, and Grantor has not used, generated, manufactured, stored or disposed of on, under or about the Property, or transported to or from the Property, any flammable materials, explosives, radioactive materials, hazardous or contaminated materials or substances, toxic or noxious materials, substances or related materials or substances ("Hazardous Materials"). For the purpose of this Section, Hazardous Materials shall include, without limitation, substances defined as "hazardous substances," "hazardous materials," "toxic substances," "hazardous wastes," "extremely hazardous wastes," or "restricted hazardous wastes," or stated to be known to cause cancer or reproductive toxicity, under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. sections 9601 et seq; the Hazardous Materials Transportation Act, 49 U.S.C. sections 1801 et seq; the Resource Conservation and Recovery Act, 42 U.S.C. sections 6901 et seq; the Federal Water Pollution Control Act, 33 U.S.C. sections 1317 et seq; sections 25115, 25117, 25122.7, 25140, 25249.5, 25249.8, 25281, 25316 or 25501 of the California Health & Safety Code; or any substances so defined or stated in any of the regulations adopted and publications promulgated pursuant to said laws as they may be amended from time to time.

4. REPRESENTATIONS AND WARRANTIES OF GRANTEE.

A. Grantee shall save harmless and indemnify Grantor against any and all claims, demands, suits, judgments, expenses, and costs on account of injury to, or death of, persons, or loss of, or damage to, property of others, incurred during or proximately caused by acts or omissions of Grantee or Grantee's contractor in the performance of any work by Grantee or Grantee's contractor to construct the works of improvement for which the Parcel is conveyed.

5. ACKNOWLEDGMENT OF FULL BENEFITS AND RELEASE.

A. By execution of this Agreement, Grantor, on behalf of themselves and their respective heirs, executors, administrators, successors and assigns, hereby acknowledge that this Agreement provides full payment for the acquisition of the Parcel

by Grantee, and Grantor hereby expressly and unconditionally waives any and all claims for damages, relocation assistance benefits, severance damages, interest, loss of goodwill, claims for inverse condemnation or unreasonable pre-condemnation conduct, or any other compensation or benefits, other than as already expressly provided for in this Agreement, it being understood that this is a complete and full settlement of all acquisition claims, liabilities, or benefits of any type or nature whatsoever relating to or in connection with the acquisition of the Parcel.

B. This Agreement arose out of Grantee's efforts to acquire the Parcel through its municipal authority. The parties agree that this Agreement is a settlement of claims in order to avoid litigation and shall not in any manner be construed as an admission of the fair market value of the Parcel or of the Property or of liability by any party to this Agreement. Grantor, on behalf of themselves and their respective heirs, executors, administrators, successors and assigns, hereby fully release Grantee, its successors, agents, representatives, and assigns, and all other persons and associations, known or unknown, from all claims and causes of action by reason of any damage which has been sustained, or may be sustained, as a result of Grantee's efforts to acquire the Parcel or to construct works of improvement thereon, or any preliminary steps thereto, except as set forth in Section 5 above. Grantor further release and agree to hold Grantee harmless from any and all claims by reason of any leasehold interest in the Property.

C. Grantor does hereby acknowledge that they are familiar with the provisions of California Civil Code section 1542, which provides as follows:

These representations and warranties shall survive the Close of Escrow. "A general release does not extend to claims which the Creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor." Grantor acknowledges that they may have sustained damage, loss, costs or expenses which are presently unknown and unsuspected, and such damage, loss, costs or expenses which may have been sustained, may give rise to additional damage, loss, costs or expenses in the future. Nevertheless, Grantor does hereby acknowledge that this Agreement has been negotiated and agreed upon in light of that situation, and hereby expressly waive any and all rights which they may have under California Civil Code section 1542, or under any statute or common law or equitable principal of similar effect, except as set forth in Section 5 above.

This acknowledgment and release shall survive the Close of Escrow.

6. REMEDIES

If Grantor defaults under this Agreement, then Grantee may, at Grantee's option, terminate the Escrow or initiate an action for specific performance of this Agreement, or pursue any other rights or remedies that Grantee may have at law or in equity. If Grantee defaults under this Agreement, then Grantor may, at Grantor' option, terminate the Escrow or pursue any rights or remedies that Grantor may have at law or in equity.

7. MISCELLANEOUS.

A. Notice. Any notice to be given or other document or documents to be delivered to either party by the other hereunder may be delivered in person or may be deposited in the United States Mail in the State of California, duly registered or certified, with postage prepaid, and addressed as follows:

Grantor: SP/CCI, Inc.
A California Limited Liability Company
C/O Nat Stowe Harty
43255 Via Siena
Indian Wells, CA 92210

Grantee: City of Moreno Valley
14177 Frederick Street
PO Box 88005
Moreno Valley, CA 92552-0805
Attention: Henry Ngo, Senior Engineer, P.E.

Any party hereto may, from time to time, by written notice to the other parties, designate a different address, which shall be substituted for the one specified above. Any notice or other documents sent by registered or certified mail as aforesaid shall be deemed to have been effectively served or delivered at the expiration of twenty-four (24) hours following the deposit of said notice or other documents in the United States mail.

B. Time of Essence. Time is of the essence with respect to each and every provision hereof.

C. Assignment. Neither this Agreement, nor any interest herein, shall be assignable by any party without prior written consent of the other party.

D. Governing Law. All questions with respect to this Agreement, and the rights and liabilities of the parties hereto, shall be governed by the laws of the State of California.

E. Inurement. This Agreement shall inure to the benefit of, and shall be binding upon, the assigns, successors in interest, personal representatives, estates, heirs and legatees of each of the parties hereto.

F. Attorneys Fees. If any legal action, arbitration or other proceeding is brought for the interpretation or enforcement of this Agreement, or because of any alleged dispute, breach, default or misrepresentation in connection with the Agreement, the successful or prevailing party shall be entitled to recover reasonable attorneys fees (including fees for in-house counsel, paraprofessionals and similar personnel and disbursements) and other costs it incurs in that action or proceeding, in addition to any other relief to which it may be entitled. The venue of any such action, arbitration, lawsuit

or other proceeding or litigation may, at the option of the City, be in Riverside County, California, and the parties waive any right to change of venue.

G. Entire Agreement. This Agreement contains the entire Agreement of the parties hereto, and supersedes any prior written or oral agreements between them concerning the subject matter contained herein. There are no representations, agreements, arrangements, or understandings, oral or written, between the parties hereto, relating to the subject matter contained in this Agreement which are not fully expressed herein.

H. Additional Documents. The parties hereto agree to execute any and all additional documents and instruments necessary to carry out the terms of this Agreement.

I. Confidentiality. Grantor will keep confidential the terms of this Agreement and refrain from disclosing or causing same to be disclosed to any person or entity not specifically released herein. In no event, however, shall Grantor be required to refrain from disclosing the terms of this Agreement where: (i) they are legally required to do so, whether by statute, court order, process or otherwise; or (ii) disclosure is required or necessary to enforce any right, duty, obligation or release arising under the terms of this Agreement; or (iii) disclosure is required or necessary in order for Grantor, or any of their agents or employees, to maintain or compile their personal or business books or records; or (iv) disclosure is necessary or required in order for Grantor, or any of their agents or employees, to prepare and file income tax returns or any other forms required by any governmental, administrative or regulatory entities, boards or authorities.

J. No Admissions. This Agreement is a compromise and settlement of outstanding claims between the parties relating to Grantee's acquisition of the Parcel and shall never be treated as an admission by either party to the Agreement for any purpose in any judicial, arbitration or administrative proceeding between the parties. This paragraph shall not apply to any claim that one may have against the other for breach of any provision or covenant of this Agreement.

K. No Merger. All representations, warranties, acknowledgments, releases, covenants and obligations contained in this Agreement shall survive delivery and recordation of the Grant Deed for the Parcel.

L. Ratification. This Agreement is subject to approval and ratification by the City Council of the City of Moreno Valley.

M. Broker. Grantor and Grantee each represent and warrant to the other that no broker, agent or finder has been engaged by it in connection with the transaction contemplated by this Agreement and that all negotiations relative to these instructions and this transaction have been carried out by such party directly with the other party without the intervention of any person in such a manner as to give rise to any valid claim against either of the parties for a broker's commission, finder's fee or other like payment. Each of the parties shall indemnify and defend the other party and hold it

harmless from any and all loss, damage, liability or expense, including costs and reasonable attorneys' fees, which the other party may incur or sustain by reason of or in connection with any misrepresentation or breach of warranty by the indemnifying party with respect to the foregoing.

N. Counterparts. This Agreement may be signed in counterpart or duplicate copies, and any signed counterpart or duplicate copy shall be equivalent to a signed original for all purposes.

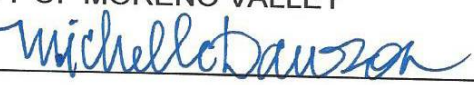

EXECUTED on the date or dates set forth below. This Agreement shall be effective as of the date signed by all parties.

DATED: 12/3/11

Grantor:
SP/CCI, LLC, a California Limited Liability Company
By: Stowe Passco Development, LLC
Its Manager
By: Stowe Properties, Inc.
Its Manager


By: Nat Stowe Harty, President

DATED: 12/14/11

Grantee:
CITY OF MORENO VALLEY
By: 
Its:  City Manager

Attest: _____
City Clerk
(only needed if Mayor signs)

APPROVED AS TO FORM:


Deputy City Attorney

EXHIBIT "A"
LEGAL DESCRIPTION
VACANT LAND
(APN 478-120-004,003)

IN THE STATE OF CALIFORNIA, COUNTY OF RIVERSIDE, CITY OF MORENO VALLEY, BEING THAT PORTION OF BLOCK 70 OF THE MAP OF THE TOWN OF MORENO, AS SHOWN BY THE MAP ON FILE IN BOOK 11, PAGE 19 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THAT LAND DESCRIBED AS PARCELS 5 AND 6 IN A GRANT DEED TO SP/CCI, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, RECORDED APRIL 21, 2005 AS DOCUMENT #2005-0314749, OFFICIAL RECORDS OF RIVERSIDE COUNTY.

EXCEPTING THEREFROM ALL SAID LAND LYING SOUTHEASTERLY OF A LINE PARALLEL WITH AND 55 FEET NORTHWESTERLY OF, MEASURED AT RIGHT ANGLES, THE FOLLOWING DESCRIBED LINE;

COMMENCING AT THE CENTERLINE INTERSECTION OF BRODIAEA AVENUE AND REDLANDS BOULEVARD;

THENCE ALONG THE CENTERLINE OF REDLANDS BOULEVARD, SOUTH 00°26'32" WEST 478.88 FEET TO THE **TRUE POINT OF BEGINNING**;

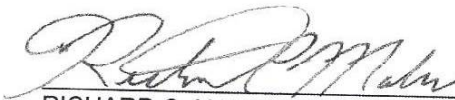
THENCE SOUTH 60°10'11" WEST 359.47 FEET TO THE CENTERLINE OF RICHARDS AVENUE.

THE ABOVE DESCRIBED PARCEL OF LAND CONTAINS (7.541 ACRES), MORE OR LESS.

THE BEARINGS AND DISTANCES USED HEREON ARE BASED ON AN UNRECORDED SURVEY OF SAID LAND BY THE RIVERSIDE COUNTY FLOOD CONTROL DISTRICT, TITLED "RIGHT OF WAY - MORENO LINE F2" AND REFERENCED BY SAID DISTRICT AS "DWG. NO. 4-580/RW SHT. 1"

ALL AS SHOWN ON EXHIBIT "B", ATTACHED HERETO AND MADE A PART THEREOF.

THIS REAL PROPERTY DESCRIPTION HAS BEEN PREPARED BY ME, OR UNDER MY DIRECTION, IN CONFORMANCE WITH THE PROFESSIONAL LAND SURVEYOR'S ACT.


RICHARD C. MAHER, P.L.S. 7564 12/05/11 DATE
PRELIMINARY UNLESS SIGNED



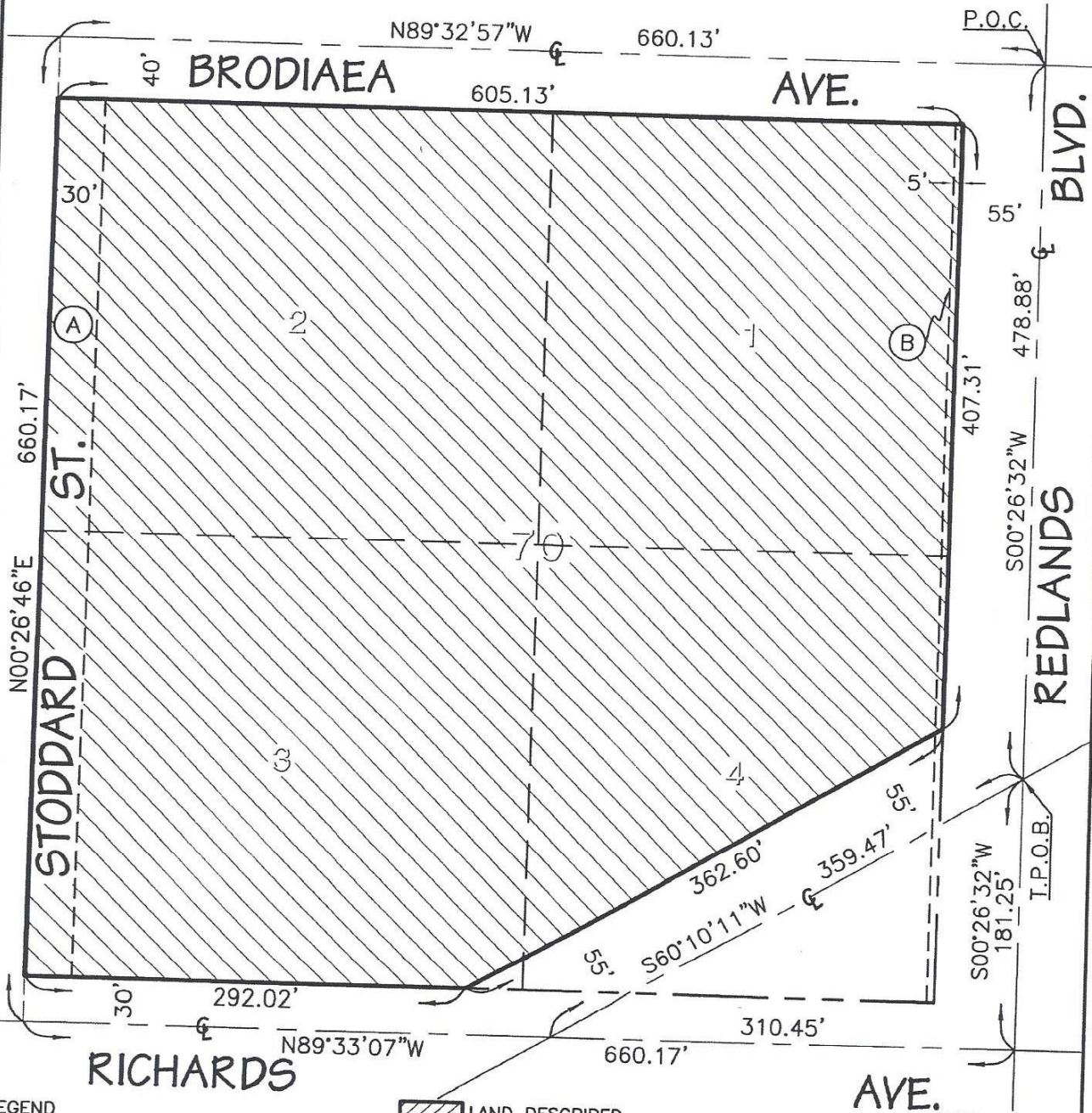
Attachment: P&S Agreement-CMV-SP-CCI [Revision 1] (5513 : Amendment to Fee Credit Agreement with SP/CCI LLC)

EXHIBIT D

The total purchase price for the Parcel shall be \$1,262,400 which will be in a combination of cash and fee credits as follows:

1. Cash Down Payment of \$276,000, consisting of \$55,200 from the Fire Acquisition Fund and \$220,800 from the Park Land Acquisition Fund.
2. An Entitlement Fund of \$130,000 to cover City fees and costs associated with planning entitlement applications for the property owner's projects in the City. The fund will be established in house from the Park and Fire Capital Projects funds.
3. Balance of Offer Price in Fee Credits, consisting of 367 Park Land Single Family Residential Unit Fee Credits and 264 Fire Facilities Single Family Residential Unit Fee Credits.
4. The Entitlement Fund and Fee Credits shall be effective for 10 years and may be transferred or sold by the Grantor as outlined in the attached *Public Facilities Fee Credit and Entitlement Fund Agreement with SP/CCI, LLC, for Acquisition of Parcels APN 478-120-003 & -004*.

EXHIBIT "B"
PLAT TO ACCOMPANY LEGAL DESCRIPTION



LEGEND
T.P.O.B. TRUE POINT OF BEGINING
P.O.C. POINT OF COMMENCEMENT

LAND DESCRIBED
AREA: 7.541 AC. ±

- (A) VACATION BY INSTRUMENT 23196, OFFICIAL RECORDS OF RIVERSIDE COUNTY
- (B) VACATION BY INSTRUMENT 63587, OFFICIAL RECORDS OF RIVERSIDE COUNTY



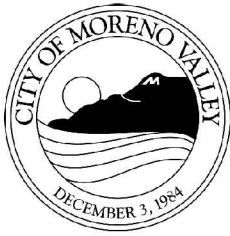
KDM Meridian
22541 Aspan St., Ste C
Lake Forest, CA 92630
Phone: 949-768-0731
Fax: 949-768-3731

Richard C. Maher 12/05/11
RICHARD C. MAHER, PLS 7564 DATE
PRELIMINARY UNLESS SIGNED



APN 478-120-004,003

Attachment: P&S Agreement-CMV-SP-CCI [Revision 1] (5513 : Amendment to Fee Credit Agreement with SP/CCI LLC)



APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>RH</i>
CITY MANAGER	<i>mo</i>

Report to City Council

TO: Mayor and City Council

FROM: Steve Curley, Fire Chief
Mike McCarty, Parks & Community Services Director
Rick Hartmann, Interim Public Works Director

AGENDA DATE: December 13, 2011

TITLE: APPROVE AND EXECUTE AGREEMENT FOR CONVEYANCE OF REAL PROPERTY FOR PARTIAL ACQUISITION OF APNs 478-120-003 & -004 FOR THE REDLANDS BOULEVARD FIRE STATION PROJECT – PROJECT NO. 11-43467830

RECOMMENDED ACTION

Staff recommends that the City Council:

1. Approve the Agreement for Conveyance of Property for the partial acquisition of APNs 478-120-003 & -004 for the Redlands Boulevard Fire Station Project.
2. Authorize a total purchase price of \$1,262,400, to be comprised of a combination of cash and fee credits.
3. Authorize the payment of \$276,000 representing the down payment plus escrow fees, consisting of \$55,200 from the Fire Capital Projects Fund (Account No. 434.67830) and \$220,800 from the Future Park Sites Land Acquisition Fund (Account No. 461.68227) when the Agreement has been signed by all parties.
4. Authorize establishment of an entitlement fund in the amount of \$130,000 to cover City entitlement fees and costs. The entitlement fund consists of \$26,000 from the Fire Capital Projects Fund (Account No. 434.67830) and \$104,000 from the Future Park Sites Land Acquisition Fund (Account No. 461.68227).
5. Authorize the City Manager to execute the Agreement in the form attached hereto upon concurrence by the property owners, and authorize the Public Works

Director and/or City Engineer to approve any changes that may be requested by the property owners or the City, subject to the approval of the City Attorney.

BACKGROUND

The Parks and Community Services and Fire departments have expressed a desire for facilities at the southwest corner of Redlands Boulevard and Brodiaea Avenue to provide service to the surrounding neighborhood. The selected site is a portion of parcel APN 478-120-003 & 004, in the southwest corner of Brodiaea Avenue and Redlands Boulevard. The site is in Specific Plan zoning with an area of approximately 7.54 acres which will be subdivided into a park site of 6.043 acres and a fire station site 1.5 acres. A 1.5 acre lot is adequate for a standard fire station.

During the September 2011 Closed Session, the City Council authorized staff to negotiate and acquire the property.

DISCUSSION

Planning and Parks & Community Services have contacted the owner regarding acquisition of the subject parcels over the past few years. The property owner rejected the potential sale of the property based on a somewhat lower value established by a prior appraisal.

Another appraisal report was prepared in April 2011 by Overland, Pacific & Cutler, Inc. to update the property value. The appraisal identified a value of \$276,000 for the 7.54 acres site based on the current depressed real estate values. The appraisal splits the parcel between the Park Site (80%) and Fire Station Site (20%) for resulting prorated values of \$220,800 and \$55,200, respectively. The current appraised value is a small fraction of the owner's original purchase price. Using the current parkland acquisition development impact fee and parkland development requirement (3 acres per 1000 population), staff calculated a valuation of \$1,262,400 for the subject site. The fire facilities development impact fee does not provide a separate allocation for land acquisition. Previously collected parkland and fire development impact fees and future fee credits are the source for the acquisition of this site.

The property owner has expressed a willingness to sell at the current value, either in cash or credits, similar to his original purchase price which occurred in the early 2000's before the last peak. After negotiation, the owner has agreed that the total purchase price for the partial acquisition of APN 478-120-003 & 004 shall be \$1,262,400 which will be in a combination of cash and fee credits as follows:

1. Cash Down Payment of \$276,000, consisting of \$55,200 from the Fire Acquisition Fund and \$220,800 from the Park Land Acquisition Fund.
2. An Entitlement Fund of \$130,000 to cover City fees and costs associated with planning entitlement applications for the property owner's projects in the City.

- The fund will be established in house from the Park and Fire Capital Projects funds.
3. Balance of Offer Price in Fee Credits, consisting of 367 Park Land Single Family Residential Unit Fee Credits and 264 Fire Facilities Single Family Residential Unit Fee Credits.
 4. The Entitlement Fund and Fee Credits shall be effective for 10 years and may be transferred or sold by the Grantor.

The final amount for partial acquisition of APNs 478-120-003 and -004 exceeds \$100,000 and, therefore, requires that the Agreement for Conveyance of Property be approved by the City Council.

ALTERNATIVES

1. Approve the Agreement for Conveyance of Property for the partial acquisition of APNs 478-120-003 & -004 for the Redlands Boulevard Fire Station Project, authorize a total purchase price of \$1,262,400, to be comprised of a combination of cash and fee credits, authorize a Purchase Order in the amount of \$276,000 for a cash down payment plus escrow fees, consisting of \$55,200 from the Fire Capital Projects Fund (Account No. 434.67830) and \$220,800 from the Future Park Sites Land Acquisition Fund (Account No. 461.68227) when the Agreement has been signed by all parties, authorize establishment of an entitlement fund in the amount of \$130,000 to cover City entitlement fees and costs. The entitlement fund consists of \$26,000 from the Fire Capital Projects Fund (Account No. 434.67830) and \$104,000 from the Future Park Sites Land Acquisition Fund (Account No. 461.68227), and authorize the City Manager to execute the Agreement in the form attached hereto upon concurrence by the property owners, and authorize the Public Works Director/City Engineer to approve any changes that may be requested by the property owners or the City, subject to the approval of the City Attorney. *This alternative allows the City to acquire the required land for City's Fire Station and Park projects.*
2. Do not approve the Agreement for Conveyance of Property for the partial acquisition of APNs 478-120-003 & -004 for the Redlands Boulevard Fire Station Project, do not authorize a total purchase price of \$1,262,400, to be comprised of a combination of cash and fee credits, do not authorize a Purchase Order in the amount of \$276,000 for a cash down payment plus escrow fees, consisting of \$55,200 from the Fire Capital Projects Fund (Account No. 434.67830) and \$220,800 from the Future Park Sites Land Acquisition Fund (Account No. 461.68227) when the Agreement has been signed by all parties, do not authorize establishment of an entitlement fund in the amount of \$130,000 to cover City entitlement fees and costs. The entitlement fund consists of \$26,000 from the Fire Capital Projects Fund (Account No. 434.67830) and \$104,000 from the Future Park Sites Land Acquisition Fund (Account No. 461.68227), do not authorize the City Manager to execute the Agreement in the form attached hereto upon concurrence by the property owners, and authorize the Public Works

Director/City Engineer to approve any changes that may be requested by the property owners or the City, subject to the approval of the City Attorney. *This alternative will result in delaying acquisition of land required for City Fire Station and Parks projects.*

FISCAL IMPACT

Funding for the proposed land acquisition is included in the Fiscal Year 2011/2012 budget. There is no impact to the General Fund.

AVAILABLE PROJECT FUNDS:

Fire Capital Projects Fund (Account No. 434.67830)	\$503,000
Future Park Sites Land Acquisition Fund (Account No. 461.68227)	<u>\$2,000,000</u>
Total Available Funds	\$2,503,000

ESTIMATED EXPENDITURES

Cash Down-payment.....	\$ 276,000
Entitlement Fund Establishment.....	\$ 130,000
Fee Credit Equivalence	\$ 857,000
Escrow and Miscellaneous Costs.....	\$ 50,000
Project Administration	\$ 60,000
Total Expenditures	\$1,373,000

ANTICIPATED PROJECT SCHEDULE:

Open Escrow.....	February 2012
Complete Land Acquisition.....	May 2012

CITY COUNCIL GOALS

PUBLIC SAFETY:

Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

PUBLIC FACILITIES AND CAPITAL PROJECTS:

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

POSITIVE ENVIRONMENT:

Create a positive environment for the development of Moreno Valley's future.

SUMMARY

The Parks and Community Services and Fire Departments have been planning land acquisitions for future park and fire facilities at the southwest corner of Redlands Boulevard and Brodiaea Avenue. The selected site is a portion of parcel APNs 478-

120-003 and -004. The site, approximately 7.54 acres in size, is in Specific Plan zoning area and will be subdivided into a park site of 6.043 acres and a fire station site of 1.5 acres. This acquisition is necessary for the City's Redlands Boulevard Fire Station and Park projects.

ATTACHMENTS/EXHIBITS

Attachment "A" – Location Map

Attachment "B" – Agreement for Conveyance of Real Property

Prepared By:
Henry Ngo
Senior Engineer, P.E.

Concurred By:
John Terell
Planning Official

Concurred By:
Prem Kumar, P.E.,
Deputy Public Works Director / Acting City Engineer

Department Head Concurrence:
Rick Hartmann
Interim Public Works Director

Department Head Approval:
Mike McCarty
Parks & Community Services Director

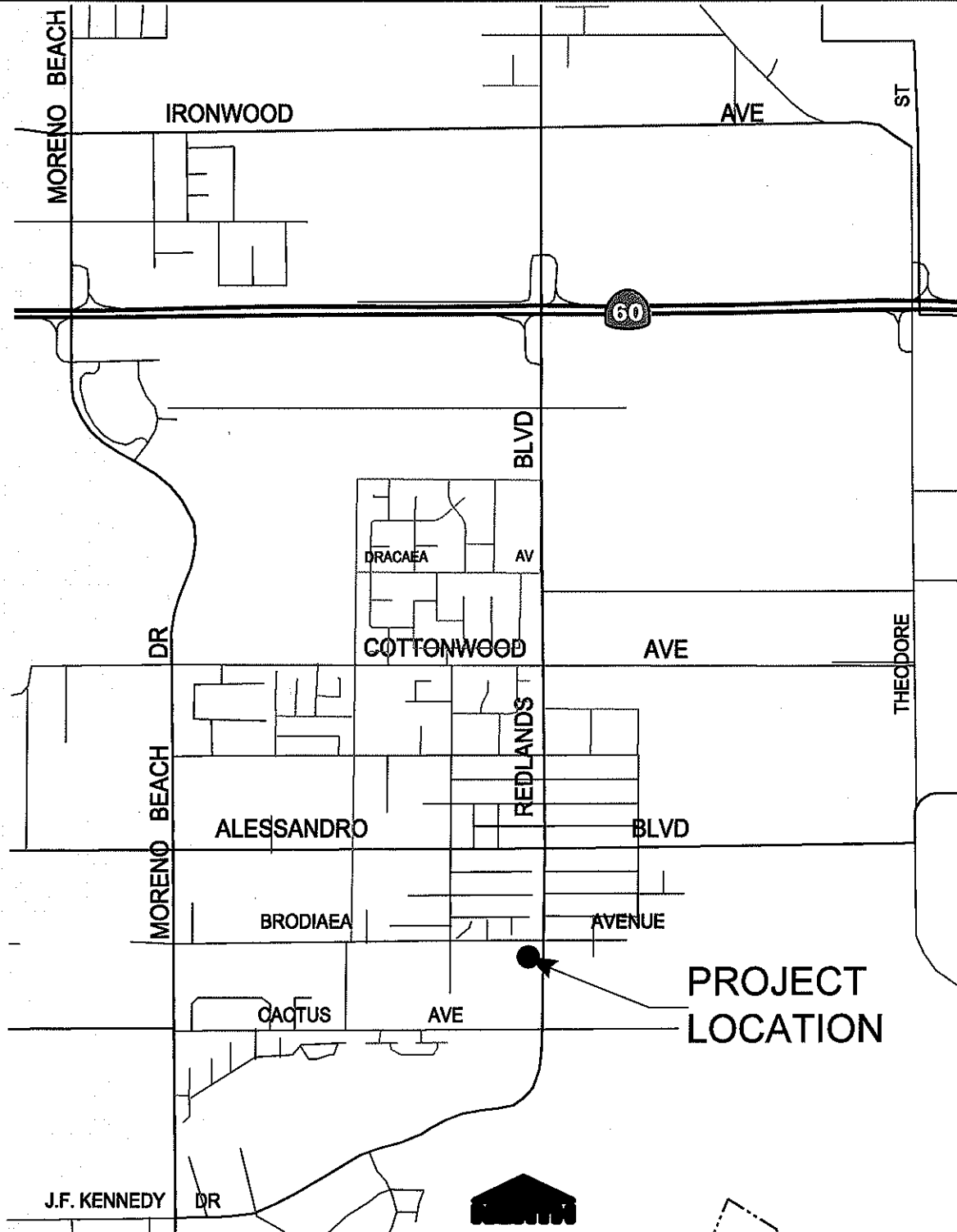
Department Head Approval:
Steve Curley
Fire Chief

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

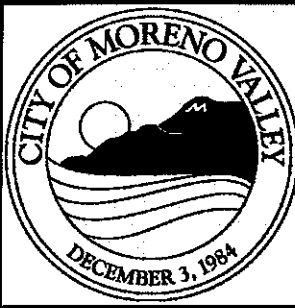
W:\CapProj\CapProj\PROJECTS\Henry - 11-43467830 - Highland (East End) Fire Station\CC Reports\Real Property\12-13-11 Staff Report-Agreement for Conveyance of Property - Redlands Blvd. Fire Station.doc

Attachment: SP CCI, LLC Staff Report December 2011 (5513 : Amendment to Fee Credit Agreement with SP/CCI LLC)

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Date: 14 Nov 11 - 5:27 pm
 File: W:\CopPro\CopPro\PROJECTS\Henry - 11-43467830 - Highland (Redlands Blvd) Fire Station\Design Phase\Auto CAD\Location_Map\Location_Map.dwg
 User: deopapa



<h1>LOCATION MAP</h1>	
Public Works Department Capital Projects Division	<h2>REDLANDS BOULEVARD FIRE STATION</h2>
Scale: None	<h3>PROJECT NUMBER 11-43467830</h3>
ATTACHMENT "A"	

Attachment: SP CCI, LLC Staff Report December 2011 (5513 : Amendment to Fee Credit Agreement with SP/CCI LLC)

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AGREEMENT FOR CONVEYANCE OF REAL PROPERTY

THIS AGREEMENT is entered into by and between SP/CCI, LLC, a California limited liability company ("Grantor") and CITY OF MORENO VALLEY, a municipal corporation ("Grantee").

RECITALS

A. Grantor own certain real property located at the southwest corner of Redlands Boulevard and Brodiaea Avenue, Moreno Valley, bearing Assessor Parcel No. 478-120-003 & 004 (the "Property").

B. Grantee desires to purchase a portion of the Property and Grantor desire to sell and convey a portion of the Property as described in Exhibit A and depicted in Exhibit B, both of which are attached hereto (the "Parcel").

C. The parties desire by this Agreement to provide the terms and conditions for the purchase and sale of the Parcel.

AGREEMENT

The parties therefore agree as follows:

1. PURCHASE.

Grantee agrees to buy and Grantor agree to sell and convey the Parcel for the purchase price and upon the terms and conditions hereinafter set forth. The Purchase Price, defined below, is acknowledged by both parties to be fair market value for the Parcel.

2. ESCROW.

Upon execution of this Agreement by all parties, Grantee shall open an escrow (the "Escrow") with Lawyers Title (the "Escrow Holder") for the purpose of consummating the purchase and sale of the Parcel. The parties hereto shall execute and deliver to Escrow Holder such escrow instructions prepared by Escrow Holder as may be required to consummate this transaction. Any such instructions shall not conflict with, amend, or supersede any provision of this Agreement. If there is any inconsistency between such instructions and this Agreement, this Agreement shall control unless the parties agree in writing otherwise. The Escrow Instructions shall include the following terms and conditions of sale:

2.1 Purchase Price.

The total purchase price for the Parcel shall be \$1,262,400, which will be in a combination of cash and fee credits as shown in attached Exhibit D. The cash portion of the purchase price and fee credits documentation shall be transferred by Grantee to Grantor through Escrow Holder at Close of Escrow.

Attachment "B"

2.2 Close of Escrow.

Escrow shall close on or before sixty (60) days following the execution of this Agreement (the "Close of Escrow"). If the Escrow is not in a condition to close by the Close of Escrow, any party who is not then in default may, in writing, demand the return of its/his/her money and/or documents. Thereupon, subject to the provisions in paragraph 3, all obligations and liabilities of the parties under this Agreement shall cease and terminate. If no such demand is made, Escrow shall be closed as soon as possible.

2.3 Condition of Title to the Parcel.

Grantor shall convey title to the Parcel to Grantee as evidenced by a CLTA Standard Form Policy or Binder of Title Insurance ("Title Policy") issued by a title insurance company to be selected by Grantee in an amount equal to the purchase price. The Title Policy shall show as exceptions with respect to the Parcel only matters approved in writing by Grantee. Any exceptions to title representing monetary liens or encumbrances are hereby disapproved by Grantee, and Escrow Holder is hereby authorized and instructed to cause the reconveyance, partial reconveyance, or subordination, as the case may be, of any such monetary exceptions to Grantee's title to the Parcel at or prior to the Close of Escrow.

2.4 Escrow and Closing Costs.

Grantee shall pay the cost of the Title Policy, all Escrow fees (including reconveyance fees, trustee's fees or forwarding fees for any partial reconveyance or subordination of a deed of trust or mortgage), and all recording costs incurred herein. All parties acknowledge that Grantee is exempt from payment of documentary transfer taxes.

2.5 Investigations.

Prior to the Close of Escrow, Grantee may, at its option, conduct, at Grantee's expense, any and all investigations, inspections, surveys, and tests of the Property including, without limitation, soils, groundwater, wells, percolation, geology, environmental, drainage, engineering and utilities investigations, inspections, surveys, and tests, which determines, in its sole discretion, are required to determine the suitability of the Parcel for Grantee's intended use thereof. If Grantee determines that the Parcel is not suitable for its intended use, Grantee may disapprove this item and terminate this Agreement as provided at Section 2.2 above. Grantor hereby grants to Grantee, and Grantee's employees, representatives, agents and independent contractors, a license to enter the Property for purposes of conducting such investigations, inspections, surveys, and tests. Grantee shall repair any damage to the Property resulting from such investigations, inspections, surveys, and tests conducted by Grantee or Grantee's employees, representatives, agents or independent contractors. Grantee's approval of any of such investigations, inspections, surveys, or tests shall not alter or diminish Grantor's representations or warranties under this

Agreement, and Grantor acknowledges and agrees that Grantee is relying upon Grantor's representations and warranties made herein, unless such representation or warranty is specifically waived in whole or in part by Grantor. Grantee to indemnify Grantor and provide a policy of general liability insurance of \$1,000,000 for Grantee's employees and agents during the investigative period and name Grantor as additional insured.

2.6 Deposit of Funds and Documents.

(a) Prior to Close of Escrow, Grantee shall deposit into Escrow (i) all Escrow and Closing Costs as described above; (ii) the cash portion of the purchase price to be paid to Grantor through Escrow; and (iii) such other documentation as is necessary to close Escrow in conformance herewith.

(b) Prior to the Close of Escrow, Grantor shall deposit into Escrow (i) the properly executed Grant Deed conveying the Parcel, a copy of which is attached to this Agreement as Exhibit C; and (ii) such other documents and sums, if any, as are necessary to close Escrow in conformance herewith.

2.7 Grantee's Conditions Precedent to Close of Escrow.

The Close of Escrow is subject to the following conditions:

(a) All representations and warranties of Grantor set forth in this Agreement shall be true and correct as of the Close of Escrow; and

(b) Grantor shall timely perform all obligations required by the terms of this Agreement to be performed by them.

2.8 Grantor's Conditions Precedent to Close of Escrow.

For the benefit of Grantor, the Close of Escrow shall be conditioned upon the timely performance by Grantee of all obligations required of Grantee by the terms of this Agreement.

3. REPRESENTATIONS AND WARRANTIES OF GRANTOR.

Grantor makes the following representations and warranties, each of which shall survive the Close of Escrow:

(a) Grantor holds title to an indefeasible estate in fee simple in the Property. Grantor is the sole owner of the Property and has good, absolute and marketable title to the Property and has full power and authority to own and sell and convey the Parcel over, under and/or through the Property to Grantee and to enter into and perform his/her/its obligations pursuant to this Agreement;

(b) The execution and delivery of this Agreement by Grantor, Grantor's performance hereunder, and the consummation of this transaction will not constitute a

violation of any order or decree or result in the breach of any contract or agreement to which Grantor are at present parties, or by which Grantor are bound;

(c) Grantor will not enter into any agreements or undertake any new obligations prior to Close of Escrow which will in any way burden, encumber or otherwise affect the Property without the prior written consent of Grantee;

(d) To Grantor's knowledge, no litigation and no governmental, administrative or regulatory act or proceeding regarding the environmental, health and safety aspects of the Property is pending, proposed or threatened;

(e) According to Grantor's knowledge, the Property is not in violation of any federal, state or local statute, regulation or ordinance relating to industrial hygiene or to environmental conditions on, under or about the Property, including, but not limited to, soil and groundwater conditions underlying the Property which could affect the Parcel or its use, and Grantor has not used, generated, manufactured, stored or disposed of on, under or about the Property, or transported to or from the Property, any flammable materials, explosives, radioactive materials, hazardous or contaminated materials or substances, toxic or noxious materials, substances or related materials or substances ("Hazardous Materials"). For the purpose of this Section, Hazardous Materials shall include, without limitation, substances defined as "hazardous substances," "hazardous materials," "toxic substances," "hazardous wastes," "extremely hazardous wastes," or "restricted hazardous wastes," or stated to be known to cause cancer or reproductive toxicity, under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. sections 9601 et seq; the Hazardous Materials Transportation Act, 49 U.S.C. sections 1801 et seq; the Resource Conservation and Recovery Act, 42 U.S.C. sections 6901 et seq; the Federal Water Pollution Control Act, 33 U.S.C. sections 1317 et seq; sections 25115, 25117, 25122.7, 25140, 25249.5, 25249.8, 25281, 25316 or 25501 of the California Health & Safety Code; or any substances so defined or stated in any of the regulations adopted and publications promulgated pursuant to said laws as they may be amended from time to time;

(f) In the event Grantee discovers Hazardous Materials, contaminated soil and/or water in, on or under the Property, Grantors shall be solely responsible for the removal and disposal of any and all such Hazardous Materials, contaminated soil and/or water; In the event Grantors fails to remove said Hazardous Materials, contaminated soil and/or water, Grantee or its designee shall have the right to remove and dispose of said Hazardous Materials, contaminated soil and/or water at Grantors' sole cost and expense. Grantors shall immediately reimburse Grantee for costs and expenses incurred by Grantee for the removal and disposal of any Hazardous Materials, contaminated soil and/or water upon receipt of a bill or invoices therefor. Grantors further agrees to indemnify and hold Grantee, its officers, employees, consultants and agents, harmless from any and all liability, costs, fines, penalties, charges and/or claims of any kind whatsoever related to the existence and removal of any Hazardous Materials, contaminated soil and/or water; and/or water at the site.

4. REPRESENTATIONS AND WARRANTIES OF GRANTEE.

A. Grantee shall save harmless and indemnify Grantor against any and all claims, demands, suits, judgments, expenses, and costs on account of injury to, or death of, persons, or loss of, or damage to, property of others, incurred during or proximately caused by acts or omissions of Grantee or Grantee's contractor in the performance of any work by Grantee or Grantee's contractor to construct the works of improvement for which the Parcel is conveyed.

5. ACKNOWLEDGMENT OF FULL BENEFITS AND RELEASE.

A. By execution of this Agreement, Grantor, on behalf of themselves and their respective heirs, executors, administrators, successors and assigns, hereby acknowledge that this Agreement provides full payment for the acquisition of the Parcel by Grantee, and Grantor hereby expressly and unconditionally waive any and all claims for damages, relocation assistance benefits, severance damages, interest, loss of goodwill, claims for inverse condemnation or unreasonable pre-condemnation conduct, or any other compensation or benefits, other than as already expressly provided for in this Agreement, it being understood that this is a complete and full settlement of all acquisition claims, liabilities, or benefits of any type or nature whatsoever relating to or in connection with the acquisition of the Parcel.

B. This Agreement arose out of Grantee's efforts to acquire the Parcel through its municipal authority. The parties agree that this Agreement is a settlement of claims in order to avoid litigation and shall not in any manner be construed as an admission of the fair market value of the Parcel or of the Property or of liability by any party to this Agreement. Grantor, on behalf of themselves and their respective heirs, executors, administrators, successors and assigns, hereby fully release Grantee, its successors, agents, representatives, and assigns, and all other persons and associations, known or unknown, from all claims and causes of action by reason of any damage which has been sustained, or may be sustained, as a result of Grantee's efforts to acquire the Parcel or to construct works of improvement thereon, or any preliminary steps thereto, except as set forth in Section 5 above. Grantor further release and agree to hold Grantee harmless from any and all claims by reason of any leasehold interest in the Property.

C. Grantor hereby acknowledge that they have been advised by their attorney and are familiar with the provisions of California Civil Code section 1542, which provides as follows:

These representations and warranties shall survive the Close of Escrow. "A general release does not extend to claims which the Creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor." Grantor acknowledge that they may have sustained damage, loss, costs or expenses which are presently unknown and unsuspected, and such damage, loss, costs or expenses which may have been sustained, may give rise to additional damage, loss, costs or expenses in the future.

Nevertheless, Grantor hereby acknowledge that this Agreement has been negotiated and agreed upon in light of that situation, and hereby expressly waive any and all rights which they may have under California Civil Code section 1542, or under any statute or common law or equitable principal of similar effect, except as set forth in Section 5 above.

This acknowledgment and release shall survive the Close of Escrow.

6. REMEDIES

If Grantor default under this Agreement, then Grantee may, at Grantee's option, terminate the Escrow or initiate an action for specific performance of this Agreement, or pursue any other rights or remedies that Grantee may have at law or in equity. If Grantee defaults under this Agreement, then Grantor may, at Grantor' option, terminate the Escrow or pursue any rights or remedies that Grantor may have at law or in equity.

7. MISCELLANEOUS.

A. Notice. Any notice to be given or other document or documents to be delivered to either party by the other hereunder may be delivered in person or may be deposited in the United States Mail in the State of California, duly registered or certified, with postage prepaid, and addressed as follows:

Grantor: SP/CCI, Inc.
A California Limited Liability Company
c/o Nat Stowe Harty
43256 Via Siena
Indian Wells, CA 92210

Grantee: City of Moreno Valley
14177 Frederick Street
PO Box 88005
Moreno Valley, CA 92552-0805
Attention: Henry Ngo, Senior Engineer, P.E.

Any party hereto may, from time to time, by written notice to the other parties, designate a different address, which shall be substituted for the one specified above. Any notice or other documents sent by registered or certified mail as aforesaid shall be deemed to have been effectively served or delivered at the expiration of twenty-four (24) hours following the deposit of said notice or other documents in the United States mail.

B. Time of Essence. Time is of the essence with respect to each and every provision hereof.

C. Assignment. Neither this Agreement, nor any interest herein, shall be assignable by any party without prior written consent of the other party.

Attachment: SP CCI, LLC Staff Report December 2011 (5513 : Amendment to Fee Credit Agreement with SP/CCI LLC)

D. Governing Law. All questions with respect to this Agreement, and the rights and liabilities of the parties hereto, shall be governed by the laws of the State of California.

E. Inurement. This Agreement shall inure to the benefit of, and shall be binding upon, the assigns, successors in interest, personal representatives, estates, heirs and legatees of each of the parties hereto.

F. Attorneys Fees. If any legal action, arbitration or other proceeding is brought for the interpretation or enforcement of this Agreement, or because of any alleged dispute, breach, default or misrepresentation in connection with the Agreement, the successful or prevailing party shall be entitled to recover actual attorneys fees (including fees for in-house counsel, paraprofessionals and similar personnel and disbursements) and other costs it incurs in that action or proceeding, in addition to any other relief to which it may be entitled. The parties agree that actual attorneys' fees shall be based on the attorneys fees actually incurred (based on the attorneys' customary hourly billing rates including, but not limited to, equivalent rates for in-house counsel) rather than the court or arbitrator making an independent inquiry concerning reasonableness. The venue of any such action, arbitration, lawsuit or other proceeding or litigation may, at the option of the City, be laid in Riverside County, California, and the parties waive any right to change of venue.

G. Entire Agreement. This Agreement contains the entire Agreement of the parties hereto, and supersedes any prior written or oral agreements between them concerning the subject matter contained herein. There are no representations, agreements, arrangements, or understandings, oral or written, between the parties hereto, relating to the subject matter contained in this Agreement which are not fully expressed herein.

H. Additional Documents. The parties hereto agree to execute any and all additional documents and instruments necessary to carry out the terms of this Agreement.

I. Confidentiality. Grantor will keep confidential the terms of this Agreement and refrain from disclosing or causing same to be disclosed to any person or entity not specifically released herein. In no event, however, shall Grantor be required to refrain from disclosing the terms of this Agreement where: (I) they are legally required to do so, whether by statute, court order, process or otherwise; or (ii) disclosure is required or necessary to enforce any right, duty, obligation or release arising under the terms of this Agreement; or (iii) disclosure is required or necessary in order for Grantor, or any of their agents or employees, to maintain or compile their personal or business books or records; or (iv) disclosure is necessary or required in order for Grantor, or any of their agents or employees, to prepare and file income tax returns or any other forms required by any governmental, administrative or regulatory entities, boards or authorities.

J. No Admissions. This Agreement is a compromise and settlement of outstanding claims between the parties relating to Grantee's acquisition of the Parcel and shall

never be treated as an admission by either party to the Agreement for any purpose in any judicial, arbitration or administrative proceeding between the parties. This paragraph shall not apply to any claim that one may have against the other for breach of any provision or covenant of this Agreement.

K. No Merger. All representations, warranties, acknowledgments, releases, covenants and obligations contained in this Agreement shall survive delivery and recordation of the Grant Deed for the Parcel. L. Ratification. This Agreement is subject to approval and ratification by the City Council of the City of Moreno Valley.

M. Broker. Grantor and Grantee each represent and warrant to the other that no broker, agent or finder has been engaged by it in connection with the transaction contemplated by this Agreement and that all negotiations relative to these instructions and this transaction have been carried out by such party directly with the other party without the intervention of any person in such a manner as to give rise to any valid claim against either of the parties for a broker's commission, finder's fee or other like payment. Each of the parties shall indemnify and defend the other party and hold it harmless from any and all loss, damage, liability or expense, including costs and reasonable attorneys' fees, which the other party may incur or sustain by reason of or in connection with any misrepresentation or breach of warranty by the indemnifying party with respect to the foregoing.

N. Counterparts. This Agreement may be signed in counterpart or duplicate copies, and any signed counterpart or duplicate copy shall be equivalent to a signed original for all purposes.

EXECUTED on the date or dates set forth below. This Agreement shall be effective as of the date signed by all parties.

DATED: _____

Grantor:

SP/CCI, LLC, a California Limited Liability Company

By: _____

Title: _____

DATED: _____

Grantee:

CITY OF MORENO VALLEY

By: _____

Its: City Manager

APPROVED AS TO FORM:

City Attorney

W:\CapProj\CapProj\PROJECTS\Henry - 11-43467830 - Highland (East End) Fire Station\CC Reports\Real Property\Attachment A - 12-13-11.doc

Attachment: SP CCI, LLC Staff Report December 2011 (5513 : Amendment to Fee Credit Agreement with SP/CCI LLC)

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EXHIBIT "A"
LEGAL DESCRIPTION
VACANT LAND
(APN 478-120-004,003)

IN THE STATE OF CALIFORNIA, COUNTY OF RIVERSIDE, CITY OF MORENO VALLEY, BEING THAT PORTION OF BLOCK 70 OF THE MAP OF THE TOWN OF MORENO, AS SHOWN BY THE MAP ON FILE IN BOOK 11, PAGE 19 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THAT LAND DESCRIBED AS PARCELS 5 AND 6 IN A GRANT DEED TO SP/CCI, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, RECORDED APRIL 21, 2005 AS DOCUMENT #2005-0314749, OFFICIAL RECORDS OF RIVERSIDE COUNTY.

EXCEPTING THEREFROM ALL SAID LAND LYING SOUTHEASTERLY OF A LINE PARALLEL WITH AND 55 FEET NORTHWESTERLY OF, MEASURED AT RIGHT ANGLES, THE FOLLOWING DESCRIBED LINE;

COMMENCING AT THE CENTERLINE INTERSECTION OF BRODIAEA AVENUE AND REDLANDS BOULEVARD;

THENCE ALONG THE CENTERLINE OF REDLANDS BOULEVARD, SOUTH 00°26'32" WEST 478.88 FEET TO THE TRUE POINT OF BEGINNING;


THENCE SOUTH 60°10'11" WEST 359.47 FEET TO THE CENTERLINE OF RICHARDS AVENUE.

THE ABOVE DESCRIBED PARCEL OF LAND CONTAINS (7.54 ACRES), MORE OR LESS.

THE BEARINGS AND DISTANCES USED HEREON ARE BASED ON AN UNRECORDED SURVEY OF SAID LAND BY THE RIVERSIDE COUNTY FLOOD CONTROL DISTRICT, TITLED "RIGHT OF WAY - MORENO LINE F2" AND REFERENCED BY SAID DISTRICT AS "DWG. NO. 4-580/RW SHT. 1"

ALL AS SHOWN ON EXHIBIT "B", ATTACHED HERETO AND MADE A PART THEREOF.

THIS REAL PROPERTY DESCRIPTION HAS BEEN PREPARED BY ME, OR UNDER MY DIRECTION, IN CONFORMANCE WITH THE PROFESSIONAL LAND SURVEYOR'S ACT.

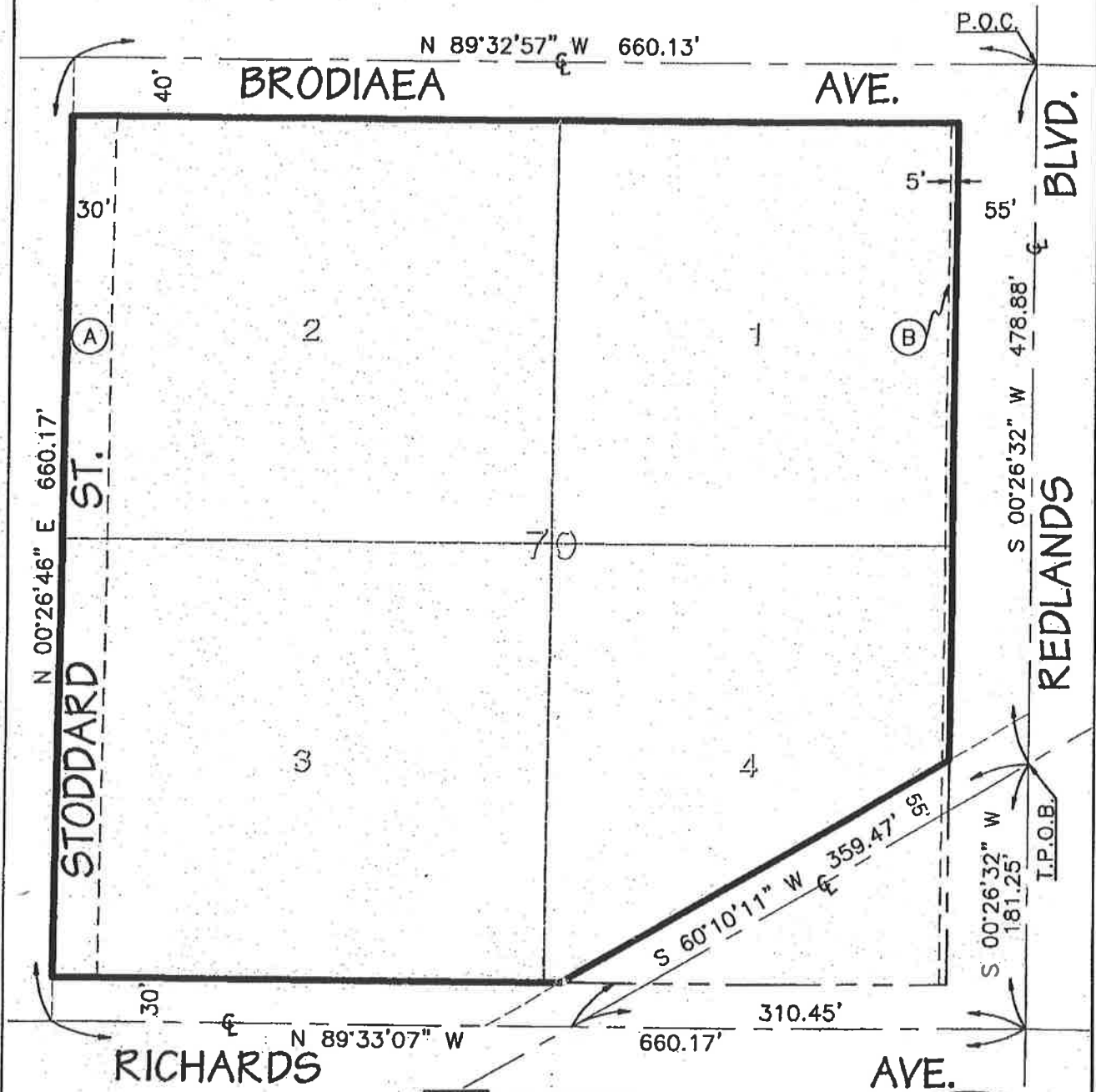

05/14/09
RICHARD C. MAHER, P.L.S. 7564 DATE
LICENSE EXPIRES 12-31-2009



Attachment: SP CCI, LLC Staff Report December 2011 (5513 : Amendment to Fee Credit Agreement with SP/CCI LLC)

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EXHIBIT "B"
PLAT TO ACCOMPANY LEGAL DESCRIPTION



LEGEND
 T.P.O.B. TRUE POINT OF BEGINNING
 P.O.C. POINT OF COMMENCEMENT

LAND DESCRIBED
 AREA: 7.54 AC. ±

- (A) VACATION BY INSTRUMENT 23196, OFFICIAL RECORDS OF RIVERSIDE COUNTY
- (B) VACATION BY INSTRUMENT 63587, OFFICIAL RECORDS OF RIVERSIDE COUNTY

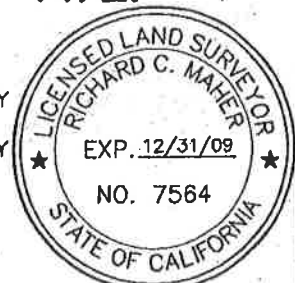


KDM MERIDIAN

22541 Aspan St., Ste C
 Lake Forest, CA 92630
 Phone: 949-768-0731
 Fax: 949-768-3731

Richard C. Maher 5/14/09

RICHARD C. MAHER, PLS 7564 DATE
 LICENSE RENEWAL 12/31/09



APN 478-120-004,003

Attachment: SP CCI, LLC Staff Report December 2011 (5513 : Amendment to Fee Credit Agreement with SP/CCI LLC)

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Recording requested by and when recorded, mail to:
City Clerk
City of Moreno Valley
P.O. Box 88005
Moreno Valley, CA 92552-0805

Exempt from Recording Fee per Govt. Code Sec. 6103
City of Moreno Valley
By:
A.P.N. 478 – 120 – 003 & 004

(Space above this line for Recorder's use)
DOCUMENTARY TRANSFER TAX IS NONE.
Public Agency exempt.
Revenue and Taxation Code Section 11922

GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

SP/CCI, LLC, a California limited liability company

GRANTOR(S) hereby grant(s) and convey(s) to the CITY OF MORENO VALLEY, a municipal corporation, real property in the City of Moreno Valley, County of Riverside, State of California, described on the attached Exhibit "A" and as illustrated on the plat attached hereto and marked Exhibit "B". IN WITNESS WHEREOF, this instrument has been executed this ____ day of _____, 20__.

Grantor(s):

STATE OF CALIFORNIA)
County of _____)ss.

On _____ before me, _____ the undersigned. A Notary Public in and for said State, personally appeared _____ personally known to me or 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 entity upon behalf which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____

Attachment: SP CCI, LLC Staff Report December 2011 (5513 : Amendment to Fee Credit Agreement with SP/CCI LLC)

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EXHIBIT D

The total purchase price for the Parcel shall be \$1,262,400 which will be in a combination of cash and fee credits as follows:

1. Cash Down Payment of \$276,000, consisting of \$55,200 from the Fire Acquisition Fund and \$220,800 from the Park Land Acquisition Fund.
2. An Entitlement Fund of \$130,000 to cover City fees and costs associated with planning entitlement applications for the property owner's projects in the City. The fund will be established in house from the Park and Fire Capital Projects funds.
3. Balance of Offer Price in Fee Credits, consisting of 367 Park Land Single Family Residential Unit Fee Credits and 264 Fire Facilities Single Family Residential Unit Fee Credits.
4. The Entitlement Fund and Fee Credits shall be effective for 10 years and may be transferred or sold by the Grantor as outlined in the attached *Public Facilities Fee Credit and Entitlement Fund Agreement with SP/CCI, LLC, for Acquisition of Parcels APN 478-120-003 & -004*.

**PUBLIC FACILITIES FEE CREDIT AND
ENTITLEMENT FUND AGREEMENT
WITH SP/CCI, LLC FOR ACQUISITION OF
PARCELS APN 478-120-003 & -004**

This Public Facilities Fee Credit and Entitlement Fund Agreement ("PFF Agreement") is entered into between the City of Moreno Valley ("City") and SP/CCI, LLC, a California Limited Liability Company ("Developer"), as of _____, 2011 ("the Effective Date"), and sets forth the understanding of City and Developer with respect to the following:

1. Recitals.

1.1 Whereas, Developer is the owner of that certain real properties in the Cactus Corridor Specific Plan, and L'Aquila south of the Auto Mall in the City of Moreno Valley, County of Riverside, California (the "Project"); and

1.2 Whereas, this agreement between the City and Developer, relative to the partial acquisition of parcels APN 478-120-003 & -004 provides Developer credits for 367 Parkland (Quimby In-Lieu) Single Family Residential Unit (SFR) Fee Credits and 264 Fire Facilities Single Family Residential Unit (SFR) Fee Credits. The value of these credits shall be the fee for Parkland (Quimby In-Lieu) and Fire Facilities at time of building permit issuance.

1.3 Whereas, City agrees to a density transfer to Developer for other projects in the Cactus Corridor Specific Plan at least equivalent to the underlying zoning for the remainder portion of parcel 478-120-004 equal to approximately 0.658 acres, contingent on merger of said remainder parcel with adjacent properties by the Developer.

1.4 Whereas, City establishes an entitlement fund in the amount of \$130,000 to cover City fees and cost associated with planning entitlement applications for the property owner's projects in the City; and

Now, therefore, City and Developer, in consideration of their respective commitments below, agree as follows:

2. Fee Credits:

2.1 City and Developer have reached an understanding as to the terms of this PFF Agreement, specifically that the City shall apply the credits for 367 lots against the Parkland (Quimby In-Lieu) Fees, and 264 lots for Fire Facilities Fees in effect at the time of building permit issuance.

**PUBLIC FACILITIES FEE CREDIT AND
ENTITLEMENT FUND AGREEMENT
WITH SP/CCI, LLC FOR ACQUISITION OF
PARCELS APN 478-120-003 & -004**

2.2 City and Developer agree that the Fee Credits can be transferred or sold by the Developer subject to the provisions of Section 6.9 of this Agreement.

3. Entitlement Fund:

3.1 City establishes an entitlement fund in the amount of \$130,000 to cover City fees and cost associated with planning entitlement applications for the property owner's projects in the City. The entitlement fund can be transferred or sold by the Developer in the future subject to the provisions of Section 6.9 of this Agreement.

4. Timing and Validation of Public Facilities Fees and the Entitlement Fund:

4.1 City and Developer agree that the Public Facilities Fees and Entitlement Fund shall be effective for 10 years, effective from the date this agreement is fully executed

5. Enforcement.

5.1 Enforcement by Either Party. The City agrees that unless this PFF Agreement is amended or terminated by mutual agreement of City and Developer, this PFF Agreement shall be enforceable by any party hereto notwithstanding any change hereafter in any applicable General Plan, Specific Plan, City Ordinance, Rule or Regulation.

5.2 The Cumulative Remedies. In addition to any other rights or remedies, either party may institute a legal action to cure, correct or remedy any default, to enforce any covenant or agreement herein, or to enjoin any threatened or attempted violation, including suits for declaratory relief, specific performance, relief in the nature of mandamus and actions for damages. All the remedies described above shall be cumulative and not exclusive to one another, and the exercise of any one or more of the remedies herein shall not constitute a waiver or election with respect to any other available remedy.

5.3 Attorneys' Fees. In any arbitration, administrative proceedings, or any action in any courts of competent jurisdiction, brought by one or more parties to enforce any provision of this PFF Agreement, or to enforce any rights or remedies under this PFF Agreement, including any action for declaratory or equitable relief, the prevailing

**PUBLIC FACILITIES FEE CREDIT AND
ENTITLEMENT FUND AGREEMENT
WITH SP/CCI, LLC FOR ACQUISITION OF
PARCELS APN 478-120-003 & -004**

party shall be entitled to reasonable attorneys' fees and all reasonable costs, expenses and disbursements in connection with such action.

6. Miscellaneous Provisions.

6.1 **Covenants, Conditions and Restrictions.** The terms of this PFF Agreement shall be binding upon the parties, their successors and assigns. Any successor in interest of Developer may enforce the provisions of this PFF Agreement.

6.2 **Governing Law.** This PFF Agreement, including, without limitation, its existence, validity, construction and operation, and the rights of each of the parties hereunder, shall be determined in accordance with the laws of the State of California.

6.4 **Recitals.** The recitals in this PFF Agreement constitute part of this PFF Agreement and each party shall be entitled to rely on the truth and accuracy of each recital as an inducement to enter into this PFF Agreement.

6.5 **Time.** Time is of the essence for this PFF Agreement and for each and every term and condition hereof.

6.6 **No Third Party Beneficiaries.** This PFF Agreement is made and entered into for the sole protection and benefit of the parties and their successors and assigns. Except as expressly provided in this PFF Agreement, no other person shall have any rights or cause of action based upon any provision of this PFF Agreement.

6.7 **Waiver.** The failure of either party at any time to seek redress for any violation of this PFF Agreement, or to insist upon the strict performance of any term or condition of this PFF Agreement, shall not prevent any subsequent act or omission of the same or similar nature from having all the force and effect of the original breach or default, and such subsequent act or omission may be proceeded against by either party to the fullest extent provided by this PFF Agreement. No provision of this PFF Agreement shall be deemed to have been waived by either party unless the waiver is in writing and is signed by the party waiving its rights or claims.

6.8 **Binding Effect.** The covenants and agreements contained in this PFF Agreement shall inure to the benefit of, and shall be binding upon each of the parties and their respective heirs, administrators, successors and assign.

**PUBLIC FACILITIES FEE CREDIT AND
ENTITLEMENT FUND AGREEMENT
WITH SP/CCI, LLC FOR ACQUISITION OF
PARCELS APN 478-120-003 & -004**

6.9 Transfer of Credits. The Developer shall notify the City of any proposed transfer of credits at least 30 days prior to the effective date of said transfer. Such notification shall provide a copy of the transfer documentation, including the name and contact information for the transferee. Any transferee shall be subject to the provisions of this Agreement. The transferee may use the Fee Credits to defray Parkland or Fire impact fees on a per unit basis for any residential project in the City. The Entitlement Fund may be used for the Developer's projects in the City of Moreno Valley as mentioned in 1.1.

SIGNATURE PAGE TO FOLLOW

**PUBLIC FACILITIES FEE CREDIT AND
ENTITLEMENT FUND AGREEMENT
WITH SP/CCI, LLC FOR ACQUISITION OF
PARCELS APN 478-120-003 & -004**

EXECUTED on the date or dates set forth below. This Agreement shall be effective as of the date signed by all parties.

DATED: _____

Grantor:

SP/CCI, LLC, a California Limited Liability Company

By: Stowe Passco Development, LLC,

Its Manager

By: Stowe Properties, Inc.,

Its Manager

By: Nat S. Harty, President

DATED: _____

Grantee:

CITY OF MORENO VALLEY

By: _____

Its: _____

Attest: _____

City Clerk
(only needed if Mayor signs)

APPROVED AS TO FORM:

City Attorney

Attachment: SP CCI, LLC Staff Report December 2011 (5513 : Amendment to Fee Credit Agreement with SP/CCI LLC)

PUBLIC FACILITIES FEE CREDIT AND ENTITLEMENT FUND AGREEMENT WITH SP/CCI, LLC FOR ACQUISITION OF PARCELS APN 478-120-003 & -004

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____, before me, _____, personally appeared _____ and _____, personally known to me (or 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 such he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

NOTARY PUBLIC

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____, before me, _____, personally appeared _____ and _____, personally known to me (or 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 such he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

NOTARY PUBLIC

Attachment: SP CCI, LLC Staff Report December 2011 (5513 : Amendment to Fee Credit Agreement with SP/CCI LLC)

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Report to City Council

TO: Mayor and City Council

FROM: Michael L. Wolfe P.E., Assistant City Manager

AGENDA DATE: September 7, 2021

TITLE: AUTHORIZATION TO AWARD AN AGREEMENT FOR PROFESSIONAL CONSULTANT DESIGN SERVICES TO HR GREEN PACIFIC, INC. FOR CITYWIDE PAVEMENT REHABILITATION PROGRAM PROJECTS

RECOMMENDED ACTION

Recommendations:

1. Award an Agreement for Professional Consultant Services to HR Green Pacific, Inc. to provide design related services for citywide pavement rehabilitation program projects in the amount of \$534,479.40;
2. Authorize the City Manager to execute the agreement with HR Green Pacific, Inc., subject to the approval by the City Attorney;
3. Authorize the issuance of a Purchase Order to HR Green Pacific, Inc. in the amount of \$534,479.40 when the agreement has been signed by all parties using State Gas Tax and SB1/RMRA State Gas Tax funds (Funds 2000 and 2000A);
4. Authorize the Public Works Director/City Engineer to execute any subsequent related amendments to the agreement with HR Green Pacific, Inc., not to exceed the Purchase Order amount, subject to the approval by the City Attorney; and
5. Authorize a budget adjustment as set forth in the Fiscal Impact section of this report.

SUMMARY

This report recommends approval of an agreement for Professional Consultant Services with HR Green Pacific, Inc. to provide design related services for citywide pavement rehabilitation program projects. These projects provide pavement preventative

maintenance and corrective work, as well as rehabilitation for various arterial and collector street segments as included in the approved Pavement Management Program Five-year Look-ahead Plan (5-Year PMP Plan) subject to funding availability.

DISCUSSION

The City has taken a proactive step in preserving and maintaining its street pavement network by putting in place a 5-Year PMP Plan which prioritizes a number of street segments for maintenance each year for a rolling five-year period. The 5-Year PMP Plan assumes a budget of approximately \$4 million would be available for pavement preservation and repair work each year for arterial and collector streets. The current approved 5-Year PMP Plan identifies approximately 70 arterial and collector street segments for rehabilitation for the next five years (Fiscal Year 2021-22 to Fiscal Year 2025-26).

Because there is a potential of additional Federal, State, and local funding for pavement repair work as part of the federal recovery act plans and programs, having construction ready projects will likely facilitate quicker access and/or provide a competitive advantage to the City to any funding that may become available. With this proposed agreement, the design of all the arterial and collector streets approved by the City Council in the 5-Year PMP Plan will be completed and ready for advertisement by Spring 2022. The bid package would include a base bid schedule that includes streets proposed for Fiscal Year 2021-22 and additive bid schedule for each subsequent fiscal year. This approach may provide the City with the flexibility to award as many street segments as possible based on the available funding and maximize its pavement maintenance and preservation opportunities with limited local dollars.

The use of an outside consultant will help fast-track the design of all identified street segments included in the PMP Five-year Look-ahead Plan in the upcoming months. On July 9, 2021, a Request for Proposals (RFP) for Professional Consultant Design Services was posted in Planet Bids. On July 27, 2021, the City received four (4) proposals in response to the RFP. Pursuant to the Moreno Valley Municipal Code procedures for professional services procurement, a selection committee, comprised of City staff, reviewed and rated all proposals according to the criteria established. Following the evaluations, HR Green Pacific, Inc. was selected as the most qualified consultant to provide the required services. The consultant's scope of work includes performing field evaluation of existing pavement conditions, selecting the appropriate rehabilitation and preservation treatments that are cost effective and could extend the service life of the street pavement, completing the design and bid package ready for advertising for construction bids.

Approval of the recommended actions would support Objective 4 of the Momentum MoVal Strategic Plan: "Manage and maximize Moreno Valley's public Infrastructure to ensure an excellent quality of life, develop and implement innovative, cost effective infrastructure maintenance programs, public facilities management strategies, and capital improvement programming and project delivery."

ALTERNATIVES

1. Approve and authorize the recommended actions as presented in this staff report. *This alternative will allow the completion of the design, construction plans, and bid package for the citywide pavement rehabilitation program projects and provide the City a competitive edge for additional funding with shovel-ready projects.*

2. Do not approve and authorize the recommended actions as presented in this staff report. *Staff does not recommend this alternative may limit the City’s ability to compete for additional funding for pavement projects.*

FISCAL IMPACT

This work is eligible to be funded by SB1/RMRA State Gas Tax (2000A). The Citywide Pavement Rehabilitation Program (FY 2021-22) project already has \$110,000 available for design work. An additional amount of \$440,000 from Fund 2000 (State Gas Tax) is required to complete the design of all arterial and collector streets for the next four years in the City Council approved 5-Year PMP Plan.

PROJECT BUDGET ALLOCATION FY 21/22:

Category	Fund	GL Account Project Number	Type	FY 21/22 Budget	Proposed Adjustments	FY 21/22 Amended Budget
CIP	State Gas Tax	2000-70-77-80001-720199 801 0089-2000-99	EXP	\$0	\$440,000	\$440,000

ESTIMATED DESIGN COSTS

Consultant Design Costs.....	\$534,500
City Project Administration	\$15,500
Total Estimated Design Costs.....	\$550,000

NOTIFICATION

Public notification and community outreach will continue throughout the completion of this project.

PREPARATION OF STAFF REPORT

Prepared By:
Quang Nguyen, P.E.
Senior Engineer

Department Head Approval:
Michael L. Wolfe, P.E.
Public Works Director/City Engineer

Concurred By:
Henry Ngo, P.E.
Capital Projects Principal Engineer

CITY COUNCIL GOALS

Public Safety. Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

Public Facilities and Capital Projects. Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

Community Image, Neighborhood Pride and Cleanliness. Promote a sense of community pride and foster an excellent image about our City by developing and executing programs which will result in quality development, enhanced neighborhood preservation efforts, including home rehabilitation and neighborhood restoration.

CITY COUNCIL STRATEGIC PRIORITIES

- 1. Economic Development
- 2. Public Safety
- 3. Library
- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs

ATTACHMENTS

- 1. Agreement for Professional Consultant Design Services with HR Green Pacific, Inc.

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	8/29/21 7:23 PM
City Attorney Approval	<u>✓ Approved</u>	
City Manager Approval	<u>✓ Approved</u>	8/30/21 9:04 AM

**AGREEMENT FOR PROFESSIONAL CONSULTANT DESIGN SERVICES FOR
CITYWIDE PAVEMENT REHABILITATION PROGRAM (FY 2021-22)
PROJECT NO. 801 0089**

This Citywide Pavement Rehabilitation Program (FY 2021-22) Agreement (hereinafter, this "Agreement") is made and entered into this ____ day of _____ 2021 ("Effective Date"), by and between the City of Moreno Valley, a municipal corporation in the County of Riverside, State of California, hereinafter referred to as the "City," and HR Green Pacific, Inc., a (California corporation), hereinafter referred to as "Consultant."

RECITALS

WHEREAS, the City has determined it is in the public interest to proceed with the professional work hereinafter described as "Project"; and

WHEREAS, the City has determined the Project involves the performance of professional and technical services of a temporary nature as more specifically described in Exhibit "A" (City's Request for Proposal) and Exhibit "B" (Consultant's Proposal) hereto; and

WHEREAS, the City does not have available employees to perform the services for the Project; and

WHEREAS, the City has requested the Consultant to perform such services for the Project; and

WHEREAS, the Consultant is professionally qualified in California to perform the professional and technical services required for the Project, and hereby represents that it desires to and is professionally and legally capable of performing the services called for by this Agreement;

THEREFORE, the City and the Consultant, for the consideration hereinafter described, mutually agree as follows:

**AGREEMENT FOR PROFESSIONAL CONSULTANT DESIGN SERVICES
CITYWIDE PAVEMENT REHABILITATION PROGRAM (FY 2021-22)
PROJECT NO. 801 0089**

DESCRIPTION OF PROJECT

1. The Project is described as Citywide Pavement Rehabilitation Program (FY 2021-22), Project No. 801 0089.

SCOPE OF SERVICES

2. The Consultant's scope of service is described on Exhibit "B" attached hereto and incorporated herein by this reference. In the event of a conflict, the City's Request for Proposal shall take precedence over the Consultant's Proposal.

3. The City's responsibility is described on Exhibit "C" attached hereto and incorporated herein by this reference.

PAYMENT TERMS

4. The City agrees to pay the Consultant and the Consultant agrees to receive a "Not-to-Exceed" fee of \$534,479.40 in accordance with the payment terms provided on Exhibit "D" attached hereto and incorporated herein by this reference.

TIME FOR PERFORMANCE

5. The Consultant shall commence services upon receipt of written direction to proceed from the City.

6. The Consultant shall perform the work described on Exhibit "A" in accordance with the schedule as included in Exhibit "B" attached hereto and incorporated by this reference.

7. This Agreement shall be effective from effective date and shall continue in full force and effect date through December 31, 2022, subject to any earlier termination in accordance with this Agreement. The services of Consultant shall be completed in a sequence assuring expeditious completion, but in any event, all such services shall be completed prior to expiration of this Agreement.

8. (a) The Consultant agrees that the personnel, including the principal Project

**AGREEMENT FOR PROFESSIONAL CONSULTANT DESIGN SERVICES
CITYWIDE PAVEMENT REHABILITATION PROGRAM (FY 2021-22)
PROJECT NO. 801 0089**

manager, and all subconsultants assigned to the Project by the Consultant, shall be subject to the prior approval of the City.

(b) No change in subconsultants or key personnel shall be made by the Consultant without written prior approval of the City.

SPECIAL PROVISIONS

9. It is understood and agreed that the Consultant is, and at all times shall be, an independent contractor and nothing contained herein shall be construed as making the Consultant or any individual whose compensation for services is paid by the Consultant, an agent or employee of the City, or authorizing the Consultant to create or assume any obligation or liability for or on behalf of the City.

10. The Consultant may also retain or subcontract for the services of other necessary consultants with the prior written approval of the City. Payment for such services shall be the responsibility of the Consultant. Any and all subconsultants employed by the Consultant shall be subject to the terms and conditions of this Agreement, except that the City shall have no obligation to pay any subconsultant for services rendered on the Project.

11. The Consultant and the City agree to use reasonable care and diligence to perform their respective services under this Agreement.

12. The Consultant shall comply with applicable federal, state, and local laws in the performance of work under this Agreement.

13. To the extent required by controlling federal, state and local law, Consultant shall not employ discriminatory practices in the provision of services, employment of personnel, or in any other respect on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age, sexual orientation, ethnicity, status as a disabled veteran or veteran of the Vietnam era. Subject to the foregoing

**AGREEMENT FOR PROFESSIONAL CONSULTANT DESIGN SERVICES
CITYWIDE PAVEMENT REHABILITATION PROGRAM (FY 2021-22)
PROJECT NO. 801 0089**

and during the performance of this Agreement, Consultant agrees as follows:

(a) Consultant will comply with all applicable laws and regulations providing that no person shall, on the grounds of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age, sexual orientation, ethnicity, status as a disabled veteran or veteran of the Vietnam era be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity made possible by or resulting from this Agreement.

(b) Consultant will not discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age, sexual orientation, ethnicity, status as a disabled veteran or veteran of the Vietnam era. Consultant shall ensure that applicants are employed, and the employees are treated during employment, without regard to their race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age, sexual orientation, ethnicity, status as a disabled veteran or veteran of the Vietnam era. Such requirement shall apply to Consultant's employment practices including, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Consultant agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provision of this nondiscrimination clause.

(c) Consultant will, in all solicitations or advertisements for employees placed by or on behalf of Consultant in pursuit hereof, state that all qualified applicants will receive consideration for employment without regard to race, religious creed, color, national origin,

**AGREEMENT FOR PROFESSIONAL CONSULTANT DESIGN SERVICES
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ancestry, physical disability, mental disability, medical condition, marital status, sex, age, sexual orientation, ethnicity, status as a disabled veteran or veteran of the Vietnam era.

(d) If Consultant should subcontract all or any portion of the services to be performed under this Agreement, Consultant shall cause each subcontractor to also comply with the requirements of this Section 13.

14. To the furthest extent allowed by law (including California Civil Code section 2782.8 if applicable), Consultant shall indemnify, hold harmless and defend the City, the Moreno Valley Community Services District (“CSD”), the Moreno Valley Housing Authority (“Housing Authority”) and each of their officers, officials, employees, agents and volunteers from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage), and from any and all claims, demands and actions in law or equity (including reasonable attorney’s fees and litigation expenses) that arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of Consultant, its principals, officers, employees, agents or volunteers in the performance of this Agreement.

If Consultant should subcontract all or any portion of the services to be performed under this Agreement, Consultant shall require each subcontractor to indemnify, hold harmless and defend City, CSD, Housing Authority and each of their officers, officials, employees, agents and volunteers in accordance with the terms of the preceding paragraph.

This section shall survive termination or expiration of this Agreement.

15. Insurance.

(a) Throughout the life of this Agreement, Consultant shall pay for and maintain in full force and effect all insurance as required in **Exhibit E** or as may be authorized in writing by the City Manager or his/her designee at any time and in his/her sole discretion.

**AGREEMENT FOR PROFESSIONAL CONSULTANT DESIGN SERVICES
CITYWIDE PAVEMENT REHABILITATION PROGRAM (FY 2021-22)
PROJECT NO. 801 0089**

(b) If at any time during the life of the Agreement or any extension, Consultant or any of its subcontractors fail to maintain any required insurance in full force and effect, all services and work under this Agreement shall be discontinued immediately, and all payments due or that become due to Consultant shall be withheld until notice is received by City that the required insurance has been restored to full force and effect and that the premiums therefore have been paid for a period satisfactory to City. Any failure to maintain the required insurance shall be sufficient cause for City to terminate this Agreement. No action taken by City pursuant to this section shall in any way relieve Consultant of its responsibilities under this Agreement. The phrase "fail to maintain any required insurance" shall include, without limitation, notification received by City that an insurer has commenced proceedings, or has had proceedings commenced against it, indicating that the insurer is insolvent.

(c) The fact that insurance is obtained by Consultant shall not be deemed to release or diminish the liability of Consultant, including, without limitation, liability under the indemnity provisions of this Agreement. The duty to indemnify City shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by Consultant. Approval or purchase of any insurance contracts or policies shall in no way relieve from liability nor limit the liability of Consultant, its principals, officers, agents, employees, persons under the supervision of Consultant, vendors, suppliers, invitees, consultants, sub-consultants, subcontractors, or anyone employed directly or indirectly by any of them.

(d) Upon request of City, Consultant shall immediately furnish City with a complete copy of any insurance policy required under this Agreement, including all endorsements, with said copy certified by the underwriter to be a true and correct copy of the original policy. This requirement shall survive expiration or termination of this Agreement.

**AGREEMENT FOR PROFESSIONAL CONSULTANT DESIGN SERVICES
CITYWIDE PAVEMENT REHABILITATION PROGRAM (FY 2021-22)
PROJECT NO. 801 0089**

(e) If Consultant should subcontract all or any portion of the services to be performed under this Agreement, Consultant shall require each subcontractor to provide insurance protection in favor of City and each of its officers, officials, employees, agents and volunteers in accordance with the terms of this section, except that any required certificates and applicable endorsements shall be on file with Consultant and City prior to the commencement of any services by the subcontractor.

16. The waiver by either party of a breach by the other of any provision of this Agreement shall not constitute a continuing waiver or a waiver of any subsequent breach of either the same or a different provision of this Agreement. No provisions of this Agreement may be waived unless in writing and signed by all parties to this Agreement. Waiver of any one provision herein shall not be deemed to be a waiver of any other provision herein.

17. Consultant and subconsultants shall pay prevailing wage rates when required by the Labor Laws of the State of California.

18. (a) The Consultant shall deliver to the Public Works Director/City Engineer of the City or his designated representative, fully completed and detailed project-related documents which shall become the property of the City. The Consultant may retain, for its files, copies of any and all material, including drawings, documents, and specifications, produced by the Consultant in performance of this Agreement.

(b) The Consultant shall be entitled to copies of all furnished materials for his files and his subconsultants, if any.

(c) The City agrees to hold the Consultant free and harmless from any claim arising from any unauthorized use of computations, maps, and other documents prepared or provided by the Consultant under this Agreement, if used by the City on other work without the permission of the Consultant. Consultant acknowledges that Consultant work product produced

**AGREEMENT FOR PROFESSIONAL CONSULTANT DESIGN SERVICES
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PROJECT NO. 801 0089**

under this agreement may be public record under State law.

19. (a) This Agreement shall terminate without any liability of City to Consultant upon the earlier of: (i) Consultant's filing for protection under the federal bankruptcy laws, or any bankruptcy petition or petition for receiver commenced by a third party against Consultant; (ii) 10 calendar days prior written notice with or without cause by City to Consultant; (iii) City's non-appropriation of funds sufficient to meet its obligations hereunder during any City fiscal year of this Agreement, or insufficient funding for the Project; or (iv) expiration of this Agreement. The written notice shall specify the date of termination. Upon receipt of such notice, the Consultant may continue services on the project through the date of termination, provided that no service(s) shall be commenced or continued after receipt of the notice, which is not intended to protect the interest of the City. The City shall pay the Consultant within thirty (30) days after the date of termination for all non-objected to services performed by the Consultant in accordance herewith through the date of termination. Consultant shall not be paid for any work or services performed or costs incurred which reasonably could have been avoided.

(b) In the event of termination due to failure of Consultant to satisfactorily perform in accordance with the terms of this Agreement, City may withhold an amount that would otherwise be payable as an offset to, but not in excess of, City's damages caused by such failure. In no event shall any payment by City pursuant to this Agreement constitute a waiver by City of any breach of this Agreement which may then exist on the part of Consultant, nor shall such payment impair or prejudice any remedy available to City with respect to the breach.

(c) Upon any breach of this Agreement by Consultant, City may (i) exercise any right, remedy (in contract, law or equity), or privilege which may be available to it under applicable laws of the State of California or any other applicable law; and/or (ii) proceed by appropriate court action to enforce the terms of the Agreement. If it is determined that City improperly

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terminated this Agreement for default, such termination shall be deemed a termination for convenience.

(d) Consultant shall be liable for default unless nonperformance is caused by an occurrence beyond the reasonable control of Consultant and without its fault or negligence such as, acts of God or the public enemy, acts of City in its contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, unusually severe weather, and delays of common carriers. Consultant shall notify City in writing as soon as it is reasonably possible after the commencement of any excusable delay, setting forth the full particulars in connection therewith, and shall remedy such occurrence with all reasonable dispatch, and shall promptly give written notice to Administrator of the cessation of such occurrence.

20. This Agreement is binding upon the City and the Consultant and their successors and assigns. Except as otherwise provided herein, neither the City nor the Consultant shall assign, sublet, or transfer its interest in this Agreement or any part thereof without the prior written consent of the other.

21. A City representative shall be designated by the City and a Consultant representative shall be designated by the Consultant. The City representative and the Consultant representative shall be the primary contact person for each party regarding performance of this Agreement. The City representative shall cooperate with the Consultant, and the Consultant's representative shall cooperate with the City in all matters regarding this Agreement and in such a manner as will result in the performance of the services in a timely and expeditious fashion.

22. This Agreement represents the entire and integrated Agreement between the City and the Consultant, and supersedes all prior negotiations, representations or Agreements, either written or oral. This Agreement may be modified or amended only by a subsequent written

**AGREEMENT FOR PROFESSIONAL CONSULTANT DESIGN SERVICES
CITYWIDE PAVEMENT REHABILITATION PROGRAM (FY 2021-22)
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Agreement signed by both parties.

23. Where the payment terms provide for compensation on a time and materials basis, the Consultant shall maintain adequate records to permit inspection and audit of the Consultant's time and materials charges under this Agreement. The Consultant shall make such records available to the City at the Consultant's office during normal business hours upon reasonable notice. Nothing herein shall convert such records into public records. Except as may be otherwise required by law, such records will be available only to the City. Such records shall be maintained by the Consultant for three (3) years following completion of the services under this Agreement.

24. The City and the Consultant agree, that to the extent permitted by law, until final approval by the City, all data shall be treated as confidential and will not be released to third parties without the prior written consent of both parties.

25. (a) Consultant shall comply, and require its subcontractors to comply, with all applicable (i) professional canons and requirements governing avoidance of impermissible client conflicts; and (ii) federal, state and local conflict of interest laws and regulations including, without limitation, California Government Code Section 1090 et. seq., the California Political Reform Act (California Government Code Section 87100 et. seq.) and the regulations of the Fair Political Practices Commission concerning disclosure and disqualification (2 California Code of Regulations Section 18700 et. seq.). At any time, upon written request of City, Consultant shall provide a written opinion of its legal counsel and that of any subcontractor that, after a due diligent inquiry, Consultant and the respective subcontractor(s) are in full compliance with all laws and regulations. Consultant shall take, and require its subcontractors to take, reasonable steps to avoid any appearance of a conflict of interest. Upon discovery of any facts giving rise to the appearance of a conflict of interest, Consultant shall immediately notify City of these facts

**AGREEMENT FOR PROFESSIONAL CONSULTANT DESIGN SERVICES
CITYWIDE PAVEMENT REHABILITATION PROGRAM (FY 2021-22)
PROJECT NO. 801 0089**

in writing.

(b) In performing the work or services to be provided hereunder, Consultant shall not employ or retain the services of any person while such person either is employed by City or is a member of any City council, commission, board, committee, or similar City body. This requirement may be waived in writing by the City Manager, if no actual or potential conflict is involved.

(c) Consultant represents and warrants that it has not paid or agreed to pay any compensation, contingent or otherwise, direct or indirect, to solicit or procure this Agreement or any rights/benefits hereunder.

(d) Neither Consultant, nor any of Consultant's subcontractors performing any services on this Project, shall bid for, assist anyone in the preparation of a bid for, or perform any services pursuant to, any other contract in connection with this Project unless fully disclosed to and approved by the City Manager, in advance and in writing. Consultant and any of its subcontractors shall have no interest, direct or indirect, in any other contract with a third party in connection with this Project unless such interest is in accordance with all applicable law and fully disclosed to and approved by the City Manager, in advance and in writing. Notwithstanding any approval given by the City Manager under this provision, Consultant shall remain responsible for complying with Section 25(a), above.

(e) If Consultant should subcontract all or any portion of the work to be performed or services to be provided under this Agreement, Consultant shall include the provisions of this Section 25 in each subcontract and require its subcontractors to comply therewith.

(f) This Section 25 shall survive expiration or termination of this Agreement.

26. All Plans, drawings, Specifications, reports, logs, and other documents prepared

**AGREEMENT FOR PROFESSIONAL CONSULTANT DESIGN SERVICES
CITYWIDE PAVEMENT REHABILITATION PROGRAM (FY 2021-22)
PROJECT NO. 801 0089**

by the Consultant in its performance under this Agreement shall, upon completion of the project, be delivered to and be the property of the City, provided that the Consultant shall be entitled, at its own expense, to make copies thereof for its own use.

27. The laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement, and shall also govern the interpretation of this Agreement. Venue shall be vested in the Superior Court of the State of California, County of Riverside.

SIGNATURE PAGE FOLLOWS

IN WITNESS HEREOF, the parties have each caused their authorized representative to execute this Agreement.

City of Moreno Valley

HR Green Pacific, Inc.

BY: _____
Mike Lee, City Manager

BY: _____

Name: _____

TITLE: _____
(President or Vice President)

Date

Date

<u>INTERNAL USE ONLY</u>
APPROVED AS TO LEGAL FORM:

City Attorney

Date
RECOMMENDED FOR APPROVAL:

Public Works Director/City Engineer

Date

BY: _____

Name: _____

TITLE: _____
(Corporate Secretary)

Date

- Enclosures:
- Exhibit "A" – City Scope of Services
 - Exhibit "B" – Consultant Proposal
 - Exhibit "C" – City Services
 - Exhibit "D" – Terms of Payment
 - Exhibit "E" – Insurance Requirements

Attachment: Agreement for Professional Consultant Design Services with HR Green Pacific, Inc. [Revision 1] (5471 : AUTHORIZATION TO

EXHIBIT "A"

Attachment: Agreement for Professional Consultant Design Services with HR Green Pacific, Inc. [Revision 1] (5471 : AUTHORIZATION TO



City of Moreno Valley
Capital Projects Division

Request for Proposal for
Professional Consultant Design Services for
CITYWIDE PAVEMENT REHABILITATION PROGRAM (FY 2021-22)
Project No. 801 0089

Proposal Due Date: July 27, 2021 at 4:00 p.m.

I. INVITATION

You are hereby invited to submit a Proposal for Professional Consultant Design Services for the Citywide Pavement Rehabilitation Program Project No. 801 0089 for the City of Moreno Valley.

Interested parties may register and download copies of the Request for Proposal (RFP) via City's online vendor portal at:

<http://www.planetbids.com/portal/portal.cfm?CompanyID=24660>

To download proposal packages and submit proposals, **prospective proposers will be required to pay an online usage download fee of \$10.00**. All documents associated with this RFP will be downloadable after the fee has been paid. Once the proposer downloads any documents relative to a solicitation, that proposer's name will appear on the Prospective Bidders List.

Proposals shall be submitted electronically (in PDF format) utilizing the above City's vendor portal. The proposer shall submit a separate electronic file for their technical proposal and a separate electric file for cost proposal.

Technical Proposal shall include, but not be limited to, the following items:

- Proposer's approach and understanding of all necessary tasks and steps involved for completing the required services;
- A detailed scope of services to reflect the methods and procedures that the proposer intends to use to provide the required services. The scope of services outlined in this RFP is only provided as a guide and does not include all the tasks as required to complete the work.
- A list of deliverables and schedule for completion;
- Related experience including relevant experience date, name of agency, and Reference name/contact information;
- A resource allocation matrix (exclude cost info); and



- Completed forms as required.

Cost Proposal shall include, but not be limited to, the following items:

- A “Not-to-Exceed” Fee that includes all costs associated with the delivery of the required services.
- A rate schedule aligned with titles in the resource allocation matrix in Technical Proposal.
- Itemized tasks and corresponding costs must be identical to the detailed Scope of Services included as part of the Proposer’s Technical Proposal.
- An optional task to provide professional/engineering support during project advertising/bidding and construction and any additional work as requested/approved by the City at an allowance of \$40,000.

The proposer is solely responsible for “on time” submission of their electronic proposal. The City will only consider proposals that have been transmitted successfully and have been issued an ebid confirmation number with a time stamp from the Bid Management System indicating that bid was submitted successfully. Transmission of proposals by any other means will not be accepted. Proposer shall be solely responsible for informing itself with respect to the proper utilization of the proposal management system, for ensuring the capability of their computer system to upload the required documents, and for the stability of their internet service. Failure of the proposer to successfully submit an electronic proposal shall be at the proposer’s sole risk and no relief will be given for late and/or improperly submitted proposals. Proposers experiencing any technical difficulties with the proposal submission process may contact PlanetBids directly at (818) 992-1771. Neither the City, nor PlanetBids, makes any guarantee as to the timely availability of assistance, or assurance that any given problem will be resolved by the proposal submission deadline.

All questions regarding this RFP must be submitted through the vendor portal noted above within the Q/A section and must be submitted no later than two (2) working days prior to the proposal submission deadline.

II. PROJECT INFORMATION AND SCOPE OF SERVICES

1. Project Information

The City is seeking a qualified consultant firm with in-depth experience to complete the design and related services for the Citywide Pavement Rehabilitation Program (FY 2021-22). The streets included in this project for pavement rehabilitation and pavement preservation work are mainly arterial and collector street segments, selected based on the approved 5-Year Look-Ahead Pavement Rehabilitation and Preservation Plan as attached to this RFP (**Attachment 1**). The 5-Year Look-Ahead Pavement Rehabilitation and Preservation Plan shows various streets segments in different colors to be implemented in different fiscal years from 2021-22 to 2025-26. There are approximately



68 street segments (approx. 41.3 centerline miles) to be designed for this project. Please refer to the attached List of Streets (**Attachment 2**) for more information.

However, with additional funding potentially coming for infrastructure improvements, the City plans to fast-track this 5-Year plan and have the design completed for all five fiscal years, making the plan shovel-ready by next February for construction once funding becomes available. The idea is to complete the design for all streets shown on this 5-Year Plan and package the project for advertising for construction bids with Fiscal Year 2021-22 streets as base bid, Fiscal Year 2022-23 streets as Additive Bid 1, Fiscal Year 2023-24 streets as Additive Bid 2, and so on. This way the City will have the opportunity to rehab more streets with this project to maximize the available funding.

Pavement rehabilitation work done for the City's previous pavement rehab projects typically include removal of 1.5" thick of existing pavement surface and replacing with 1.5" thick ARHM (up to 2.5" thick if a particular street requires thicker section due to heavy truck traffic) or crack sealing then overlaying existing pavement with 1.5" thick ARHM. Pavement preservation work typically entails the traditional dig-outs/localized repairs, crack sealing/filling, and application of Type 2 slurry seal. The existing conditions of the pavement and traffic volume are usually used to determine the type of treatment a particular street could get. It is emphasized that the consultant should thoroughly field review the conditions of all street segments for this project and recommend/select a treatment or treatments that are most appropriate and cost effective for rehabilitation and preservation purposes of this project.

2. Scope of Services

The scope of services is to provide Professional Consultant Design Services for the Plans, Specifications and Estimate (PS&E) phase of the subject project. The scope of services listed below is only provided as a guide which only outlines the main tasks and does not include all the tasks as required to complete the work. Consultant shall consider to include all tasks in his or her resource matrix necessary to complete the work based on his or her experience working on similar projects.

- a. Perform field review of all street segments to observe the existing pavement and traffic conditions in order to layout the actual limits of improvements, to select appropriate treatment, to estimate the amounts/total areas of local repairs, to inventory existing utility facilities to be adjusted and striping to be replaced including traffic detector loops, and to verify pavement areas and street widths and lengths for the purpose of quantity take-off.
- b. Prepare typical base/layout maps for slurry seal streets and civil plans for pavement surface replacement streets.
- c. Prepare striping and signing plans that are in accordance with city and state standards and City's General Circulation Plan and Bicycle Master Plan.



- d. Perform quantities take-off and engineering cost estimate.
- e. Prepare Contract Documents and Bid Schedule ready for bidding. The Plans, Contract Documents, and Bid Schedule are to be prepared and set up to show the following (Please note that additive alternate information may change due to funding information as it becomes available):
- i. Fiscal Year 2021-22 streets: Base Bid
 - ii. Fiscal Year 2022-23 streets: Additive Alternate Bid 1
 - iii. Fiscal Year 2023-24 streets: Additive Alternate Bid 2
 - iv. Fiscal Year 2024-25 streets: Additive Alternate Bid 3
 - v. Fiscal Year 2025-26 streets: Additive Alternate Bid 4
- f. Perform any additional tasks as necessary to complete the PS&E and have the mylars and Contract Documents signed and approved by the City by the end of February 2022.

g. Project Schedule

The schedule for completing the design of this project is considered aggressive due to funding requirements and summarized as follow:

Proposal for Design Due Date:	July 27, 2021
Proposal Review and Award by:	August 30, 2021
Kick-off Meeting:	September 1, 2021
Complete 30% Design:	October 30, 2021
Complete 60% Design:	December 30, 2021
Complete 100% Plans, Specifications, and Estimates:	February 11, 2022
Mylars and Specifications Signed/Approved:	February 28, 2022

III. CONSULTANT'S PROPOSAL AND COMPENSATION

The Consultant's Proposal shall be no more than 20 pages, excluding a cover letter of up to two pages, dividers, and certificates. Proposals failing to provide sufficient information and assurances of performance to accurately assess each category of the required services and failing to comply with requirements and conditions of the RFP will not be given further consideration. The Consultant's Proposal shall include the following:

- A. A statement that this RFP shall be incorporated in its entirety as a part of the Consultant's Proposal.
- B. A statement that this RFP and the Consultant's Proposal will jointly become part of the Agreement for Professional Consultant Services for this project when said Agreement is fully executed by the Consultant and the City of Moreno Valley.
- C. A statement that the Consultant's Services to be provided, and fees therefore, will



be in accordance with the City's RFP except as otherwise specified in the Consultant's Proposal under the heading "ADDITIONS OR EXCEPTIONS TO THE CITY'S REQUEST FOR PROPOSAL."

D. A single and separate section with the heading "ADDITIONS OR EXCEPTIONS TO THE CITY'S REQUEST FOR PROPOSAL" (if needed) containing a complete and detailed description of all of the exceptions to the provisions and conditions of this RFP upon which the Consultant's Proposal is contingent and which shall take precedent over this RFP.

E. A statement of qualifications applicable to this project including the names, qualifications and proposed duties of the Consultant's Staff to be assigned to this project; a listing of recent similar projects completed including the names, titles, addresses and telephone numbers of the appropriate persons whom the City could contact. If one or more of the Consultant's staff should become unavailable, the Consultant may substitute other staff of at least equal competence only after prior written approval by the City.

F. A resource allocation matrix must be submitted with the Proposal. The resource allocation matrix must list detailed tasks in rows and the appropriate individual (Job Title Only) as well as the number of hours that these individuals will be working on each task listed, will be included in adjacent columns. The resource allocation matrix and the project design schedule are required of both the primary consultant, as well as any sub-consultant. In addition, the applicable construction support services consultant must list the type and number or hours of geotechnical tests being proposed, as well as the type and number of hours of inspection or survey work within the Proposal. Failure to do so will result in the Consultant's Proposal being deemed incomplete and it will not receive further consideration. The construction support services Consultant is not required to provide a Project Schedule with milestones.

G. A statement of sub-consultant's (include relief personnel) qualifications applicable to this project including the names, qualifications and proposed duties of the sub-consultant's staff to be assigned to this project; a listing of recent similar projects completed including the names, titles, addresses, and telephone numbers of the appropriate persons whom the City could contact.

A statement that the Consultant acknowledges and understands that the Consultant will not be allowed to change the sub-consultant without written permission from the City.

H. A statement that all charges for Consultant services is a "Not-to-Exceed" fee which must include conservatively estimated reimbursable expenses, as submitted with and made a part of said Consultant's Proposal.

I. A statement that the Consultant will document and provide the results of the work to the satisfaction of the City. This may include preparation of field and final reports, or similar evidence of attainment of the Agreement objectives.



J. A statement that the Consultant will immediately document and notify the City of any defects or hazardous conditions observed in the vicinity of the project site prior, during, or after the construction work.

K. A copy of the Consultant's hourly rate schedule and a statement that said hourly rate schedule is part of the Consultant's Proposal for use in invoicing for progress payments and for extra work incurred that is not part of this RFP. An itemized cost breakdown for the work described herein must be submitted in a separate file, entitled Cost file, as part of your Proposal submittal. All extra work will require prior approval from the City.

L. A statement that the Consultant will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.

M. A statement that all federal laws and regulations shall be adhered to notwithstanding any state or local laws and regulations. In a case of conflict between federal, state or local laws or regulations the strictest shall be adhered to.

N. A statement that the Consultant shall allow all authorized federal, state, county, and City officials access to place of work, books, documents, papers, fiscal, payroll, materials, and other relevant contract records pertinent to this special project. All relevant records shall be retained for at least three years.

O. A statement that the Consultant shall comply with the Davis-Bacon Fair Labor Standards Act (40 USC 276-a through a-7), and the implementation regulations issued pursuant thereto (29 CFR Section 1, 5), any amendments thereof and the California Labor Code. Pursuant to the said regulations, entitled "Federal Labor Standards Provisions," Federal Prevailing Wage Decision" and State of California prevailing wage rates, respectively.

P. A statement that the Consultant shall comply with the Copeland Anti-Kickback Act (18 USC 874) and the Implementation Regulation (29 CFR 3) issued pursuant thereto, and any amendments thereof.

Q. A statement that the Consultant offers and agrees to assign to the City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 USC Sec. 15) or under the Cartwright Act (Chapter 2 [commencing with Section 16700] of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials pursuant to the public works or the subcontract. This assignment shall be made and become effective at the time the City tenders final payment to the Consultant, without further acknowledgment by the parties.

IV. GENERAL COMPLIANCE WITH LAWS AND WAGE RATES

The Consultant shall be required to comply with all federal, state, and local laws and ordinances applicable to the work. This includes compliance with prevailing wage rates



and their payment in accordance with California Labor Code, Section 1775.

The Consultant is required to submit certified payrolls weekly. This applies to all applicable field personnel working on the project. In accordance with Section 1771.5 (b) (5) of the California Labor Code, the City will withhold payments when the payroll records are delinquent or inadequate.

V. PAYMENT TO CONSULTANT

- A. This work is to be performed for a “Not-to-Exceed” Fee.
- B. The Consultant shall provide a “Payment Schedule” indicating the fee for individual tasks with a “Not-to-Exceed” Fee which shall be the sum of all tasks.
- C. Tasks shall include, but not be limited to, all Professional Consultant Services necessary to complete the work covered by this RFP and Proposal.
- D. **The City will pay the Consultant for work completed based on milestones completed and accepted by the City. These milestones are:**
 - 1. Complete office research on as-built maps, monuments, utilities.
 - 2. Complete field review of all street segments.
 - 3. Complete CAD base maps.
 - 4. Complete 30% design plans and estimates.
 - 5. Complete 60% design plans and estimates.
 - 6. Complete 100% design plans and estimates.
 - 7. Complete mylars and contract documents for signature approval
 - 8. Complete any additional technical support or additional work as requested by the City.
- E. Invoices will specifically identify job title, person-hours, and costs incurred by each task.
- F. Reimbursement costs such as mileage, printing, telephone, photographs, postage and delivery, are to be included in the “Not-to-Exceed” Fee.”
- G. All tasks including labor and reimbursable costs such as printing, postage, and delivery shall have supporting documentation presented at the time payment is requested.
- H. The City will pay the Consultant for all acceptable services rendered in accordance with the “Agreement for Professional Consultant Services.”



- I. When the Consultant is performing, or is requested to perform, work beyond the scope of service in the “Agreement for Professional Consultant Services,” an “Amendment to the Agreement” will be executed between the City and Consultant.
- J. The Consultant shall receive no compensation for any re-work necessary as result of the Consultant’s errors or oversight.

VI. INSURANCE

- A. The Consultant shall provide Errors and Omissions Professional Insurance. Such coverage limits shall not be less than \$1,000,000 per claim and aggregate.
- B. The Consultant shall have Public Liability and Property Damage Insurance in the amounts as follows:

GENERAL LIABILITY

Bodily Injury	\$1,000,000	per occurrence
Property Damage	\$ 500,000	per occurrence

A combined single limit policy with aggregate limits in the amount of \$2,000,000 will be considered equivalent to the above minimum limits.

- C. The Consultant shall have Public Liability and Property Damage Insurance coverage for owned and non-owned automotive equipment in the amount of not less than \$1,000,000.
- D. The Consultant shall have Workers’ Compensation Insurance in the amounts as will fully comply with the laws of the State of California.
- E. A Certificate of Insurance or an appropriate binder shall bear an endorsement containing the following provisions:

"Solely as respect to services done by or on behalf of the named insured for the City of Moreno Valley, it is agreed that the City of Moreno Valley, the Moreno Valley Housing Authority, and the Moreno Valley Community Services District, its officers, employees and agents are included as additional insured under this general liability policy and the coverage(s) provided shall be primary insurance and not contributing with any other insurance available to the City of Moreno Valley, the Moreno Valley Housing Authority, and the Moreno Valley Community Services District, its officers and employees and agents, under any third party liability policy."

- F. Insurance companies providing insurance hereunder shall be rated (A minus: VII - Admitted) or better in Best's Insurance Rating Guide and shall

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be legally licensed and qualified to conduct insurance business in the State of California.

- G. The terms of the insurance policy or policies issued to provide the above insurance coverage shall not be amended to reduce the above required insurance limits and coverage's nor shall such policies be canceled by the carrier without thirty (30) days prior written notice by certified or registered mail of amendment or cancellation to the Agency, except that cancellation for non-payment of premium shall require ten (10) days prior written notice by certified or registered mail. In the event the said insurance is canceled, the Consultant shall, prior to the cancellation date, submit to the City new evidence of insurance in the amount established.
- H. It is the Consultant's responsibility to ensure that all subconsultants comply with the following: Each subconsultant whose work encroaches within the City's right-of-way **and** affects (i.e., damages or impacts) City infrastructure must apply for an encroachment permit and must comply with the liability insurance requirements of the City. Examples of such subconsultant work include soil sample borings, utility potholing, etc.

The "Application for Encroachment Permit" form, including "Application for Encroachment Permit Liability Insurance Requirements," is available in the Capital Projects Division and must be completed and submitted in full to the City. It is the Consultant's responsibility to ensure that all subconsultants submit the appropriate encroachment permit, City business license, and insurance documentation at the same time that the Consultant's insurance documentation is submitted.

VII. INDEMNIFICATION

A. The Consultant agrees to indemnify, defend, and save the City of Moreno Valley, the Moreno Valley Community Services District (CSD), and the Moreno Valley Housing Authority (MVHA), their officers, agents and employees harmless from any and all liability, claims, demands, damages, or injuries to any person, including injury to the Consultant's employees and all claims which arise from or are connected with the negligent performance of or failure to perform the work or other obligations of the Consultant under this Agreement, or are caused or claim to be caused by the negligent acts of the Consultant, its officers, agents or employees, or its subconsultant(s) or any person acting for the Consultant or under its control or direction; provided, however, that this indemnification and hold harmless shall not include claims arising from the sole negligence or willful misconduct of the City, MVHA, and CSD, their officers, agents or employees.

B. The City agrees to indemnify, defend and save the Consultant and their officers, agents and employees harmless from any and all liability, claims, damages or injuries to any person, including injury to the City's, MVHA's, and CSD's employees and all claims



which arise from or are connected with the negligent performance or failure to perform the services or other obligations of the City under this Agreement, or are caused or claim to be caused by the negligent acts of the City, MVHA, and CSD, their officers, agents or employees, or its subcontractor(s) or any person acting for the City or under its control or direction; provided, however, that this indemnification and hold harmless shall not include any claims arising from the sole negligence or willful misconduct of the Consultant, its officers, agents, or employees (PCC 20103.6).

VIII. TERMINATION FOR CONVENIENCE OF THE CITY

The City reserves the right to terminate the "Agreement for Professional Consultant Services" for the "convenience of the City" at any time by giving ten (10) days written notice to the Consultant of such termination and specifying the effective date thereof. All finished or unfinished drawings, maps, documents, field notes and other materials produced and procured by the Consultant under the said aforementioned Agreement is, at the option of the City, City property and shall be delivered to the City by the Consultant within ten (10) working days from the date of such termination. The City will reimburse the Consultant for all acceptable work performed as set forth in the executed Agreement.

IX. INDEPENDENT CONTRACTOR

The Consultant's relationship to the City in the performance of the Consultant's services for this project is that of an independent Contractor. The personnel performing the said Services shall at all times be under the Consultant's exclusive direction and control and shall be employees of the Consultant and not employees of the City. The Consultant shall pay all wages, salaries and other amounts due his employees in connection with the performance of said work shall be responsible for all employee reports and obligations, including but not necessarily restricted to, social security, income tax withholding, unemployment compensation, and Workers' Compensation.

X. CONTRACT

The Contract includes the Agreement for Professional Consultant Services, City's Request for Proposal, Consultant's Proposal, and Exhibits. The Political Reform Act and the City's Conflict of Interest Code require that Consultants be considered as potential filers of Statements of Economic Interest. Consultants, as defined by Section 18701, may be required to file an Economic Interest Statement (Form 700) within 30 days of signing a Consultant Agreement with the City, on an annual basis thereafter if the contract is still in place, and within 30 days of completion of the contract.

XI. GENERAL CONDITIONS

- A. Pre-contractual expenses are defined as expenses incurred by the Consultant in: (1) preparing the Proposal; (2) submitting the Proposal to the City; (3) presentation during selection interview; (4) negotiating with the City any matter related to this Proposal; (5) any other expenses incurred by the



Consultant prior to an executed Agreement.

The City shall not, in any event, be liable for any pre-contractual expenses incurred by the Consultant.

- B. The Consultant is responsible for notifying Underground Service Alert and providing proper traffic control, at no additional expense to the City.
- C. The City reserves the right to withdraw this RFP at any time without prior notice. Further, the City makes no representations that any Agreement will be awarded to any Consultant responding to this RFP. The City expressly reserves the right to postpone reviewing the Proposal for its own convenience and to reject any and all Proposals responding to this RFP without indicating any reasons for such rejection(s).
- D. The City reserves the right to reject any or all Proposals submitted. Any Contract awarded for these Consultant engagements will be made to the Consultant who, in the opinion of the City, is best qualified.

XII. SELECTION CRITERIA

The Proposals will be rated/ranked according to the following criteria:

1. **The Firm’s General Experience and Qualification Information** (20 points) – Information about the company (and all sub-Consultants) including professional licenses held; ability to furnish required insurance and meet stipulations of the City’s “boiler plate” agreement; details about comparable projects completed by the firm, as well as local experience; and its ability to provide the required services in an efficient and expeditious manner.
2. **Experience of Key Personnel** (20 points) – Background on key personnel (including all sub-consultants) qualifications, abilities, familiarity with state and federal procedures, local experience on comparable projects and length of service with the firm, reference information preferably with municipal agencies, and proven track record and depth of understanding/knowledge of the proposed Consultant Project Manager.
3. **Project Approach/Understanding** (60 points) – Understanding of project, discussion of major issues identified on the project and how the Consultant team plans to address them; the methods and procedures to be used for the design of this project; the management approach and organization necessary to complete the specific project; and outline quality control measures to ensure delivery of a quality product on time, within budget that provides a cost efficient, timely and predictable execution of the project construction.



XIII. ATTACHMENTS

1. 5-Year Look-Ahead Pavement Rehabilitation and Preservation Plan
2. Proposed List of Streets
3. City Standard Consultant Agreement (no changes to this agreement will be allowed)

\\NIMOY\CP_Projects\QN-801 0089 - Citywide Pavement Rehab Pgm (FY 21-22)\Bids-RFPs - Specs\T - Design\RFP\801 0089 RFP for Design Consultant.docx

Revised 7/9/2021

EXHIBIT "B"

Attachment: Agreement for Professional Consultant Design Services with HR Green Pacific, Inc. [Revision 1] (5471 : AUTHORIZATION TO



Building Communities.
Improving Lives.

City of Moreno Valley - Capital Projects Division

PROPOSAL FOR

Professional Consultant Design Services for Citywide Pavement Rehabilitation Program (FY 2021-22); Project No. 801 0089

JULY 27, 2021



Chase Keys, PE

1260 Corona Pointe Court
Corona, CA 92879

Direct 951.475.3613 + Fax 855.641.5877

ckkeys@hrgreen.com

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▷1260 Corona Pointe Court | Suite 305 | Corona, CA 92879
Main 855.900.4742 + Fax 855.641.5877

July 27,2021

City of Moreno Valley
Capital Projects Division
14177 Frederick Street
Moreno Valley, CA 92552

Re: Professional Consultant Design Services for Citywide Pavement Rehabilitation Program (FY 2021-22);
Project No. 801 0089

Dear Selection Committee,

The City of Moreno Valley should be commended for having the foresight to prepare for upcoming projects by having design plans “shelf ready.” Compiling potentially five years of street improvement projects into several large projects of varying types is a major undertaking. This is where **HR Green Pacific, Inc. (HR Green)** can assist the City with providing the necessary engineering services to successfully accomplish City goals.

Given the lean in-house City staff, coupled with the diversity of projects, the City requires the support of a consultant team to deliver the requested services in the most reliable, proven, experienced, cost effective, and professional manner. Our team is committed to the ongoing and successful implementation as we provide the necessary engineering services throughout the various street improvement project types listed in the RFP, as well as identified within the City’s Five-Year Look-Ahead Pavement Rehabilitation and Preservation Plan.

As the selection committee reviews the qualifications of **HR Green**, please consider the following:

HR Green Differentiators / Why HR Green is Best Suited to Deliver These Services

- ▶ Broad experience in providing innovative pavement rehabilitation design strategies to maximize available funding to municipalities throughout Riverside County and Southern California.
- ▶ Experience in fast-tracking of street rehabilitation and preservation projects by delivering \$20 million worth of improvements within 18 months for two Inland Empire cities.
- ▶ Extensive experience managing projects with multiple funding sources and preparing the necessary paperwork to ensure compliance, including federal funds.
- ▶ Key **HR Green** staff have ongoing experience successfully delivering projects for the City of Moreno Valley.

Past Success: **HR Green** believes the true key indicator for future success is proven past performance. **HR Green’s** unmatched experience in providing engineering and staff augmentation services has been proven through our successful completion of similar work with other municipal clients. We invite you to contact the local representatives listed on each of our similar projects to hear firsthand the effectiveness of our team.

We will protect the City’s best interests by providing comprehensive, quality, responsive, technically proficient, and timely services in an on-call environment. You can have confidence that our staff will protect your interests, anticipate your needs, and proactively communicate with you throughout all phases and tasks of the work you assign to us.



City of Moreno Valley
July 27, 2021

The Management Contact will be George A. Wentz, PE, the Vice President of our Governmental Services business line; he is authorized to sign an agreement for HR Green and can be reached at 855.900.4742 or via email at gwentz@hrgreen.com. The Project Manager will be Chase Keys, PE; he will be responsible for the day-to-day management of the project and can be reached at 951.475.3613 or via email at ckeys@hrgreen.com.

We look forward to discussing these vital projects with you and how **HR Green** can make your long-term plans successful.

Sincerely,

HR GREEN PACIFIC, INC.

Chase Keys, PE
Project Manager

George A. Wentz, PE
Vice President

REQUIRED STATEMENTS:

- A. This RFP shall be incorporated in its entirety as part of HR Green's Proposal (Please see "ADDITIONS OR EXCEPTIONS TO THE CITY'S REQUEST FOR PROPOSAL").
- B. This RFP and HR Green's Proposal will jointly become part of the Agreement for Professional Consultant Services for this project when said Agreement is fully executed by the Consultant and the City of Moreno Valley (Please see "ADDITIONS OR EXCEPTIONS TO THE CITY'S REQUEST FOR PROPOSAL").
- C. HR Green's services to be provided, and fees therefore, will be in accordance with the City's RFP except as otherwise specified in the Consultant's Proposal under the heading "ADDITIONS OR EXCEPTIONS TO THE CITY'S REQUEST FOR PROPOSAL."
- D. Please see HR Green's separate Section (Page 19) for "ADDITIONS OR EXCEPTIONS TO THE CITY'S REQUEST FOR PROPOSAL."
- E. Please see HR Green's organizational chart and biographies, beginning on Page 2, for all key personnel to be assigned to the City for this project.
- F. Please see HR Green's Resource Allocation Matrix on Page 18 of this proposal.
- G. Not applicable, as HR Green shall not be employing sub-consultants for this project.
- H. All charges for HR Green's services is a "Not-to-Exceed" fee which includes conservatively estimated reimbursable expenses, as submitted with and made part of HR Green's Proposal (submitted under separate cover).
- I. HR Green will document and provide the results of the work to the satisfaction of the City. This may include preparation of field and final reports, or similar evidence of attainment of the Agreement objectives (Please see "ADDITIONS OR



City of Moreno Valley
July 27, 2021

EXCEPTIONS TO THE CITY'S REQUEST FOR PROPOSAL").

J. HR Green will immediately document and notify the City of any defects or hazardous conditions observed in the vicinity of the project site prior, during, or after construction work.

K. Please see HR Green's Hourly Fee Schedule on Page 20.

L. HR Green does not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.

M. All federal laws and regulations shall be adhered to notwithstanding any state or local laws and regulations. In a case of conflict between federal, state or local laws or regulations the strictest shall be adhered to. (Please see "ADDITIONS OR EXCEPTIONS TO THE CITY'S REQUEST FOR PROPOSAL").

N. HR Green shall allow all authorized federal, state, county, and City officials access to place of work, books, documents, papers, fiscal, payroll, materials, and other relevant contract records pertinent to this special project. All relevant records shall be retained for at least three years. (Please see "ADDITIONS OR EXCEPTIONS TO THE CITY'S REQUEST FOR PROPOSAL").

O. HR Green shall comply with the Davis-Bacon Fair Labor Standards Act (40 USC 276-a through a-7), and the implementation regulations issued pursuant thereto (29 CFR Section 1, 5), any amendments thereof and the California Labor Code. Pursuant to the said regulations, entitled "Federal Labor Standards Provisions," Federal Prevailing Wage Decision" and State of California prevailing wage rates, respectively.

P. HR Green shall comply with the Copeland Anti-Kickback Act (18 USC 874) and the Implementation Regulation (29 CFR 3) issued pursuant thereto, and any amendments thereof.

Q. HR Green offers and agrees to assign to the City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 USC Sec. 15) or under the Cartwright Act (Chapter 2 [commencing with Section 16700] of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials pursuant to the public works or the subcontract. This assignment shall be made and become effective at the time the City tenders final payment to the Consultant, without further acknowledgment by the parties.

Firm and Personnel Experience

HR Green is honored to be one of the nation's longest operating engineering firms. Established in 1913, **HR Green, Inc.**, Inc. is employee owned. We collaborate across geographies and markets to provide the engineering, technical, and management solutions that connect and shape communities and are driven by the commitment of our clients.

HR Green consistently ranks among ENR's Top 500 Design Firms including providing pavement rehabilitation and striping design services for many agencies across the country as well as Southern California including the

ENR
TOP500
Design Firms

▶ **HR Green** has continued to climb the rankings on Engineering News Record's (ENR) annual lists of top design and construction firms in the nation, rising **16 spots** and coming in at **188 in 2021**. **HR Green** also performs traffic operations

cities of Hemet, Beaumont, Jurupa Valley, and Rancho Cucamonga. In addition to identifying the appropriate roadway resurfacing method, **HR Green** also performs

management for several local agencies including reviewing traffic control plans for construction projects, reviewing traffic studies for development projects, and evaluating collision data to improve overall traffic safety.



60+ SOUTHERN CALIFORNIA EMPLOYEES

Currently, **HR Green** serves 100+ agencies in the provision of on-call engineering and support services. We have the staff depth (60+ in Southern California with over 525 employees nationwide), breadth of technical competency, and local knowledge to efficiently meet and exceed your performance expectations. **HR Green** maintains two locations in the Inland Empire, our main office in Corona, where your project will be managed for better responsiveness and observation of your street operations, and our Coachella Valley office in Palm Desert, with additional available staff to assist in your project as needed. Our **Project Manager, Chase Keys, PE**, has extensive experience with similar projects for Southern California Cities such as Beaumont, Claremont, Hemet, and Rancho Cucamonga, among others.

Chase will lead a team of seasoned designers and engineers who have prepared construction documents for hundreds of miles of roadway rehabilitation throughout Southern California, to better accommodate all users of the City's streets.

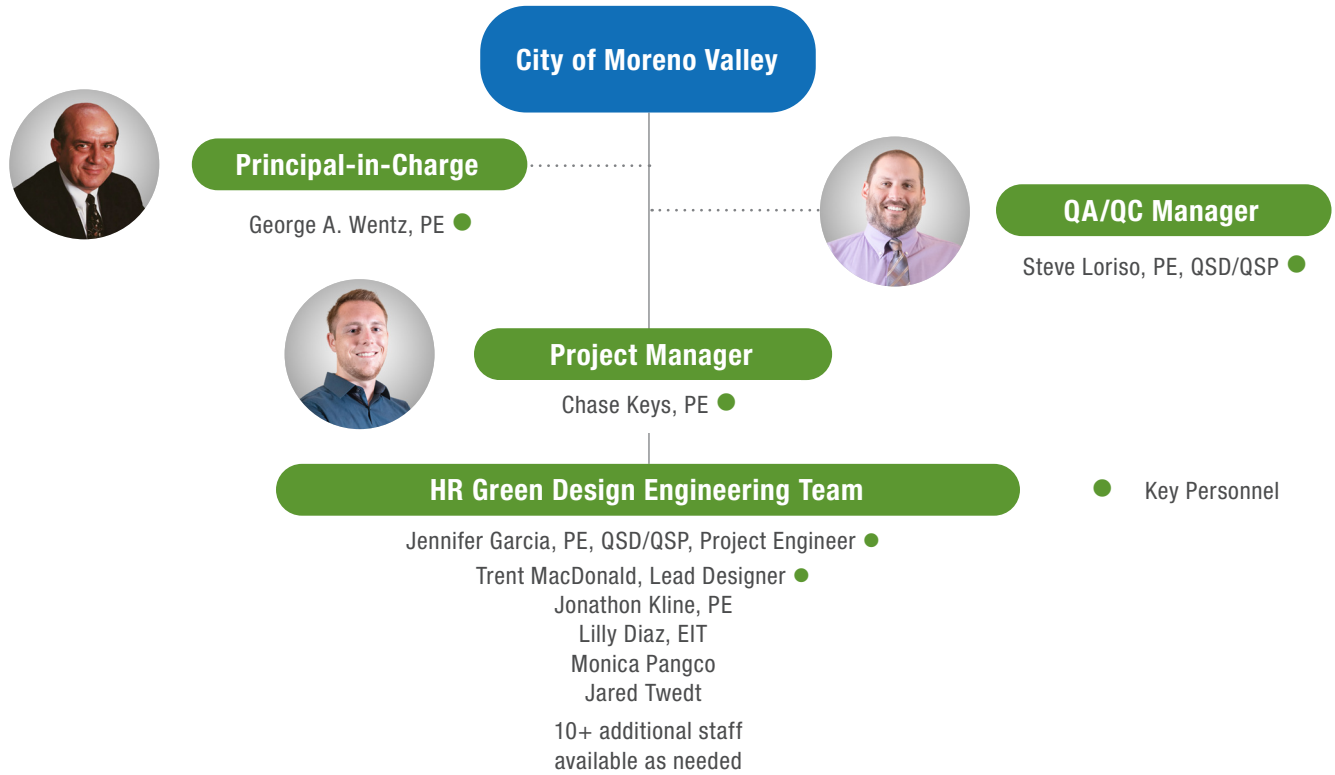
HR Green Differentiators

- Familiarity with The City's needs having worked in Riverside County and the Inland Empire for many years including projects in **Moreno Valley**, Rancho Cucamonga, Corona, Beaumont, Cathedral City, Hemet, Jurupa Valley, Palm Desert, Rancho Mirage, Claremont, and Pomona, among many others.
- Completed over 20 pavement rehabilitation or preservation projects totaling nearly 70 centerline miles in the last 3 years alone.
- **HR Green** has garnered numerous awards throughout the U.S. The firm has been recognized with the **Premier Award for Client Satisfaction from PSMJ Resources, Inc. as well as certification as a Great Place to Work.**
- Unparalleled experience with key project design challenges including meeting Caltrans, MUTCD and City Standards for **roadway rehabilitation.**
- Two nearby offices + Local key staff = Rapid response
- We know local needs, politics and competing interests—30+ years of multi-faceted consulting to **Inland Empire** agencies.
- Extensive coordination with regional agencies, such as Caltrans, RCTC, WRCOG, and Riverside County.



Organizational Chart

Your primary point of contact is **Chase Keys, PE**, our assigned **Project Manager**. Chase will see that all resources are allocated to your projects as needed, serve as part of our QA/QC team, and will be available for requested meetings with the City. His resume and work experience, along with that of the rest of the Project Team, is found on the following pages.



KEY PERSONNEL	Years of Experience	Agency Coordination	Grant Funding Management	CIP Program Management	Administration	QA/QC	Budget and Schedule	Slurry Seal	Cold Mill / Overlay	Street Reconstruction	ADA Compliance	WQMPs	Storm Drain
		EXPERIENCE			PROJECT MGMT			PROJECT TYPES					
Chase Keys, PE Project Manager	9+	●	●	●	●	●	●	●	●	●	●	●	●
George A. Wentz, PE Principal-in-Charge	40+	●	●	●	●	●	●	●	●	●	●	●	●
Steve Loriso, PE, QSD/QSP QA/QC	20+	●	●	●	●	●	●	●	●	●	●	●	●
Jennifer Garcia, PE, QSD, QSP Project Engineer	15+	●			●	●	●	●	●	●	●	●	●
Trent MacDonald Lead Designer	30+	●			●	●		●	●	●	●	●	●

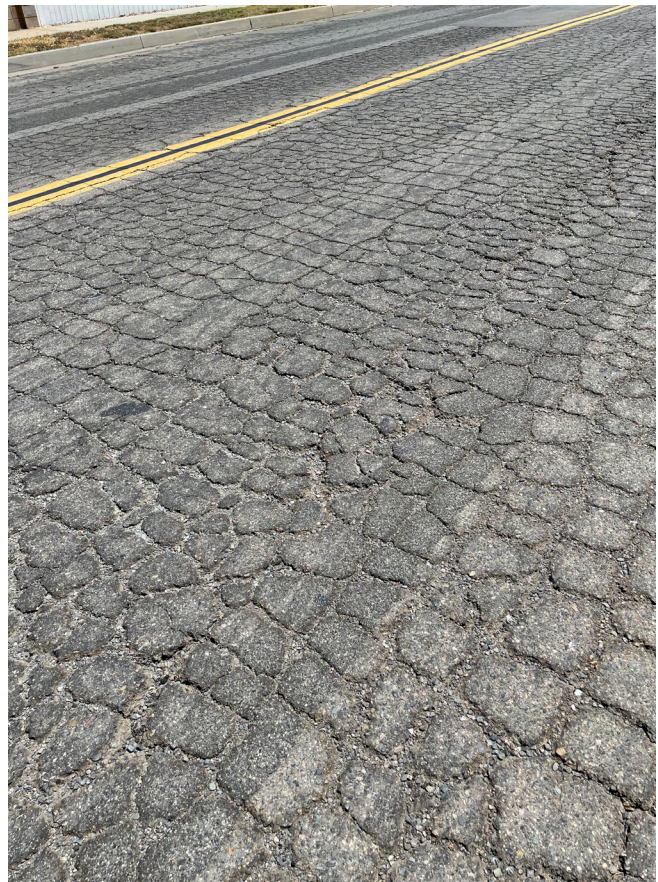
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Project Understanding and Approach

HR Green understands that the City wishes to have plans prepared for the rehabilitation or preservation of 68 street segments (41.3 centerline miles) spread throughout the four districts of the City. Of the 68 total segments, 14 (8.9 centerline miles) were originally slated for FY 21/22. However, with the possibility of additional infrastructure funding on the horizon the City would like to make shelf-ready all of the streets on the 5-year Look-Ahead Pavement Rehabilitation and Preservation Plan. The idea is to complete the design for all of the identified street segments and prepare the bid package with a base bid for FY 21-22 streets and additional additive alternative bid schedules for each subsequent fiscal year. This will provide the City with the flexibility to award as many segments as possible based on the available funding. The City of Moreno Valley should be commended for their forward-thinking approach to maximize their street preservation opportunities with limited local dollars.

Of the 41.3 centerline miles proposed with this project, 23.9 miles are slated for preservation and 17.4 miles for rehabilitation. **HR Green's** proposed engineering staff have completed numerous similar projects both in design and construction management over the years. We have driven the project limits and performed a visual observation and assessment of existing conditions. The following are some examples of key issues we feel should be addressed and our corresponding solutions.

- ▶ Although there are great benefits of rubberized asphalt, including being a “green” product and reducing traffic noise (especially for the neighborhood collector streets), the downfall is that it tends to rut at intersection approaches. **HR Green** recommends switching to traditional hot mix asphalt within the intersection approaches of stop or signal-controlled intersections throughout the rehabilitation areas of the project.
- ▶ There are several signalized intersections throughout the proposed project segments. Most of these signalized intersections rely on existing loop detection. **HR Green** will show the location and type of loop detectors on the signing and striping plan to ensure proper replacement.
- ▶ Some of the proposed street segments exhibit extreme alligator cracking. A 1.5” or even 2.5” ARHM overlay will not solve future failures or prevent reflective cracking. **HR Green** recommends a cold mill of the existing surface, a leveling course, GlasPave interlayer, and ARHM overlay. If the City does not wish to use GlasPave, adding fiber reinforcement to the mix could also be an option.



Bay Avenue existing alligator cracking

- ▶ The street segments included in the project exhibit various extents of distress including longitudinal/block cracking, utility cuts, and heaving/shoving at intersection approaches, etc. The rehabilitation strategy will depend greatly on the extent and type of distress. If these pavement failures are in isolated areas **HR Green** recommends full depth digouts to remove and replace these areas prior to proceeding with the pavement overlay. These areas would be identified on the plans and painted out in the field.
- ▶ Sections with existing raised center median (Cactus between west City Limit and Frederick for example) can prevent the City from being able to do a traditional overlay without losing a portion of curb face in the median. Most cities require a minimum 4" curb face to remain after an overlay. **HR Green** recommends completing a full width cold mill and overlay, including crack sealing after completion of the cold mill. This method will remove and replace the existing wearing surface while also avoiding the need to adjust most utilities. If the existing wearing surface allows and the median curb face will be greater than 4" a traditional overlay with just edge grinding and crack seal would be recommended.



Cactus Avenue existing raised median

HR Green will perform a thorough field reconnaissance of all project streets to determine areas that require isolated pavement repairs, areas where the replacement of curb/gutter or sidewalk may be necessary, the location of all existing loop detectors, and any other features that may be necessary to show on the plans, including utilities. This field review will also document the condition of all existing ADA curb ramps to ensure they are either compliant with current ADA regulations or are called to be removed and replaced on the plans.

All existing signing will be identified on the base plans for both the rehabilitation and preservation streets. The existing striping will be used as a starting point, but **HR Green** will review the City's General Circulation Plan and Bicycle Master Plan to ensure all planned improvements, including dedicated Class II bike lanes or shared use Class III bike lanes, are included wherever feasible.

Detailed Scope of Services

PHASE 1 – PROJECT MANAGEMENT

Upon receipt of the Notice to Proceed, a project kick-off meeting will be held to provide an opportunity for the **HR Green** design team and City Staff to discuss the goals of the City and the project requirements. Minutes of this and all subsequent meetings will be prepared documenting subjects discussed, decisions made, along with actions items and their responsible party.

Progress meetings will be held monthly (or another frequency as determined by City staff) to discuss design, compare cost estimates with available budgets, and to obtain City feedback/approval on progress made.

Deliverables:

- ▶ Meeting agendas/minutes
- ▶ Invoicing

PHASE 2 – PROJECT RESEARCH AND INVESTIGATION

TASK 2.1 – DOCUMENT RESEARCH

HR Green will work with City staff to obtain all readily available as-built plans and record maps to aid in the drawing of the project base maps. If as-built plans are unavailable high resolution aerial imagery will be used in its place.

TASK 2.2 – UTILITY COORDINATION

HR Green is a member of the USA Dig Alert design service, from which we can download contact information to obtain plans of existing utilities within the project limits. If the City also maintains a list of utility contacts **HR Green** will combine that information with what is provided via Dig Alert to complete a comprehensive list of contacts.

HR Green will contact this list of potentially affected utilities early in the project using the City's standard utility letter format. If the City does not have a preferred format, **HR Green** will provide a sample for the City's review and approval. It is important to gather utility information as early as possible to complete the base mapping for the project. Utilities will not be shown on the pavement preservation exhibits, but will be included in the coordination process to be sure utilities are aware of any moratorium to be placed

A total of three utility notification letters will be sent out through the course of the project:

- ▶ 1st Letter – Shortly after the Notice to Proceed is issued requesting utility information
- ▶ 2nd Letter – After the completion of the 60% plans to confirm proper location of existing facilities and serve as a "Notice to Prepare to Relocate" if deemed necessary
- ▶ 3rd Letter – After completion of 100% plans and serve as the "Notice to Relocate Immediately" if deemed necessary

Copies of all communication with the utility companies and the utility disposition matrix will be kept throughout the project and will be submitted to the City with each progress submittal.

TASK 2.3 – PREPARE BASE MAPS

Base maps will be prepared in AutoCAD based off the information collected as part of tasks 2.1 and 2.2. The project base maps will include centerline, right-of-way, property lines and addresses, curb, gutter, sidewalk, driveways, existing striping as well as existing utilities.

TASK 2.4 – FIELD RECONNAISSANCE

After the completion of the project base map, **HR Green** will perform a thorough field review to gain a good understanding of the existing conditions and verify the accuracy of the base maps. The field work will also identify any areas of failed curb/gutter, sidewalk and driveway approach and AC pavement. This task includes a thorough visual pavement evaluation to determine the most feasible and cost effective pavement rehabilitation strategy should be.

During the field reconnaissance, **HR Green** will also inspect all existing ADA access ramps using a smart level to determine if they need to be replaced or if they can be protected in place. Thorough field notes will be provided to the City and saved in the project files.

Deliverables:

- ▶ Utility notification letters with necessary attachments
- ▶ Copies of all utility correspondence
- ▶ Utility coordination matrix
- ▶ CAD base plans
- ▶ Field evaluation notes

PHASE 3 – CONCEPTUAL PLANS (30%)

TASK 3.1 – CONCEPTUAL IMPROVEMENT PLANS

The conceptual improvement plans will show limits of slurry seal or paving, rehabilitation recommendations, areas of AC reconstruction (deep dig outs), locations of sidewalk panel replacement, locations of curb and gutter replacement, and locations of ADA access ramp replacement. ADA access ramps to be replaced shall reference City standard plans and a detailed design will not be completed. The rehabilitation locations will be drawn on full size 24"x36" sheets at 1" = 40' scale plan view only. The slurry seal locations will also be drawn on full size 24"x36" sheets, but at 1"=200' scale (or other appropriate scale determined by the City) and only drawn as simple layout/location maps to identify the streets and limits of the slurry seal and location of full depth repairs.

Separate signing and striping sheets will also be included in the plan set for all affected streets. The **HR Green** team will thoroughly review the City's General Circulation Plan and Bicycle Master Plan and confer with City staff to identify any proposed striping changes to be included in the project.

TASK 3.2 – CONCEPTUAL OPINION OF PROBABLE CONSTRUCTION COSTS

A high level conceptual cost estimate will be provided to the City in order to determine if the proposed improvements fall within the appropriated budget.

Deliverables:

- ▶ 30% conceptual improvement plans and cost estimate

PHASE 4 – PLANS, SPECIFICATIONS AND ESTIMATE (60%, 100%, and Final)

TASK 4.1 – IMPROVEMENT PLANS

After City approval of the proposed conceptual improvement plans, **HR Green** will proceed with the preparation of 60% plans. These plans will include any additional design details required to aid the contractor during construction. Some notes may still need to be added, but the design is substantially complete. This plan set will also include any details needed for construction (access ramps, C&G, etc.). Any comments from the City on the 60% plans will be addressed, all required notes added, and a 100% plan set will be provided for final comment.

All final comments will then be addressed, and the final signed and sealed plan set will be provided on mylars ready for City approval and signatures.

TASK 4.2 – CONTRACT DOCUMENTS

HR Green will prepare draft contract documents for inclusion in the 100% submittal. Any comments from the City on the draft contract documents will be addressed and the final signed and sealed contract documents will be provided for City approval and signature.

The contract documents will be structured to provide for a base bid to include all FY 21-22 streets and additional additive alternate bid schedules for each subsequent fiscal year.

TASK 4.3 – OPINION OF PROBABLE CONSTRUCTION COST

HR Green will prepare an updated cost estimate for inclusion in the 60% submittal. This submittal will include any additions and/or revisions to quantities and unit costs based on the approved pavement rehabilitation recommendations provided in the 30% submittal. Any comments from the City will then be addressed and a 100% cost estimate will be provided for final comment. All final comments will then be addressed, and the final cost estimate will be provided.

Deliverables:

- ▶ 60%, 100%, and final improvement plans
- ▶ Contract documents
- ▶ Cost estimates

Note: The Contract documents are generally prepared in accordance with the provisions of the Standard Specifications and Standard Plans for Public Works Construction (“Greenbook”); Moreno Valley standard construction agreement; “boiler plate” contract document; City standard plans; and Caltrans standard plans and specifications as appropriate.

OPTIONAL TASKS

PHASE 5 – BIDDING AND CONSTRUCTION SUPPORT SERVICES

HR Green can be available for any bid period assistance and to provide any clarification on the design plans during bidding including the preparation of any addenda required.

It could be anticipated that questions may arise during construction that are best answered by the design team. As such, we can provide design clarification services, as necessary, during construction. **HR Green** would be available to respond to any RFI received from the contractor during construction. This task would also include any plan revisions that arise from RFI submitted.

ITEMS TO BE PROVIDED BY THE CITY

- ▶ As-built improvement plans
- ▶ Standard utility letter format (if available)
- ▶ Utility contact list (if available)
- ▶ “Boiler plate” contract documents

Additions or Exceptions to the City’s Request for Proposal

HR Green has no additions and takes no exceptions to the City’s provisions and conditions of the RFP.

Attachment: Agreement for Professional Consultant Design Services with HR Green Pacific, Inc. [Revision 1] (5471 : AUTHORIZATION TO



EXHIBIT "C"CITY - SERVICES TO BE PROVIDED
TO CONSULTANT

1. Furnish the Consultant all in-house data which is pertinent to services to be performed by the Consultant and which is within the custody or control of the City, including, but not limited to, copies of record and off-record maps and other record and off-record property data, right-of-way maps and other right-of-way data, pending or proposed subject property land division and development application data, all newly developed and pertinent design and project specification data, and such other pertinent data which may become available to the City.
2. Provide timely review, processing, and reasonably expeditious approval of all submittals by the Consultant.
3. Provide timely City staff liaison with the Consultant when requested and when reasonably needed.

EXHIBIT "D"

TERMS OF PAYMENT

1. The Consultant's compensation shall not exceed \$534,479.40 .
2. The Consultant will obtain, and keep current during the term of this Agreement, the required City of Moreno Valley business license. Proof of a current City of Moreno Valley business license will be required prior to any payments by the City. Any invoice not paid because the proof of a current City of Moreno Valley business license has not been provided will not incur any fees, late charges, or other penalties. Complete instructions for obtaining a City of Moreno Valley business license are located at: <http://www.moval.org/biz-lic>.
3. The Consultant will electronically submit an invoice to the City along with documentation evidencing services completed to date as specified in the Request for Proposal. Progress payments will be made in accordance with the payment schedule outlined in the Request for Proposal, but in no case will progress payments be made to the Consultant more frequently than once per month. The progress payment is based on actual time and materials expended in furnishing authorized professional services during the preceding calendar month. At no time will the City pay for more services than have been satisfactorily completed and the City Engineer's determination of the amount due for any progress payment shall be final. The consultant will submit all original invoices to Accounts Payable staff at TechInfo-CapProj@moval.org. Accounts Payable questions can be directed to (951) 413-3130.
4. The Consultant agrees that City payments will be received via Automated Clearing House (ACH) Direct Deposit and that the required ACH Authorization form will be

completed prior to any payments by the City. Any invoice not paid because the completed ACH Authorization Form has not been provided will not incur any fees, late charges, or other penalties. The ACH Authorization Form is located at:

http://www.moval.org/city_hall/forms.shtml#bf

5. The minimum information required on all invoices is:
 - A. Vendor Name, Mailing Address, and Phone Number
 - B. Invoice Date
 - C. Vendor Invoice Number
 - D. City-provided Reference Number (e.g. Project, Activity)
 - E. Detailed work hours by class title (e.g. Manager, Technician, or Specialist), services performed and rates, explicit portion of a contract amount, or detailed billing information that is sufficient to justify the invoice amount; single, lump amounts without detail are not acceptable.
6. The City shall pay the Consultant for all invoiced, authorized professional services within thirty (30) days of receipt of the invoice for same.

Citywide Pavement Rehabilitation Program | City of Moreno Valley

Task	Description of Task	Total Hours	Principal-in-Charge	QA/QC	Project Manager	Project Engineer	Sr. Design Tech.	Assistant Engineer	Expenses	Total Fee
	Hourly Rate		\$285.00	\$225.00	\$175.00	\$160.00	\$148.00	\$110.00		
	Total Hours	3501	12	77	404	1102	1464	442		
1.0	PROJECT MANAGEMENT/MEETINGS	96	12	12	48	24			\$302.40	\$18,662.40
2.0	PROJECT RESEARCH AND INVESTIGATION	736			166	200	160	210	\$1,120.00	\$108,950.00
2.1	Document Research	10						10		\$1,100.00
2.2	Utility Coordination	46			6			40		\$5,450.00
2.3	Prepare Base Maps	360				40	160	160		\$47,680.00
2.4	Field Reconnaissance	320			160	160			\$1,120.00	\$54,720.00
3.0	CONCEPT PLANS AND ESTIMATE (30%)	1097		17	82	362	548	88		\$166,879.00
3.1	Conceptual Improvements Plans	1076		16	80	360	540	80		\$163,920.00
3.2	Conceptual Opinion of Probable Construction Costs	21		1	2	2	8	8		\$2,959.00
4.0	PLANS, SPECIFICATIONS, AND ESTIMATES (60%, 90%, AND FINA	1572		48	108	516	756	144		\$239,988.00
4.1	Improvement Plans	1500		40	100	500	740	120		\$229,220.00
4.2	Contract Documents	24		4	4	8		8		\$3,760.00
4.3	Opinion of Probable Construction Costs	48		4	4	8	16	16		\$7,008.00
Total Not-to-Exceed Fee			\$3,420.00	\$17,325.00	\$70,700.00	\$176,320.00	\$216,672.00	\$48,620.00	\$1,422.40	\$534,479.40

5.0	CONSTRUCTION/BIDDING PHASE SERVICES (OPTIONAL)	252		8	80	120	4	40		\$40,000.00
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Attachment: Agreement for Professional Consultant Design Services with HR Green Pacific, Inc. [Revision



HR Green Pacific, Inc. 2021 Fee Schedule

<u>Personnel Classification</u>	<u>Hourly Billing Rate</u>	<u>Prevailing Wage Rate</u>
Principal-in-Charge	\$220-300	
QA/QC	\$200-250	
Project Manager	\$175-220	
Project Engineer	\$155-190	
Associate Engineer	\$140-175	
Assistant Engineer	\$110-155	
CAD Designer/Operator	\$140-180	
Administrative Assistant	\$ 75-100	

Notes:

1. Other classifications are available based upon the needs of the agency.
2. All general engineering tasks will be negotiated on a case-by-case basis using the hourly rates provided for personnel assigned to the contract.

Professional Reimbursement / Hourly and Overtime Rates: The hourly billing rates include the cost of salaries of the HR Green employees, plus sick leave, vacation, holiday, and other fringe benefits. The percentage added to salary costs includes indirect overhead costs and fee (profit). All employees classified as “non-exempt” by the U.S. Department of Labor will be compensated at 1.5 times salary, as per state and Federal wage and hour for overtime hours. Billing rates will be calculated accordingly for overtime hours.

Prevailing Wage: Please note that for prevailing wage projects the total project cost can be higher than HR Green would otherwise charge. For prevailing wage projects, the billing rates for straight time will be as shown above. Overtime, weekend, holiday, and other special pay rates defined by the State of California Department of Industrial Relations Group II “Construction Inspector and Field Soils and Materials Tester” will be multiples of the straight hourly rates shown. Overtime and Saturday work will be billed at 1.5 times that shown above. Sunday and State Holidays will be billed at 2.0 times that shown above.

The rates provided are based on the prevailing wage determination at the time of the proposal. In years marked with a double asterisk (**) by the Department of Industrial Relations, the rates will be adjusted on the effective dates established by the State and pursuant to the pre-determined escalation rates.

Direct/Reimbursable Expenses and Subconsultants: Reimbursement for direct expenses, as listed below, incurred in connection with the work, will be at cost plus 15% for items such as:

- a. Maps, photographs, reproductions, printing, equipment rental and special supplies related to the work.
- b. Subconsultants and other outside services, if needed.
- c. Specific telecommunications and delivery charges.
- d. Special fees, insurance, permits, and licenses applicable to the work.
- e. Outside computer processing, computation, and proprietary programs purchased for the work.
- f. Mileage and vehicle costs directly related to agency services.
- g. Travel expenses (e.g., hotel, meals, transportation, etc.).

Our hourly fees/rates shall remain effective through December 31, 2021 and may be adjusted annually thereafter as negotiated with and agreed to by the agency.

EXHIBIT "E"**INSURANCE REQUIREMENTS****Minimum Scope of Insurance**

Coverage shall be at least as broad as:

1. The most current version of Insurance Services Office (ISO) Commercial General Liability Coverage Form CG 00 01, which shall include insurance for "bodily injury," "property damage" and "personal and advertising injury" with coverage for premises and operations, products and completed operations, and contractual liability.
2. The most current version of Insurance Service Office (ISO) Business Auto Coverage Form CA 00 01, which shall include coverage for all owned, hired, and non-owned automobiles or other licensed vehicles (Code 1- Any Auto).
3. Workers' Compensation insurance as required by the California Labor Code and Employer's Liability Insurance.
4. Professional Liability (Errors and Omissions) insurance appropriate to Consultant's profession.

Minimum Limits of Insurance

Consultant shall maintain limits of liability of not less than:

1. General Liability:
 - \$1,000,000 per occurrence for bodily injury and property damage
 - \$1,000,000 per occurrence for personal and advertising injury
 - \$2,000,000 aggregate for products and completed operations
 - \$2,000,000 general aggregate
2. Automobile Liability:
 - \$1,000,000 per accident for bodily injury and property damage
3. Employer's Liability:
 - \$1,000,000 each accident for bodily injury
 - \$1,000,000 disease each employee
 - \$1,000,000 disease policy limit

4. Professional Liability (Errors and Omissions):

\$1,000,000 per claim/occurrence
\$2,000,000 policy aggregate

Umbrella or Excess Insurance

In the event Consultant purchases an Umbrella or Excess insurance policy(ies) to meet the "Minimum Limits of Insurance," this insurance policy(ies) shall "follow form" and afford no less coverage than the primary insurance policy(ies).

Deductibles and Self-Insured Retentions

Consultant shall be responsible for payment of any deductibles contained in any insurance policy(ies) required hereunder and Consultant shall also be responsible for payment of any self-insured retentions. Any deductibles or self-insured retentions must be declared to, and approved by, the City Manager or his/her designee. At the option of the City Manager or his/her designee, either (i) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City, CSD, Housing Authority and each of their officers, officials, employees, agents and volunteers; or (ii) Consultant shall provide a financial guarantee, satisfactory to the City Manager or his/her designee, guaranteeing payment of losses and related investigations, claim administration and defense expenses. At no time shall City be responsible for the payment of any deductibles or self-insured retentions.

Other Insurance Provisions

The General Liability and Automobile Liability insurance policies are to contain, or be endorsed to contain, the following provisions:

1. City, CSD, Housing Authority and each of their officers, officials, employees, agents and volunteers are to be covered as additional insureds.
2. The coverage shall contain no special limitations on the scope of protection afforded to City, CSD, Housing Authority and each of their officers, officials, employees, agents and volunteers.
3. Consultant's insurance coverage shall be primary and no contribution shall be required of City.

The Workers' Compensation insurance policy is to contain, or be endorsed to contain, the following provision: Consultant and its insurer shall waive any right of subrogation against City, CSD, Housing Authority and each of their officers, officials, employees, agents and volunteers.

If the Professional Liability (Errors and Omissions) insurance policy is written on a claims-made form:

1. The retroactive date must be shown, and must be before the effective date of the Agreement or the commencement of work by Consultant.
2. Insurance must be maintained and evidence of insurance must be provided for at least 3 years after any expiration or termination of the Agreement or, in the alternative, the policy shall be endorsed to provide not less than a 3-year discovery period.
3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the effective date of the Agreement or the commencement of work by Consultant, Consultant must purchase extended reporting coverage for a minimum of 3 years following the expiration or termination of the Agreement.
4. A copy of the claims reporting requirements must be submitted to City for review.
5. These requirements shall survive expiration or termination of the Agreement.

All policies of insurance required hereunder shall be endorsed to provide that the coverage shall not be cancelled, non-renewed, reduced in coverage or in limits except after 30 calendar day written notice by certified mail, return receipt requested, has been given to City. Upon issuance by the insurer, broker, or agent of a notice of cancellation, non-renewal, or reduction in coverage or in limits, Consultant shall furnish City with a new certificate and applicable endorsements for such policy(ies). In the event any policy is due to expire during the work to be performed for City, Consultant shall provide a new certificate, and applicable endorsements, evidencing renewal of such policy not less than 15 calendar days prior to the expiration date of the expiring policy.

Acceptability of Insurers

All policies of insurance required hereunder shall be placed with an insurance company(ies) admitted by the California Insurance Commissioner to do business in the State of California and rated not less than "A-VII" in Best's Insurance Rating Guide; or authorized by the City Manager or his/her designee.

Verification of Coverage

Consultant shall furnish City with all certificate(s) and **applicable endorsements** effecting coverage required hereunder. All certificates and **applicable endorsements** are to be received and approved by the City Manager or his/her designee prior to City's execution of the Agreement and before work commences.



Report to City Council

TO: Mayor and City Council

FROM: Michael L. Wolfe P.E., Assistant City Manager

AGENDA DATE: September 7, 2021

TITLE: APPROVAL OF A REIMBURSEMENT AGREEMENT WITH EASTERN MUNICIPAL WATER DISTRICT FOR FUTURE ROAD REPAIRS AND IMPROVEMENTS

RECOMMENDED ACTION

Recommendation:

1. Approve the Reimbursement Agreement (“Agreement”) with Eastern Municipal Water District for road repair and improvement substantially to form; and
2. Authorize the City Manager to make minor changes to the draft Agreement if necessary and execute the Agreement, in substantial conformance with the attached, and other subsequent documents and instruments related to the Agreement as necessary, to include amendments, subject to the approval of the City Attorney.

SUMMARY

This report recommends approval of the attached interagency Reimbursement Agreement with Eastern Municipal Water District (EMWD) for future road repairs and improvements. When applicable, this agreement will be used to proportion costs associated with roadway repairs and improvements for coordinated capital improvement plan (CIP) projects between the City and EMWD using various designated roadway funds. Because there is a potential of additional Federal, State, and local funding for infrastructure improvements as part of federal recovery act programs, having this Agreement in place provides the City the flexibility to be ready to utilize potential funds effectively and efficiently.

DISCUSSION

The City Council approved Pavement Management Plan (PMP) and 5-Year Look-Ahead

maps are designed to focus the limited amount of funding available for pavement repairs of the 505 centerline-miles of streets within the City. EMWD has infrastructure throughout the City with water and sewer pipelines within City streets that require routine maintenance, emergency repairs, and system enhancements. The City's PMP is coordinated with EMWD's future CIP projects to mitigate any overlap of repair work or out of sequence timing of projects. The two agencies work together to limit the disruption to the traveling public by coordinating projects on City streets, as best as possible.

EMWD has several planned CIP projects that will enhance the potable water service to their customers in the City. These projects will include the installation of underground piping and associated appurtenances within the City's rights-of-way. The City's engineering standards require specific trench repairs that EMWD will follow and pay for using their project funding. However, this sometimes leaves an isolated utility trench repair within a street that needs ultimate pavement repair work because of the existing condition of the asphalt.

As opportunities are identified, EMWD has indicated their willingness to include additional pavement repair work in their projects' engineering plans. This additional roadway repair work, beyond what is required by the City's trench repair standards, would allow the City, at its sole discretion, to approve additional pavement repair work. This would allow the City and EMWD to gain economies of scale for the cost of the pavement repairs and provide for a better pavement finish on City streets.

The attached agreement identifies each agencies requirements with respect to tasks and costs if the City elects to authorize additional roadway repair work. Because there is a potential of additional Federal, State, and local funding for pavement repair work as part of the federal recovery act plans and programs, having this agreement in place provides the City the flexibility to be ready to utilize the potential funds effectively and efficiently.

Specifically, EMWD and City staff have identified several EMWD CIP projects that have the potential to use this agreement within this fiscal year. Should the City elect to approve the additional pavement work, staff shall coordinate with EMWD for specific proportionality of costs for these EMWD projects for reimbursement subject to the terms of the Agreement. Approval of funding for pavement repairs beyond what is already approved as part of the City's two-year CIP and PMP will be brought to the Council for consideration, when applicable.

Approval of the recommended actions would support Objective 4 of the Momentum MoVal Strategic Plan: "Manage and maximize Moreno Valley's public Infrastructure to ensure an excellent quality of life, develop and implement innovative, cost effective infrastructure maintenance programs, public facilities management strategies, and capital improvement programming and project delivery."

ALTERNATIVES

1. Approve the recommended actions as presented in this staff report. This alternative will provide the City the flexibility to be ready to utilize potential Federal, State, and local roadway infrastructure funds effectively and efficiently.
2. Do not approve the recommended actions as presented in this staff report and provide alternate direction to staff. This alternative may delay roadway repairs and allow for City streets to continue deteriorating, resulting in higher repair costs.

FISCAL IMPACT

The agreement identifies a reimbursement from the City to EMWD of \$20,000 for any soft costs incurred by EMWD in preparation of plans to benefit the City. There are sufficient funds in projects 801-0089 and 801-0090 Citywide Pavement Rehabilitation Program FY 21/22 and FY 22/23 as part of the City Council approved two-year CIP Budget to cover these costs.

Prior to incurring any construction costs, beyond the limits authorized by the City Manager, for additional pavement work using this agreement, an action item for the City Council's consideration will be presented.

NOTIFICATION

Publication of the agenda.

PREPARATION OF STAFF REPORT

Prepared By:
Henry Ngo, P.E.
Capital Projects Principal Engineer

Department Head Approval:
Michael L. Wolfe, P.E.
Public Works Director/City Engineer

Concurred By:
Michael Lloyd, P.E.
Engineering Division Manager/Assistant City Engineer

CITY COUNCIL GOALS

Public Safety. Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

Community Image, Neighborhood Pride and Cleanliness. Promote a sense of community pride and foster an excellent image about our City by developing and executing programs which will result in quality development, enhanced neighborhood preservation efforts, including home rehabilitation and neighborhood restoration.

CITY COUNCIL STRATEGIC PRIORITIES

1. Economic Development

- 2. Public Safety
- 3. Library
- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs

ATTACHMENTS

- 1. Draft MoVal and EMWD Road Paving Reimbursement Agreement

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	8/29/21 7:41 PM
City Attorney Approval	<u>✓ Approved</u>	
City Manager Approval	<u>✓ Approved</u>	8/30/21 9:08 AM

**CITY OF MORENO VALLEY ROAD REPAIR AND IMPROVEMENT
INTERAGENCY REIMBURSEMENT AGREEMENT**

This Agreement is made and entered into this _____ day of _____, 2021, by and between **EASTERN MUNICIPAL WATER DISTRICT**, a public agency organized and existing under and by virtue of the Municipal Water District Law of 1911 (hereinafter referred to as "District"), and the **CITY OF MORENO VALLEY**, a municipal corporation in the State of California (hereinafter referred to as "City"). District and City are sometimes individually referred to herein as "Party" and may be collectively referred to herein as "Parties".

RECITALS

WHEREAS, the following Recitals constitute a substantive part of this Agreement; and

WHEREAS, the District is a public agency organized and existing under and by virtue of the Municipal Water District Law of 1911; and

WHEREAS, the City is a municipal corporation operating under the laws of the State of California; and

WHEREAS, District owns, operates, and maintains water, wastewater and recycled water facilities and infrastructure within or in proximity to City's limits; and

WHEREAS, City owns, operates, and maintains roads, streets, and other similar facilities within or in proximity to District's service area; and

WHEREAS, District contemplates construction of Capital Improvement Plan (CIP) projects (hereinafter, the "Projects") as generally depicted on **Exhibit A**, attached hereto and incorporated herein; and

WHEREAS, District's responsibilities for road remediation associated with construction of the aforementioned Projects are pursuant to City of Moreno Valley Standard Plans MVS1-132A, 132B-2, 132C-1, 132E-1 and 132F-1, **Exhibit B**, attached hereto and incorporated herein; and

WHEREAS, however, in conjunction with District construction, and due to the existing pavement conditions within the Project area which cannot support simple trench repair methods, City desires for District to include comprehensive road repair and paving improvements above and beyond those specified in Exhibit B, at City's expense, under District's contract(s) for construction of the Projects; and

WHEREAS, City hereby agrees to reimburse District for any and all costs, fees and expenses incurred by District associated with such road repair and paving improvements that are over and above the District's road remediation obligation resulting from its construction of the Projects, and to assume and continue all liability and responsibility for the ongoing ownership, maintenance and repair thereof as more thoroughly described herein; and

WHEREAS, the purpose of this Agreement is to set forth the terms, conditions, and mutual understandings whereby District agrees to include road repair and paving improvements under District's contract(s) for construction of the Projects; and whereby City agrees to reimburse

District for any and all costs, fees and expenses incurred by District that are over and above the District's road remediation obligation resulting from its construction of the Projects, and to assume and continue all liability and responsibility for the ongoing ownership, maintenance and repair thereof.

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

AGREEMENT

1. Incorporation of Recitals. The Recitals set forth above are incorporated into and are a part of this Interagency Agreement.
2. Agreement. District hereby agrees to contract for road repair and paving improvements requested by City as part of District's contract(s) for the construction of the Projects within the City's limits. City hereby agrees to reimburse District for all costs, fees and expenses incurred by District associated with such road repair and paving improvements that are over and above the District's road remediation obligation resulting from its construction of the Projects, and to assume and continue all liability and responsibility for the ongoing ownership, maintenance and repair thereof.

District costs, fees and expenses reimbursable to District by City shall include District's actual costs beyond what would be required pursuant to City Standards for trench repair (**Exhibit B**) and work within the City's rights-of-way pursuant to the City's encroachment permit process for geotechnical services, plans, permits, survey, striping, traffic control, inspection, contract administration, paving, and change orders associated with the repair and improvements constructed by District on behalf of City. City shall reimburse District for all such costs as described in Section 7, below.

3. Plans and Specifications. District shall include City requested paving repairs and associated paving improvements as a separate bid item(s) to District's contract(s) for construction of the Projects. City hereby acknowledges and agrees that it is responsible to review and provide written approval of all such plans and specifications prior to construction, and in doing so agrees that such plans and specifications are suitable and acceptable for City's needs and intended purpose. Before construction commences, District shall provide the City with the estimated costs of the City's requested work for the City's review.

Specific Project bid items subject to the reimbursement of the City to the District are shown in Exhibit C. Where required, shared-cost bid items, as identified on Exhibit C, shall be reimbursable pursuant to the percentages shown in Exhibit C. After Projects are bid, District shall provide a completed Exhibit C for review and acceptance, which such review and acceptance by the City shall not be unreasonably withheld.

4. Construction and Inspection.

The District shall award the bid item(s) for the requested paving repairs and associated paving improvements into the District's construction contract at the sole approval of the City. Regardless if the City desires to not include the bid item(s) for the requested paving repairs and associated paving improvements in the District's construction contract, the City shall reimburse the District for the District's actual costs required prior to construction, to include engineering costs and District staff time not to exceed \$20,000 for the Projects.

The award of paving repairs and improvements hereunder shall be let by District, in District's own form. Work performed shall be in compliance with mutually agreed upon standards and shall be managed, controlled, and inspected by District.

City shall also be responsible to inspect, at City's expense, all paving repair and associated paving improvements for compliance with approved plans and specifications. It is specifically understood that City's inspection personnel shall have the authority to enforce City approved plans and specifications, which authority shall include the ability to require that any and all unacceptable materials, workmanship and/or installation be repaired, replaced or corrected by District's contractor. The District shall be solely responsible for inspection and acceptance, at the District's expense, all non-paving work as part of the Project. The District shall assume and continue all liability and responsibility for the ongoing ownership, maintenance and repair of the Project improvements, excluding paving repairs, except where required by District Resolution 3224, as adopted October 16, 1996.

5. Change Orders:

City's Responsibility. Any change or deviation from the aforementioned plans and specifications that are over and above District's road remediation obligation resulting from District's construction of the Projects, whether such change or deviation is requested by City or due to unforeseen conditions arising during construction, must be approved by City, in writing, prior to being made, and shall be the financial responsibility of City.

District's Responsibility. Any change or deviation from the aforementioned plans and specifications that are within the District's road remediation obligation resulting from District's construction of the Projects, whether such change or deviation is requested by District or due to unforeseen conditions arising during construction, must be approved by District in writing, prior to being made, and shall be the financial responsibility of District.

6. Insurance. Throughout the period of construction, District shall require its selected contractor(s) to provide policies of Workers' Compensation and General Liability Insurance in an amount and type deemed suitable by District, and naming City as an additional insured.
7. Invoicing and Payment. District shall maintain a detailed accounting of Project costs and expenses, and shall invoice City for City's portion of such costs as described in sections 2 and 3 above and in related Exhibits. District shall invoice City upon Project completion and final acceptance, as determined by District with City's acceptance of paving improvements following inspections described in section 4. City shall remit payment in full to District within sixty (60) calendar days following the date of such invoice.
8. Warranty. District shall ensure that the aforementioned, City approved, plans and specifications for award to District's contractor include District's standard, one-year warranty, which shall be effective from the date of District's final acceptance. Thereafter, City hereby acknowledges and agrees that District does not warrant, and in no way guarantees the paving repairs and associated paving improvements that are over and above District's road remediation obligation resulting from District's construction of the Projects performed pursuant to this Agreement. City shall, itself, be solely responsible for owning, operating and maintaining the paving repairs and associated paving improvements installed hereunder.

9. Termination. This Agreement may be terminated by either party by providing written notice to the other, as provided herein, up to the date of District's award of contract(s) for construction of the Projects. District shall, in no way, be responsible for any costs, damages, or claims from City, or from any third party, as a result of termination, from any cause arising.
10. Dispute Resolution. In the event that any dispute between the Parties arises under this Agreement the Parties shall first attempt to resolve such dispute at the management level. If the dispute is not resolved within a mutually acceptable period of time (not to exceed 60 calendar days from the date written notice of such dispute is delivered by any Party), the Parties shall attempt to resolve the dispute at the senior management level. If this process and the involvement of senior management does not result in resolution of the dispute within 60 days from the date of referral to upper management, then the dispute shall be referred to and finally resolved through legal proceedings. The use of the foregoing procedure is a condition precedent to the commencement of any legal proceedings hereunder.
11. Hold Harmless and Indemnification. District, its respective agents, officers and employees shall not be liable for any claims, liabilities, penalties, fines, theft, or any damage to property, whether real or personal, nor for any personal injuries or death caused by, or resulting from, or claimed to have been caused by or resulting from, in any way, District's provision of the road repair and paving improvements that are over and above the District's road remediation obligation resulting from its construction of the Projects as contemplated herein. City hereby agrees to defend, indemnify and hold District harmless, including its respective agents, officers and employees against any of the foregoing liabilities, claims and/or any cost or expense that is incurred by District on account of any of the foregoing liabilities. Such obligation to defend, indemnify and hold District harmless shall survive completion of the road repair and paving improvements performed hereunder.

City, its respective agents, officers and employees shall not be liable for any claims, liabilities, penalties, fines, theft, or any damage to property, whether real or personal, nor for any personal injuries or death caused by, or resulting from, or claimed to have been caused by or resulting from, in any way, work performed for District's road remediation obligation resulting from its construction of the Projects as contemplated herein. District hereby agrees to defend, indemnify and hold City harmless, including its respective agents, officers and employees against any of the foregoing liabilities, claims and/or any cost or expense that is incurred by City on account of any of the foregoing liabilities. Such obligation to defend, indemnify and hold City harmless shall survive completion of the road repair and paving improvements performed hereunder.

District shall include in any contracts it executes for work performed as described in this Agreement or in any Exhibits incorporated herein, indemnity provisions which contain, at a minimum, the following indemnity protections for the City:

"To the furthest extent allowed by law, Contractor shall indemnify, hold harmless and defend the City of Moreno Valley and its officers, officials, agents, employees and volunteers (collectively "the City") from and against any and all claims, demands, actions, losses, damage, injuries, and liability, direct or indirect (including any and all costs, expenses and attorneys' fees in connection therewith), arising out of the performance of this Agreement, except for any such claim arising out of the sole negligence or willful misconduct of the City, its officers, agents, employees or volunteers. Contractor

shall pay for and defend any and all suits or actions threatened or instituted against District or City, and shall pay all reasonable attorneys' fees, litigation costs and all other expenses in connection therewith, and shall promptly discharge any judgments arising therefrom."

- 12. Entire Agreement. This Agreement is intended by the Parties as a complete and exclusive statement of the terms of their agreement and supersedes all prior agreements, written or oral, as to this subject matter. This Agreement may be amended only in writing signed by both parties. No waiver of any term or condition of this Agreement shall be a continuing waiver thereof.
- 13. Governing Law. This Agreement shall be construed and governed in accordance with the laws of the State of California.
- 14. Notices. Any notice required by this Interagency Agreement to be given or delivered to any Party shall be deemed to have been received when personally delivered or mailed in the United States mail addressed as follows:

District Eastern Municipal Water District
 Post Office Box 8300
 Perris, Ca. 92572-8300
 Attn: General Manager

City City of Moreno Valley
 14177 Frederick Street
 Moreno Valley, CA. 92553
 Attn: Public Works Director/City Engineer

- 15. Preparation of This Agreement. This Agreement shall not be construed against the party preparing it, but shall be construed as if both parties prepared it.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date last executed.

CITY OF MORENO VALLEY

EASTERN MUNICIPAL WATER DISTRICT

By: _____
Mike Lee, City Manager

By: _____
Joe Mouawad, P.E., General Manager

Dated: _____

Dated: _____

Attest:

DRAFT

Attachment: Draft MoVal and EMWD Road Paying Reimbursement Agreement (5503 : APPROVAL OF A REIMBURSEMENT AGREEMENT WITH



Report to City Council

TO: Mayor and City Council

FROM: Michael L. Wolfe P.E., Assistant City Manager

AGENDA DATE: September 7, 2021

TITLE: ADOPT RESOLUTION NO. 2021-XX ACCEPTING EASEMENTS OVER PORTIONS OF BRADSHAW CIRCLE FOR PUBLIC UTILITY PURPOSES ONLY

RECOMMENDED ACTION

Recommendations:

1. Adopt Resolution No. 2021-XX, a resolution of the City Council of the City of Moreno Valley, California, accepting easements over portions of Bradshaw Circle, specifically, Lots B, C, and D of Parcel Map 11496 for public utility purposes only; and
2. Direct the City Clerk to certify the acceptance of said dedication and cause said certification to be recorded in the Office of the Recorder of the County of Riverside together with said Resolution.

SUMMARY

An offer of dedication to public use for street and public utility purposes was made on Parcel Map 11496, which was recorded on August 7, 1978. The Riverside County Board of Supervisors did not accept the offer of dedication at the time. It is now beneficial for the City to accept the easements over Lots B, C, and D of Parcel Map 11496, but only for public utility purposes. There is no cost to the City in accepting the offer of dedication.

DISCUSSION

As development continues to occur within the area, accepting an offer of dedication of easements over those portions of Bradshaw Circle designated as Lots B, C, and D in Parcel Map 11496, for public utility purposes only, will facilitate the installation and maintenance of public utilities located within the street. The street itself will remain

private, as desired by surrounding development, and therefore, the street portion of the offer of dedication is not being recommended for acceptance, only the public utility purpose portion of the offer of dedication.

Acceptance of the offer of dedication for public utility purposes only will contribute towards public convenience and welfare.

ALTERNATIVES

1. Approve and authorize the recommended actions as presented in this staff report. *Staff recommends this alternative as it will facilitate the installation and maintenance of public utilities.*
2. Do not approve and authorize the recommended actions as presented in this staff report. *Staff does not recommend this alternative, because it may hinder the installation and maintenance of public utilities.*

FISCAL IMPACT

No fiscal impact.

NOTIFICATION

Publication of the Agenda.

PREPARATION OF STAFF REPORT

Prepared By:
Clement Jimenez, P.E.
Acting Principal Engineer

Department Head Approval:
Michael L. Wolfe, P.E.
Director of Public Works / City Engineer

Concurred By:
Michael D. Lloyd, P.E.
Engineering Division Manager / Assistant City Engineer

CITY COUNCIL GOALS

Public Facilities and Capital Projects. Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

CITY COUNCIL STRATEGIC PRIORITIES

1. **Economic Development**
2. **Public Safety**
3. **Library**
4. **Infrastructure**
5. **Beautification, Community Engagement, and Quality of Life**
6. **Youth Programs**

Objective 4.2: Develop and maintain a comprehensive Infrastructure Plan to invest in and deliver City infrastructure.

ATTACHMENTS

- 1. Proposed Resolution No. 2021-XX

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	8/30/21 1:22 PM
City Attorney Approval	<u>✓ Approved</u>	
City Manager Approval	<u>✓ Approved</u>	8/31/21 2:57 PM

RESOLUTION NO. 2021-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ACCEPTING EASEMENTS OVER PORTIONS OF BRADSHAW CIRCLE, SPECIFICALLY, LOTS, B, C, AND D OF PARCEL MAP 11496 FOR PUBLIC UTILITY PURPOSES ONLY

WHEREAS, an offer of dedication to public use for street and public utility purposes was made on Parcel Map 11496, but was not accepted at the time of Map recordation; and

WHEREAS, it is now necessary to accept the offer of easement for public utility purposes over Lots B, C, and D of Parcel Map 11496, more particularly described in Exhibit "A" attached hereto and made a part hereof, in order to facilitate the installation and maintenance of public utilities; and

WHEREAS, the above described property is only a portion of the real property interest being offered for dedication and the acceptance is only for public utility purposes; and the remaining unaccepted portions of the offers of dedication shall be available for acceptance by future action of the City Council if in the future it is desired.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

- 1. An easement on Lots B, C, and D of Parcel Map 11496 are hereby accepted for public utility purposes only.
- 2. The City Clerk shall certify to the acceptance of said property and cause said certification to be recorded in the Office of the Recorder of the County of Riverside together with this Resolution.

APPROVED AND ADOPTED this 7th day of September, 2021.

Dr. Yxstian A. Gutierrez
 Mayor
 City of Moreno Valley

ATTEST:

Pat Jacquez-Nares, City Clerk

1
 Resolution No. 2021-XX
 Date Adopted: September 7, 2021

Attachment: Proposed Resolution No. 2021-XX [Revision 1] (5516 : ADOPT RESOLUTION NO. 2021-XX ACCEPTING PORTIONS OF BRADSHAW

APPROVED AS TO FORM:

Steve Quintanilla, Interim City Attorney

Attachment: Proposed Resolution No. 2021-XX [Revision 1] (5516 : ADOPT RESOLUTION NO. 2021-XX ACCEPTING PORTIONS OF BRADSHAW

Resolution No. 2021-XX²
Date Adopted: September 7, 2021

RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, Pat Jacquez-Nares, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2021-XX was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 7th day of September, 2021 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

PAT JACQUEZ-NARES, CITY CLERK

(SEAL)

Resolution No. 2021-XX³
Date Adopted: September 7, 2021

Attachment: Proposed Resolution No. 2021-XX [Revision 1] (5516 : ADOPT RESOLUTION NO. 2021-XX ACCEPTING PORTIONS OF BRADSHAW

COPY PM 53/35

SHEET ONE OF ONE SHEET

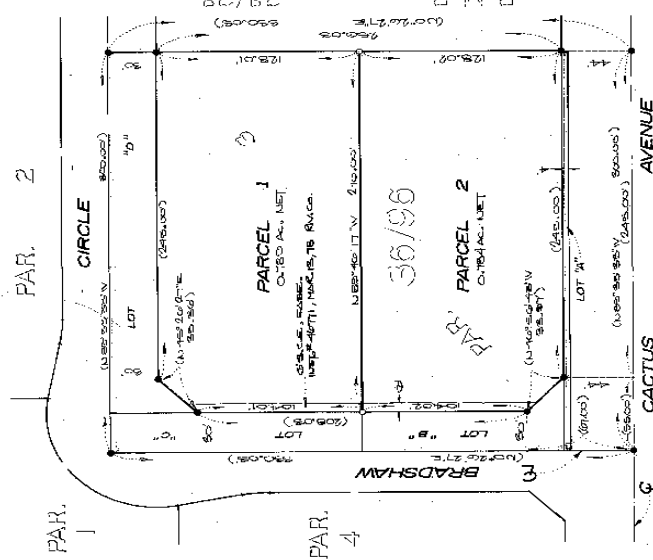
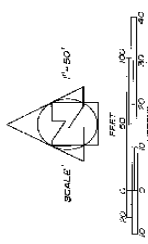
IN THE COUNTY OF RIVERSIDE, CALIFORNIA

PARCEL MAP 11496

SHOWING A DIVISION OF PART OF TRACT OF PARCEL MAP 11496, RECORD IN BOOK 80 OF PARCEL MAPS AT PAGE 104 THEREOF, LOCATED IN SECTION 14, T8S, R. 8W, S.15E, COUNTY OF RIVERSIDE, CALIFORNIA.

BELLER, KRIEGER & STEWART

MAY, 1978



RECORDER'S CERTIFICATE

FILED THIS 7 DAY OF AUGUST 1978 AND 2:01 PM IN BOOK 80 OF PARCEL MAPS AT PAGE 104 AT THE REQUEST OF THE COUNTY CLERK.

BY: *[Signature]*
COUNTY CLERK

THIS MAP COMPLIES WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCES.

BOARD OF SUPERVISORS' CERTIFICATE

THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, BY AND THROUGH ITS CLERK AUTHORIZED OFFICERS HEREBY APPROVES AND RECORDS THIS PARCEL MAP AS BEING CORRECT AND ACCURATE.

ATTEST: *[Signature]*
COUNTY CLERK

OWNER'S CERTIFICATE

I, THE UNDERSIGNED, BEING THE OWNER OF THE LAND DESCRIBED IN THIS PARCEL MAP, HEREBY CERTIFY THAT I HAVE READ THE SAID PARCEL MAP AND THAT THE INFORMATION CONTAINED THEREIN IS TRUE AND CORRECT AND THAT I HAVE NOT BEEN ADVISED OF ANY OTHER INTERESTS IN THE SAID LAND.

BY: *[Signature]*
OWNER

NOTARY ACKNOWLEDGMENT

I, *[Signature]*, A Notary Public in and for the State of California, do hereby certify that the foregoing is a true and correct copy of the original as shown to me by the undersigned.

NOTARY PUBLIC
[Signature]
STATE OF CALIFORNIA

NOTARY ACKNOWLEDGMENT

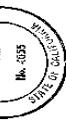
I, *[Signature]*, a Notary Public in and for the State of California, do hereby certify that the foregoing is a true and correct copy of the original as shown to me by the undersigned.

NOTARY PUBLIC
[Signature]
STATE OF CALIFORNIA

SURVEYOR'S CERTIFICATE

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN COMPLIANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCES.

BY: *[Signature]*
SURVEYOR



SURVEYOR'S NOTES

1. BASE OF PARCELS IS THE CENTERLINE OF BRADSHAW AVENUE AS SHOWN ON PARCEL MAP 11496.
2. ALL LOTS SHOWN ARE 100 FEET WIDE.
3. ALL LOTS SHOWN ARE 100 FEET DEEP.
4. ALL LOTS SHOWN ARE 100 FEET LONG.
5. ALL LOTS SHOWN ARE 100 FEET WIDE.
6. ALL LOTS SHOWN ARE 100 FEET DEEP.
7. ALL LOTS SHOWN ARE 100 FEET LONG.
8. ALL LOTS SHOWN ARE 100 FEET WIDE.
9. ALL LOTS SHOWN ARE 100 FEET DEEP.
10. ALL LOTS SHOWN ARE 100 FEET LONG.

COUNTY SURVEYOR'S CERTIFICATE

THIS MAP COMPLIES WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCES.

DATE: 7-28-78
COUNTY SURVEYOR

PM 53/35



Report to City Council

TO: Mayor and City Council

FROM: Brian Mohan, Assistant City Manager

AGENDA DATE: September 7, 2021

TITLE: PAYMENT REGISTER - JULY 2021

RECOMMENDED ACTION

Recommendation:

1. Receive and file the Payment Register.

SUMMARY

The Payment Register is an important report providing transparency of financial transactions and payments for City activity for review by the City Council and the residents and businesses in Moreno Valley. The report is posted to the City's website as soon as it is available. The report is included in the City Council agenda as an additional means of distributing the report.

The payment register lists in alphabetical order all checks and wires in the amount of \$25,000 or greater, followed by a listing in alphabetical order of all checks and wires less than \$25,000. The payment register also includes the fiscal year-to-date (FYTD) amount paid to each vendor.

PREPARATION OF STAFF REPORT

Prepared By:
Dena Heald
Deputy Finance Director

Department Head Approval:
Brian Mohan
Assistant City Manager
Chief Financial Officer/City Treasurer

CITY COUNCIL GOALS

None

CITY COUNCIL STRATEGIC PRIORITIES

- 1. Economic Development
- 2. Public Safety
- 3. Library
- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs

ATTACHMENTS

- 1. July 2021 Payment Register

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	8/29/21 7:19 PM
City Attorney Approval	<u>✓ Approved</u>	
City Manager Approval	<u>✓ Approved</u>	8/30/21 9:03 AM



**City of Moreno Valley
Payment Register
For Period 7/1/2021 through 7/31/2021**

CHECKS IN THE AMOUNT OF \$25,000 OR GREATER

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
AAC UTILITY PARTNERS, LLC	31127	07/06/2021	MVUS210630	CONSULTING SVCS-MV UTILITIES	\$29,000.00
Remit to: COLUMBIA, SC					<u>FYTD:</u> \$43,500.00
ANTELOPE EXPANSION 3A, LLC	31184	07/07/2021	W210703	REFUND-DEPOSIT-MVU	\$450,000.00
Remit to: SALT LAKE CITY, UT					<u>FYTD:</u> \$450,000.00
BAKER ELECTRIC, INC.	31193	07/12/2021	3	MORENO VALLEY RANCH & PIGEON PASS RD ITS	\$96,170.28
	31243	07/19/2021	4	MORENO VALLEY RANCH & PIGEON PASS RD ITS	\$69,894.27
Remit to: ESCONDIDO, CA					<u>FYTD:</u> \$166,064.55
BOGH ENGINEERING INC.	31299	07/26/2021	4	B TRAIL ATP 3	\$98,614.88
Remit to: BEAUMONT, CA					<u>FYTD:</u> \$98,614.88
BRIGHTVIEW LANDSCAPE SERVICES, INC.	31245	07/19/2021	7444414	LANDSCAPE MAINT-ZONE D	\$34,253.35
		07/19/2021	7374306	LANDSCAPE MAINT-ZONES D, M, S, 09, 01G, 01H, 01K & 02A	
		07/19/2021	7407284	LANDSCAPE MAINT-ZONE D	
		07/19/2021	7444415	LANDSCAPE MAINT-ZONE 9	
		07/19/2021	7407274	LANDSCAPE MAINT-ZONES D, M & S	
Remit to: PASADENA, CA					<u>FYTD:</u> \$34,455.38
CALPINE CORPORATION DBA CALPINE ENERGY SERVICES	31305	07/26/2021	74878	RESOURCE ADEQUACY-JUNE 2021/MV UTILITY	\$105,400.00
Remit to: HOUSTON, TX					<u>FYTD:</u> \$105,400.00

Attachment: July 2021 Payment Register (4451 : PAYMENT REGISTER - JULY 2021)



**City of Moreno Valley
Payment Register
For Period 7/1/2021 through 7/31/2021**

CHECKS IN THE AMOUNT OF \$25,000 OR GREATER

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
CATHOLIC CHARITIES	31197	07/12/2021	INV2-OCT20-MAR21	CASEWORK SERVICES PROGRAM-ESG 19/20	\$31,788.00
Remit to: SAN BERNARDINO, CA					FYTD: \$31,788.00
CITIZEN COMMUNICATIONS, LLC DBA RECYCLIST	241855	07/06/2021	INV-2189	RECYCLIST PROGRAM TRACKER-IMPLEMENTATION FEE	\$25,610.00
		07/06/2021	INV-2190	RECYCLIST PROGRAM TRACKER-ANNUAL SUBSCRIPTION FEE 6/1/21-5/31/22	
Remit to: TRUCKEE, CA					FYTD: \$25,610.00
COUNTY OF RIVERSIDE	241887	07/19/2021	3254	ELECTION SVCS RENDERED FOR NOV 2020 ELECTION	\$177,568.14
Remit to: RIVERSIDE, CA					FYTD: \$199,539.89
COUNTY OF RIVERSIDE SHERIFF	31135	07/06/2021	SH0000039045	CONTRACT LAW ENFORCEMENT BILLING #11 (04/08-05/05/21)	\$3,078,289.45
	31248	07/19/2021	SH0000039263	FY20/21 RMS/CLET BILLING 7/1/20-6/30/21	\$352,807.00
	31309	07/26/2021	SH0000039234	CONTRACT LAW ENFORCEMENT BILLING #12 (05/06-06/02/21)	\$3,134,642.43
Remit to: RIVERSIDE, CA					FYTD: \$6,565,738.88
COUNTY OF RIVERSIDE, AUDITOR- CONTROLLER	241857	07/12/2021	JUNE 2021	TRANSMITTAL OF AB544 FROM PARKING CONTROL FEES	\$36,487.51
Remit to: RIVERSIDE, CA					FYTD: \$36,487.51
DAKENO, INC.	31250	07/19/2021	170	DEMOLITION-13965 PEPPER ST	\$37,986.00
Remit to: RIVERSIDE, CA					FYTD: \$37,986.00

Attachment: July 2021 Payment Register (4451 : PAYMENT REGISTER - JULY 2021)



City of Moreno Valley
Payment Register
 For Period 7/1/2021 through 7/31/2021

CHECKS IN THE AMOUNT OF \$25,000 OR GREATER

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
DATA TICKET, INC.	31311	07/26/2021	126481	ADMINISTRATIVE CITATIONS-CODE-JUNE 2021	\$46,050.11
		07/26/2021	127102	PARKING CITATION PROCESSING-CODE-JUNE 2021	
		07/26/2021	123396	ADMINISTRATIVE CITATIONS-CODE-FEB 2021	
		07/26/2021	125777HH	PARKING HANDHELD DEVICES LEASE-AIR TIME-CODE-MAY 2021	
		07/26/2021	122858R	PARKING CITATION PROCESSING-CODE-FEB 2021	
		07/26/2021	062021HH	PARKING HANDHELD DEVICES LEASE-AIR TIME-CODE-JUNE 2021	
		07/26/2021	124080	PARKING CITATION PROCESSING-CODE-MARCH 2021	
		07/26/2021	051921MOK	ALPHA 3R TICKET STOCK ROLLS	
		07/26/2021	0521TKSK	ALPHA 3R TICKET STOCK-CODE-MAY 2021	
Remit to: IRVINE, CA					<u>FYTD:</u> \$61,829.07
DELL, INC.	31207	07/12/2021	10491186771	MICROSOFT 365 CLOUD LICENSE	\$126,914.95
Remit to: ROUND ROCK, TX					<u>FYTD:</u> \$126,914.95
DYETT & BHATIA URBAN AND REGIONAL PLANNERS	31254	07/19/2021	19-572-17	GENERAL PLAN UPDATE AND EIR CONSULTING 05/1-05/31/21	\$361,688.36
		07/19/2021	19-572-16	GENERAL PLAN UPDATE AND EIR CONSULTING 02/1-04/30/21	
Remit to: OAKLAND, CA					<u>FYTD:</u> \$361,688.36
EASTERN MUNICIPAL WATER DISTRICT	241932	07/26/2021	JULY-21 07/29/21	WATER CHARGES	\$238,549.37
		07/26/2021	JUNE-21 07/29/21	WATER CHARGES	
Remit to: LOS ANGELES, CA					<u>FYTD:</u> \$240,285.33
ELECNOR BELCO ELECTRIC, INC.	31313	07/26/2021	14-0543-003	ADVANCED DILEMMA ZONE DETECTION	\$119,575.31
Remit to: CHINO, CA					<u>FYTD:</u> \$119,575.31

Attachment: July 2021 Payment Register (4451 : PAYMENT REGISTER - JULY 2021)



City of Moreno Valley
Payment Register
For Period 7/1/2021 through 7/31/2021

CHECKS IN THE AMOUNT OF \$25,000 OR GREATER

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
ENCO UTILITY SERVICES MORENO VALLEY LLC	31138	07/06/2021	0402-MF-02515	SOLAR SYSTEM INSPECTION	\$56,149.00
		07/06/2021	MFP-2021-44355	METER FEES-REGULAR	
		07/06/2021	0402-MF-02522	SOLAR SYSTEM INSPECTION	
		07/06/2021	0402-MF-02514-1	SOLAR SYSTEM INSPECTION	
		07/06/2021	0402-MF-02521	SOLAR SYSTEM INSPECTION	
		07/06/2021	0402-MF-02520	SOLAR SYSTEM INSPECTION	
		07/06/2021	0402-MF-02518-1	SOLAR SYSTEM INSPECTION	
		07/06/2021	0402-MF-02517-1	SOLAR SYSTEM INSPECTION	
		07/06/2021	0402-MF-02519	SOLAR SYSTEM INSPECTION	

Attachment: July 2021 Payment Register (4451 : PAYMENT REGISTER - JULY 2021)



**City of Moreno Valley
Payment Register
For Period 7/1/2021 through 7/31/2021**

CHECKS IN THE AMOUNT OF \$25,000 OR GREATER

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
ENCO UTILITY SERVICES MORENO VALLEY LLC	31209	07/12/2021	40-480-01	WA# 40-480-CITY FIBER INSTALLATION PROJECT	\$47,193.35
		07/12/2021	40-452B-04	WA# 40-452B-FIRST NANDINA II LOGISTICS CENTER	
		07/12/2021	40-478A-01	WA# 40-478A-COURTYARDS AT COTTONWOOD STREETLIGHTS	
		07/12/2021	40-477A-02	WA# 40-477A-RESOURCE CORP. CENTER	
		07/12/2021	40-476A-02	WA# 40-476A-ROSS GENERATOR PROJECT	
		07/12/2021	40-472A-02	WA# 40-472A-IRIS TOWNHOMES-52 UNITS	
		07/12/2021	40-471B-02	WA# 40-471B-P&G PARKING LOT UPGRADES	
		07/12/2021	40-501-2106	WA# 40-501 ACQUIRED SCE STREETLIGHTS MAINT.	
		07/12/2021	40-454B-03	WA# 40-454B-MORENO VALLEY LOGISTICS CENTER BLDG 4	
		07/12/2021	MFT-2021-44383	METER FEES-TEMPORARY	
		07/12/2021	MFP-2021-44383	METER FEES-REGULAR	
		07/12/2021	40-474A-03	WA# 40-474A-KB HOMES-MOOTHART 80 HOMES	
		07/12/2021	40-450B-09	WA# 40-450B-HIGHLAND FAIRVIEW CORP. PARK PH2	
		07/12/2021	40-461A-07	WA# 40-461A-MORENO VALLEY MAJESTIC-8 SFR	
		07/12/2021	0402-MF-02524	SOLAR SYSTEM INSPECTION	
		07/12/2021	40-373B-12	WA# 40-373B-CACTUS COMMERCE, LP	
		07/12/2021	40-413B-05	WA# 40-413B-CONTINENTAL VILLAGES STREET LIGHTS & CONDUIT	
		07/12/2021	40-438B-10	WA# 40-438B-CENTURY COMMUNITIES	
		07/12/2021	40-439A-04	WA# 40-439A-VIA DEL LAGO	
		07/12/2021	40-449B-08	WA# 40-449B-MERITAGE HOMES LEGACY PARK-221 HOMES	
	31257	07/19/2021	C21-06A	SUNNYMEAD BLVD.-VEHICLE HIT STREETLIGHT	\$556,390.52
		07/19/2021	MVU-2021-44382	DISTRIBUTION CHARGES 5/25-6/22/21	

Remit to: ANAHEIM, CA

FYTD: \$684,326.74

Attachment: July 2021 Payment Register (4451 : PAYMENT REGISTER - JULY 2021)



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For Period 7/1/2021 through 7/31/2021

CHECKS IN THE AMOUNT OF \$25,000 OR GREATER

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
ENTERPRISE SOLUTIONS CONSULTING, LLC	31139	07/06/2021	2021-06	CONSULTING SVCS-MV UTILITIES	\$62,178.00
Remit to: WEBSTER, NY					<u>FYTD:</u> \$62,178.00
EXELON GENERATION COMPANY, LLC	31258	07/19/2021	724649	POWER PURCHASE 6/1-6/30/21	\$793,371.68
Remit to: CHICAGO, IL					<u>FYTD:</u> \$793,371.68
GREENTECH LANDSCAPE, INC.	31263	07/19/2021	51262	LANDSCAPE MAINT-ZONE E-7	\$28,678.96
		07/19/2021	51406	LANDSCAPE MAINT-PARKS	
		07/19/2021	51263	LANDSCAPE MAINT-ZONE 01	
		07/19/2021	51258	LANDSCAPE MAINT-ZONE 8	
		07/19/2021	51255	LANDSCAPE MAINT-ZONE E-7	
		07/19/2021	51257	LANDSCAPE MAINT-ZONE 8	
Remit to: LOS ANGELES, CA					<u>FYTD:</u> \$40,943.60
HABITAT FOR HUMANITY RIVERSIDE	31143	07/06/2021	CHR17	HOME-CRITICAL HOME REPAIR PROGRAM-DEC 2020	\$70,041.37
		07/06/2021	CHR16	HOME-CRITICAL HOME REPAIR PROGRAM-NOV 2020	
	31319	07/26/2021	CHR-22	HOME-CRITICAL HOME REPAIR PROGRAM-MAY 2021	\$69,050.27
		07/26/2021	MHR1920-17	MOBILE HOME REPAIR PROGRAM-MAY 2021	
		07/26/2021	CHR-20	HOME-CRITICAL HOME REPAIR PROGRAM-MARCH 2021	
		07/26/2021	CHR-21	HOME-CRITICAL HOME REPAIR PROGRAM-APRIL 2021	
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$139,091.64

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<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
KOA CORPORATION	241864	07/12/2021	JC04042x6-x7	JUAN BAUTISTA DE ANZA MULTI-USE TRAIL ATP 4	\$55,485.25
		07/12/2021	JC04042x8	JUAN BAUTISTA DE ANZA MULTI-USE TRAIL ATP 4	
	241890	07/19/2021	JC04042x10 REV	JUAN BAUTISTA DE ANZA MULTI-USE TRAIL ATP 4	\$110,128.18
		07/19/2021	JC06143-5R	MORENO VALLEY RANCH & PIGEON PASS RD ITS	
		07/19/2021	JC04042x9	JUAN BAUTISTA DE ANZA MULTI-USE TRAIL ATP 4	
		07/19/2021	JC06061-7	ADVANCED DILEMMA ZONE DETECTION	
Remit to: MONTEREY PARK, CA					<u>FYTD:</u> \$165,613.43
LAKESHORE LEARNING MATERIALS	31150	07/06/2021	2397700621	REPLACEMENT FURNISHINGS	\$37,576.19
		07/06/2021	239771	REPLACEMENT FURNISHINGS	
Remit to: CARSON, CA					<u>FYTD:</u> \$37,576.19

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<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
MARIPOSA LANDSCAPES, INC.	31268	07/19/2021	93639	LANDSCAPE MAINT.-TOWNGATE AQUEDUCT BIKEWAY-JUN. 2021	\$36,858.88
		07/19/2021	93649	LANDSCAPE MAINT.-MARCH ANNEX BUILDING-JUN. 2021	
		07/19/2021	93648	LANDSCAPE MAINT.-ANIMAL SHELTER-JUN. 2021	
		07/19/2021	93645	LANDSCAPE MAINT.-SOUTH AQUEDUCT A-JUN. 2021	
		07/19/2021	93646	LANDSCAPE MAINT.-SOUTH AQUEDUCT B-JUN. 2021	
		07/19/2021	93644	LANDSCAPE MAINT.-PAN AM SECTION AQUEDUCT-JUN. 2021	
		07/19/2021	93652	LANDSCAPE MAINT.-MORENO BEACH ELECTRIC SUBSTATION-JUN. 2021	
		07/19/2021	93643	LANDSCAPE MAINT.-NORTH AQUEDUCT-JUN. 2021	
		07/19/2021	93654	LANDSCAPE MAINT.-PUBLIC SAFETY BUILDING-JUN. 2021	
		07/19/2021	93641	LANDSCAPE MAINT.-AQUEDUCT BIKEWAY-DEPHINIUM/PERHAM TO JFK-JUN21	
		07/19/2021	93653	LANDSCAPE MAINT.-LIBRARY-JUN. 2021	
		07/19/2021	93640	LANDSCAPE MAINT.-AQUEDUCT BIKEWAY/BAY AVE. TO GRAHAM-JUN. 2021	
		07/19/2021	93650	LANDSCAPE MAINT.-CITY YARD-JUN. 2021	
		07/19/2021	93663	LANDSCAPE MAINT.-AQUEDUCT BIKEWAY/FAY TO GENTIAN-JUN. 2021	
		07/19/2021	93647	LANDSCAPE MAINT.-AQUEDUCT/SCE AND OLD LAKE DRIVE-JUN. 2021	
		07/19/2021	93655	LANDSCAPE MAINT.-SENIOR CENTER-JUN. 2021	
		07/19/2021	93638	LANDSCAPE MAINT.-TOWNGATE COMMUNITY CENTER-JUN. 2021	
		07/19/2021	93664	LANDSCAPE MAINT.-NPDES WQB-JUN. 2021	
		07/19/2021	93662	LANDSCAPE MAINT.-KITCHING ELECTRIC SUBSTATION-JUN. 2021	
		07/19/2021	93661	LANDSCAPE MAINT.-CITY YARD SANTIAGO OFFICE-JUN. 2021	
		07/19/2021	93637	LANDSCAPE MAINT.-SD LMD ZONE 02-JUN. 2021	
		07/19/2021	93659	LANDSCAPE MAINT.-CITY HALL ANNEX-JUN. 2021	
		07/19/2021	93658	LANDSCAPE MAINT.-CITY HALL-JUN. 2021	

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CHECKS IN THE AMOUNT OF \$25,000 OR GREATER

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
MARIPOSA LANDSCAPES, INC.		07/19/2021	93657	LANDSCAPE MAINT.-FIRE STATIONS 2, 6, 48, 58, 65, 91, & 99-JUN21	
		07/19/2021	93656	LANDSCAPE MAINT.-UTILITY FIELD OFFICE-JUN. 2021	
		07/19/2021	93642	LANDSCAPE MAINT.-AQUEDUCT BIKEWAY/VANDENBERG TO FAY-JUN. 2021	
		07/19/2021	93660	LANDSCAPE MAINT.-VETERANS MEMORIAL-JUN. 2021	
		07/19/2021	93651	LANDSCAPE MAINT.-CONFERENCE & REC. CENTER-JUN. 2021	
Remit to: IRWINDALE, CA					FYTD: \$58,973.71
MERCHANTS BUILDING MAINTENANCE, LLC.	31153	07/06/2021	631612	DAY PORTER SERVICES FOR ENHANCED COVID-19 CLEANING-MAY 2021	\$47,905.88
		07/06/2021	631626	COVID-19 DISINFECTANT CLEANING SVCS-RED MAPLE/VV PORTABLE/MAY21	
		07/06/2021	631613	JANITORIAL SERVICES/CITY-WIDE - MAY 2021	
		07/06/2021	631625	COVID-19 DISINFECTANT CLEANING SVCS-RAINBOW RIDGE PORTABLE/MAY21	
Remit to: MONTEREY PARK, CA					FYTD: \$76,906.26
MERCHANTS LANDSCAPE SERVICES INC	31270	07/19/2021	58229	LANDSCAPE MAINT.-ZONES E-8, LMD 03, 03A, 04, 05, 06, & 07-JUN21	\$28,623.77
Remit to: MONTEREY PARK, CA					FYTD: \$28,623.77
MORENO VALLEY UTILITY	241869	07/12/2021	JUL-21 7/12/21	ELECTRICITY CHARGES	\$96,366.33
Remit to: HEMET, CA					FYTD: \$96,366.33

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<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
NEXTERA ENERGY CAPITAL HOLDINGS INC.	241837	07/06/2021	643066	RENEWABLE ENERGY-MV UTILITY-MAY 2021	\$58,936.02
	241936	07/26/2021	648432	RENEWABLE ENERGY-MV UTILITY-JUN. 2021	\$38,456.14
Remit to: JUNO BEACH, FL					<u>FYTD:</u> \$97,392.16
NTH GENERATION COMPUTING, INC.	31325	07/26/2021	37988TM2	SERVER AND STORAGE INFRASTRUCTURE REPLACEMENT SERVICES	\$45,226.00
Remit to: SAN DIEGO, CA					<u>FYTD:</u> \$45,226.00
O'DUFFY BROS, INC.	31274	07/19/2021	020-01	SUNNYMEAD - FLAMING ARROW DR STORM DRAIN	\$355,908.00
Remit to: ROMOLAND, CA					<u>FYTD:</u> \$355,908.00
ONESOURCE DISTRIBUTORS, INC.	31156	07/06/2021	S6687070.001	ARTERIAL STREETLIGHT POLES WITH MAST ARM	\$36,010.05
Remit to: OCEANSIDE, CA					<u>FYTD:</u> \$36,010.05
PUBLIC RISK, INNOVATION, SOLUTIONS, AND MANAGEMENT	31328	07/26/2021	22100100	EXCESS WORKERS' COMPENSATION PROGRAM FEES 7/1/21-6/30/22	\$250,032.00
Remit to: FOLSOM, CA					<u>FYTD:</u> \$250,032.00
SIGN DESIGNS, INC.	31166	07/06/2021	1	MV ELECTRONIC MARQUEE SIGN PROJECT-PROGRESS PAYMENT #1/MAY21	\$60,243.65
Remit to: MODESTO, CA					<u>FYTD:</u> \$60,243.65

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<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
SOUTHERN CALIFORNIA EDISON	241897	07/19/2021	431591238/JUN-21	ELECTRICITY CHARGES FOR ACQUIRED STREETLIGHTS	\$84,762.72
		07/19/2021	433869021/JUN-21	ELECTRICITY CHARGES FOR ADDED STREETLIGHTS	
		07/19/2021	498683714/JUN-21	ELECTRICITY CHARGES FOR ACQUIRED STREETLIGHTS	
		07/19/2021	435293103/JUN-21	ELECTRICITY CHARGES FOR ADDED STREETLIGHTS	
		07/19/2021	570511709/JUN-21	IFA CHARGES-SUBSTATION	
		07/19/2021	355556776/JUN-21	ELECTRICITY CHARGES FOR ACQUIRED STREETLIGHTS	
		07/19/2021	JUN-21 7/19/21	ELECTRICITY CHARGES	
Remit to: ROSEMEAD, CA					<u>FYTD:</u> \$106,111.86
STEVEN B. QUINTANILLA A PROFESSIONAL CORPORATION	31170	07/06/2021	APRIL 2021	LEGAL SERVICES 4/1/21 TO 4/30/21	\$56,707.50
	31339	07/26/2021	MAY 2021	LEGAL SERVICES 5/1/21 TO 5/31/21	\$51,852.50
Remit to: PALM SPRINGS, CA					<u>FYTD:</u> \$108,560.00
TENASKA ENERGY, INC	31341	07/26/2021	MOREN00202107220	ELECTRICITY POWER PURCHASE-MV UTILITY	\$455,514.83
Remit to: ARLINGTON, TX					<u>FYTD:</u> \$455,514.83
THE ADVANTAGE GROUP/ FLEX ADVANTAGE	31229	07/12/2021	202107	JULY 2021 RETIREE MEDICAL BENEFIT BILLING	\$42,957.81
Remit to: TEMECULA, CA					<u>FYTD:</u> \$46,037.96
U.S. BANK/CALCARDS	31176	07/06/2021	06-28-21	JUNE 2021 CALCARD ACTIVITY	\$300,338.16
Remit to: ST. LOUIS, MO					<u>FYTD:</u> \$300,338.16
UNION BANK OF CALIFORNIA	31186	07/08/2021	W210702	FUND TRANSFER TO MUFG-INVESTMENT CHANDLER ASSET MGMT	\$10,000,000.00
Remit to: MONTEREY PARK, CA					<u>FYTD:</u> \$10,000,000.00

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<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
WELLS FARGO CORPORATE TRUST	31356	07/22/2021	W210705	DEBT SERVICE-2017 REF 2007 TABS	\$1,506,881.00
Remit to: LOS ANGELES, CA					<u>FYTD:</u> \$1,506,881.00
WILLDAN FINANCIAL SERVICES	31350	07/26/2021	010-48346	ERAP GRANT ADMINISTRATION SERVICES-JUN. 2021	\$30,561.68
		07/26/2021	010-48347	CARES ACT GRANT ADMINISTRATION SERVICES-JUN. 2021	
		07/26/2021	010-48348	GRANT ADMINISTRATION SERVICES-JUN. 2021	
Remit to: TEMECULA, CA					<u>FYTD:</u> \$30,561.68
WRCRCA	31234	07/12/2021	JUN-2021 MSHCP	MSHCP FEES COLLECTED FOR JUN. 2021-RESIDENTIAL & COMMERCIAL/IND.	\$171,000.64
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$171,000.64
TOTAL AMOUNTS OF \$25,000 OR GREATER					\$24,292,675.74

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Vendor Name	Check/EFT Number	Payment Date	Inv Number	Invoice Description	Payment Amount
4IMPRINT	31126	07/06/2021	9008440	PROMOTIONAL ITEMS	\$3,445.57
Remit to: OSHKOSH, WI					FYTD: \$3,445.57
A. M. BEST COMPANY, INC	31239	07/19/2021	3625170	BEST KEY RATING GUIDE-TS	\$640.00
Remit to: PHILADELPHIA, PA					FYTD: \$640.00
AAC UTILITY PARTNERS, LLC	31187	07/12/2021	MVUS210528	CONSULTING SVCS-MV UTILITIES	\$14,500.00
Remit to: COLUMBIA, SC					FYTD: \$43,500.00
AARVIG AND ASSOCIATES, APC	241822	07/06/2021	119370	LEGAL SERVICES-CLAIM MV2092 (C. STRICKLAND)	\$7,449.83
		07/06/2021	119365	LEGAL SERVICES-CLAIM MV2066 (E. BROWN)	
		07/06/2021	119372	LEGAL SERVICES-CLAIM MV2127 (B. WATKINS)	
		07/06/2021	119373	LEGAL SERVICES-CLAIM MV2047 (M. QUINTANILLA)	
Remit to: REDLANDS, CA					FYTD: \$7,449.83
ABILITY COUNTS, INC	31240	07/19/2021	ACI116385	LANDSCAPE MAINT-CFD #1-JUNE 2021	\$1,835.10
Remit to: CORONA, CA					FYTD: \$1,835.10
ADLERHORST INTERNATIONAL LLC	31188	07/12/2021	106785	MONTHLY K-9 TRAINING (RICO) JUNE 2021	\$175.00
Remit to: RIVERSIDE, CA					FYTD: \$175.00
ADMAIL EXPRESS INC.	31292	07/26/2021	PA-50232	POSTAGE-JOIN THE CONVERSATION RESULTS MAILER	\$4,845.90
Remit to: HAYWARD, CA					FYTD: \$4,845.90

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ADVANCE REFRIGERATION & ICE SYSTEMS, INC	31189	07/12/2021	50620	ICE MACHINE MAINT & WATER FILTER-FIRE STATION 91	\$5,145.73
		07/12/2021	50774	ICE MACHINE MAINT & WATER FILTER-TOWNGATE COMM. CENTER	
		07/12/2021	50752	ICE MACHINE MAINT & WATER FILTER-SENIOR COMM. CENTER	
		07/12/2021	50688	ICE MACHINE MAINT & WATER FILTER-COTTONWOOD GOLF CENTER	
		07/12/2021	50615	ICE MACHINE MAINT & WATER FILTER-CITY YARD	
		07/12/2021	50619	ICE MACHINE MAINT & WATER FILTER-FIRE STATION 48	
		07/12/2021	50618	ICE MACHINE MAINT & WATER FILTER-FIRE STATION 6	
		07/12/2021	50617	ICE MACHINE MAINT & WATER FILTER-FIRE STATION 2	
		07/12/2021	50621	ICE MACHINE MAINT & WATER FILTER-FIRE STATION 99	
		07/12/2021	50605	ICE MACHINE MAINT & WATER FILTER-FIRE STATION 65	
	07/12/2021	50624	ICE MACHINE MAINT & WATER FILTER-FIRE STATION 58		
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$5,145.73
ADVANCED ELECTRIC INC.	31128	07/06/2021	12301	ELECTRICAL REPAIRS-PARKS	\$720.00
		07/06/2021	12300	ELECTRICAL REPAIRS-PARKS	
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$720.00
AIRESPRING INC.	31293	07/26/2021	150072824	LOCAL/LONG DISTANCE CALLS & INTERNET SVC-JULY 21	\$2,810.11
Remit to: VAN NUYS, CA					<u>FYTD:</u> \$2,810.11
ALBERTO GONZALEZ DBA SALSA CALIENTE	31241	07/19/2021	100	BAND PERFORMANCE FEE FOR JULY 4TH EVENT	\$1,500.00
Remit to: BURBANK, CA					<u>FYTD:</u> \$1,500.00

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ALFONSO LOZANO DBA OUR PLACE RESTAURANT	241823	07/06/2021	JUN 25, 2021	SENIOR EATS PROGRAM 06/21-06/25/21	\$4,050.00
	241878	07/13/2021	JUNE 30, 2021	SENIOR EATS PROGRAM-6/28-6/30/21	\$4,050.00
		07/13/2021	JULY 2, 2021	SENIOR EATS PROGRAM-07/01-07/02/21	
	241880	07/19/2021	JULY 9, 2021	SENIOR EATS PROGRAM 07/05-07/09/21	\$4,050.00
Remit to: MORENO VALLEY, CA					FYTD: \$12,150.00
AMERICAN FORENSIC NURSES	31190	07/12/2021	74679	PHLEBOTOMY SVCS	\$1,750.00
		07/12/2021	74661	PHLEBOTOMY SVCS	
	31294	07/26/2021	74712	PHLEBOTOMY SVCS	\$2,070.00
		07/26/2021	74744	PHLEBOTOMY SVCS	
Remit to: LA QUINTA, CA					FYTD: \$3,820.00
AMERICAN SECURITY PRODUCTS	31290	07/06/2021	W210704R	SAFE PURCHASE-DA5918-00	\$2,741.74
Remit to: FONTANA, CA					FYTD: \$2,741.74
AMTECH ELEVATOR SERVICES	31191	07/12/2021	DVB23928001	ELEVATOR REPAIR-CITY HALL	\$370.00
Remit to: PASADENA, CA					FYTD: \$370.00
ANIMAL PEST MANAGEMENT SERVICES, INC.	31295	07/26/2021	637734	PEST MANAGMENT SERVICE-MV UTILITY-JUNE 2021	\$99.44
Remit to: CHINO, CA					FYTD: \$99.44
APPLE ONE EMPLOYMENT SERVICES	31192	07/12/2021	S8653850	ADMIN. ASSISTANT-6/05-6/26/21-C. SHARP	\$4,519.30
	31242	07/19/2021	S8623549	OFFICE ASSISTANT-5/01-5/15/21-M. DAVIS	\$6,780.92
		07/19/2021	S8653851	OFFICE ASSISTANT-5/29-6/19/21-M. DAVIS	
	31296	07/26/2021	S8623547	TEMPORARY EMPLOYMENT SVCS-H.R.	\$3,748.34
Remit to: GLENDALE, CA					FYTD: \$15,048.56

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<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
ARS BILLIARDS	31129	07/06/2021	4072021	REFELTING POOL TABLES-SENIOR CENTER	\$1,640.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$1,640.00
ATEL COMMUNICATIONS.COM	31297	07/26/2021	58988	PBX CONTRACT	\$316.00
		07/26/2021	58382	PBX CONTRACT	
		07/26/2021	59350	PBX CONTRACT	
Remit to: SAN DIEGO, CA					<u>FYTD:</u> \$316.00
AVANT GARDE	31130	07/06/2021	7015	HOME PROGRAM MANAGEMENT-MAY 2021	\$4,423.75
		07/06/2021	7016	HOME HABITAT FOR HUMANITY-MAY 2021	
		07/06/2021	6952	HOME PROGRAM MANAGEMENT-APRIL 2021	
		07/06/2021	6953	HOME HABITAT FOR HUMANITY-APRIL 2021	
		07/06/2021	6954	CDBG HABITAT FOR HUMANITY-APRIL 2021	
	31298	07/26/2021	7083	HOME PROGRAM MANAGEMENT-JUNE 2021	\$4,320.00
		07/26/2021	7084	HOME HABITAT FOR HUMANITY-JUNE 2021	
Remit to: POMONA, CA					<u>FYTD:</u> \$8,743.75
BACA, VICTORIA	241923	07/19/2021	NOVEMBER 2020	2020 CANDIDATE STATEMENT REIMBURSEMENT	\$189.52
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$189.52
BECK, BONNIE	241876	07/12/2021	R21-157308	ANIMAL SERVICES REFUND-REFUND LATE LICENSE FEE	\$21.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$21.00
BENFORD, JANICE	241906	07/19/2021	2002194.047	REFUND PERMIT CHARGES - PICNIC SHELTER	\$171.36
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$171.36

Attachment: July 2021 Payment Register (4451 : PAYMENT REGISTER - JULY 2021)



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<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
BIO-TOX LABORATORIES, INC.	241881	07/19/2021	41325	FORENSIC TOXICOLOGY TESTING SVCS FOR PD	\$6,373.00
		07/19/2021	41326	FORENSIC TOXICOLOGY TESTING SVCS FOR PD	
		07/19/2021	41378	FORENSIC TOXICOLOGY TESTING SVCS FOR PD	
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$6,373.00
BMW MOTORCYCLES OF RIVERSIDE	31194	07/12/2021	6027508	MAINT & REPAIRS-TRAFFIC MOTORCYCLE	\$1,437.34
	31244	07/19/2021	6026719	MAINT & REPAIRS-TRAFFIC MOTORCYCLE	\$1,010.33
		07/19/2021	6027345	MAINT & REPAIRS-TRAFFIC MOTORCYCLE	
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$2,447.67
BONLAJOR DBA DUKE SERVICE COMPANY	31300	07/26/2021	355177	REPLACEMENT OF BUNN COFFEE MACHINE-FIRE STATION 58	\$1,949.12
Remit to: ANAHEIM, CA					<u>FYTD:</u> \$1,949.12

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BOX SPRINGS MUTUAL WATER COMPANY	241824	07/06/2021	721-1 6/25/21	WATER USAGE-TOWNGATE-JUNE 2021	\$439.03
		07/06/2021	195-5 6/25/21	WATER ASSESSMENT ON VACANT LOTS OWNED BY THE HOUSING AUTHORITY	
		07/06/2021	45-4 6/25/21	WATER ASSESSMENT ON VACANT LOTS OWNED BY THE HOUSING AUTHORITY	
		07/06/2021	331-1 6/25/21	WATER ASSESSMENT ON VACANT LOTS OWNED BY THE HOUSING AUTHORITY	
		07/06/2021	204-9 6/25/21	WATER ASSESSMENT ON VACANT LOTS OWNED BY THE HOUSING AUTHORITY	
		07/06/2021	189-13 6/25/21	WATER ASSESSMENT ON VACANT LOTS OWNED BY THE HOUSING AUTHORITY	
		07/06/2021	1088-1 6/25/21	WATER ASSESSMENT ON VACANT LOTS OWNED BY THE HOUSING AUTHORITY	
		07/06/2021	36-1 6/25/21	WATER ASSESSMENT ON VACANT LOTS OWNED BY THE HOUSING AUTHORITY	
		07/06/2021	1084-1 6/25/21	WATER ASSESSMENT ON VACANT LOTS OWNED BY THE HOUSING AUTHORITY	
		07/06/2021	1085-1 6/25/21	WATER ASSESSMENT ON VACANT LOTS OWNED BY THE HOUSING AUTHORITY	
		07/06/2021	1086-1 6/25/21	WATER ASSESSMENT ON VACANT LOTS OWNED BY THE HOUSING AUTHORITY	
		07/06/2021	1087-1 6/25/21	WATER ASSESSMENT ON VACANT LOTS OWNED BY THE HOUSING AUTHORITY	
	07/06/2021	80-4 6/25/21	WATER ASSESSMENT ON VACANT LOTS OWNED BY THE HOUSING AUTHORITY		
Remit to: MORENO VALLEY, CA					FYTD: \$439.03
BOYLL, DAWN	241946	07/26/2021	R21-157732	ANIMAL SERVICES REFUND-DUPLICATE WEB LICENSE PAYMENT	\$15.00
Remit to: MORENO VALLEY, CA					FYTD: \$15.00

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<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
BRAUN BLAISING SMITH WYNNE, P.C.	31131	07/06/2021	19717	LEGAL SERVICES-MV UTILITY	\$594.53
	31301	07/26/2021	19786	LEGAL SERVICES-MV UTILITY-JUNE 2021	\$974.44
Remit to: SACRAMENTO, CA					<u>FYTD:</u> \$1,568.97
BRAZILL, STEVE	241882	07/19/2021	100	JULY 4TH EMCEE SERVICES	\$400.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$400.00
BRIGHTVIEW LANDSCAPE SERVICES, INC.	31132	07/06/2021	7407290	LANDSCAPE MAINT-ZONE S	\$202.03
Remit to: PASADENA, CA					<u>FYTD:</u> \$34,455.38
BROOKE ASTON HARPER	31302	07/26/2021	100	MOTOWN MIX BAND PERFORMANCE FEE - 7/08/21 MOVAL ROCKS EVENT	\$1,500.00
Remit to: PLACENTIA, CA					<u>FYTD:</u> \$1,500.00
BRUGUERAS, RAFAEL	241924	07/19/2021	NOVEMBER 2020	2020 CANDIDATE STATEMENT REIMBURSEMENT	\$203.74
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$203.74
C F & D CORPORATION	31303	07/26/2021	07062021	COMMUNICATIONS TOWER EQUIPMENT & SITE RENTAL-SEPT 21-AUG 22	\$19,788.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$19,788.00
CALIFORNIA BUILDING STANDARDS COMMISSION	241928	07/26/2021	2ND QTR 2021	SB 1473 FEES COLLECTED FOR 4/1-6/30/21	\$4,445.10
Remit to: SACRAMENTO, CA					<u>FYTD:</u> \$4,445.10

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CALIFORNIA MUNICIPAL UTILITIES ASSOC.	31195	07/12/2021	20-0141	FY 21/22 ANNUAL MEMBERSHIP DUES	\$12,952.00
Remit to: SACRAMENTO, CA					FYTD: \$12,952.00
CALIFORNIA WATERSHED ENGINEERING CORP.	31304	07/26/2021	21580	PLAN CHECK SVCS-PWQMP-JAN-MAY 2021	\$8,489.00
		07/26/2021	21608	PLAN CHECK SVCS-PWQMP-JUNE 2021	
Remit to: FULLERTON, CA					FYTD: \$8,489.00
CAMERON-DANIEL, P.C.	31196	07/12/2021	1228	LEGAL SERVICES-MV UTILITY	\$3,162.50
Remit to: SEBASTOPOL, CA					FYTD: \$3,162.50
CANNON CORPORATION DBA PENCO	31246	07/19/2021	76885	CONSULTING SURVEY SVCS	\$860.00
Remit to: SAN LUIS OBISPO, CA					FYTD: \$860.00
CARTER, CHARLOTTE	241907	07/19/2021	2002199.047	TOWNGATE COMM. CTR. RENTAL REFUND	\$209.60
Remit to: MORENO VALLEY, CA					FYTD: \$209.60
CATHYJON ENTERPRISES, INC. DBA HB STAFFING	31133	07/06/2021	910555254	J. MARADEN-6/07-6/20/21-H.R.	\$2,758.35
	31198	07/12/2021	910555252	S. CORRALES-6/07-6/20/21-CITY CLERK	\$4,387.48
		07/12/2021	910555253	C. FERRELL-06/07-6/20/21	
		07/12/2021	910555380	S. CORRALES-06/21-7/04/21-CITY CLERK	
Remit to: HUNTINGTON BEACH, CA					FYTD: \$7,145.83
CEMEX, INC.	241825	07/06/2021	9444237320	MIXED CONCRETE MATERIALS	\$803.81
	241929	07/26/2021	9444279594	MIXED CONCRETE MATERIALS	\$753.12
Remit to: PASADENA, CA					FYTD: \$1,556.93

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CHANDLER ASSET MANAGEMENT, INC	31199	07/12/2021	2106MORENOVA	INVESTMENT MANAGEMENT SVCS-JUNE 2021	\$6,702.48
Remit to: SAN DIEGO, CA					<u>FYTD:</u> \$6,702.48
CHARLES ABBOTT ASSOCIATES, INC	31306	07/26/2021	62616	PLAN CHECK SVCS-ENCROACHMENT PERMITS	\$9,581.25
		07/26/2021	62782	PLAN CHECK SVCS-ENCROACHMENT PERMITS	
Remit to: MISSION VIEJO, CA					<u>FYTD:</u> \$9,581.25
CISNEROS BROTHERS PLUMBING INC	241908	07/19/2021	BOP21-0038	REFUND PERMIT FEES-PROCESSING ERROR-22447 BLACK GUM ST	\$291.40
Remit to: HESPERIA, CA					<u>FYTD:</u> \$291.40
CIVIC SOLUTIONS, INC	31307	07/26/2021	053121	PLANNING ENTITLEMENT AND PLAN CHECK SVCS	\$9,403.87
		07/26/2021	063021	PLANNING ENTITLEMENT AND PLAN CHECK SVCS	
		07/26/2021	94556	PLANNING ENTITLEMENT AND PLAN CHECK SVCS	
		07/26/2021	94127	PLANNING ENTITLEMENT AND PLAN CHECK SVCS	
Remit to: MISSION VIEJO, CA					<u>FYTD:</u> \$9,403.87
CLARK LAND RESOURCES, INC.	31200	07/12/2021	CMV-0621	RIGHT OF WAY CONSULTING SERVICES	\$720.00
Remit to: OCEANSIDE, CA					<u>FYTD:</u> \$720.00
COLONIAL SUPPLEMENTAL INSURANCE	241883	07/19/2021	7133069-0701274	EMPLOYEE SUPPLEMENTAL INSURANCE	\$7,226.87
Remit to: COLUMBIA, SC					<u>FYTD:</u> \$7,226.87
CORODATA MEDIA STORAGE INC.	31247	07/19/2021	DS1297969	OFF-SITE MEDIA STORAGE-JUNE 2021	\$398.15
Remit to: LOS ANGELES, CA					<u>FYTD:</u> \$398.15

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Vendor Name	Check/EFT Number	Payment Date	Inv Number	Invoice Description	Payment Amount
CORODATA RECORDS MANAGEMENT, INC.	31201	07/12/2021	RS4709331	RECORDS STORAGE-JUNE 2021	\$985.41
Remit to: POWAY, CA					FYTD: \$985.41
COUNSELING TEAM, THE	241884	07/19/2021	79491	EMPLOYEE ASSISTANCE PROGRAM-JUNE 2021	\$1,667.00
Remit to: SAN BERNARDINO, CA					FYTD: \$1,667.00
COUNTRY SQUIRE ESTATES	241826	07/06/2021	MAY AND JUNE 202	UUT REFUND MAY JUNE 2021	\$16.15
Remit to: ONTARIO, CA					FYTD: \$16.15
COUNTS UNLIMITED, INC.	31134	07/06/2021	21297	TRAFFIC DATA COLLECTION	\$540.00
		07/06/2021	21258	TRAFFIC DATA COLLECTION	
		07/06/2021	21254	TRAFFIC DATA COLLECTION	
		07/06/2021	21253	TRAFFIC DATA COLLECTION	
Remit to: CORONA, CA					FYTD: \$540.00
COUNTY OF LOS ANGELES DEPT. OF PUBLIC WORKS	241885	07/19/2021	1869P	SCALE CERTIFICATION	\$100.00
Remit to: LOS ANGELES, CA					FYTD: \$100.00
COUNTY OF RIVERSIDE	31308	07/26/2021	IT000004958	APX 7500M DUAL BAND, HPD MODEM MAINT	\$2,494.75
		241827	07/06/2021	21-282356	RECORDATION DOCUMENT
	241828	07/06/2021	19-85136	RECORDATION DOCUMENTS	\$70.00
		07/06/2021	3173	REGISTERED VOTERS CONFIRMATION-CFD NO. 2014-01/AMEND NO. 55	
	07/06/2021	3170	REGISTERED VOTERS CONFIRMATION-CFD NO. 2014-01/AMEND NO. 55		
241886	07/19/2021	AC0000001836	COUNTY OF RIVERSIDE LAFCO FEES FY 21/22	\$18,717.00	
Remit to: RIVERSIDE, CA					FYTD: \$199,539.89

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Vendor Name	Check/EFT Number	Payment Date	Inv Number	Invoice Description	Payment Amount
COUNTY OF RIVERSIDE - HHPWS-COC	31202	07/12/2021	SEPT20-APRIL21	ESG HOMELESS-FY 20/21 HMIS	\$5,000.00
Remit to: RIVERSIDE, CA					FYTD: \$5,000.00
CRASH DATA GROUP, INC	31203	07/12/2021	INV10227	HARDWARE CABLES-PD	\$11,814.79
Remit to: TEMECULA, CA					FYTD: \$11,814.79
CRIME SCENE STERI-CLEAN, LLC	31310	07/26/2021	41966	BIO HAZARD REMOVAL SERVICE	\$850.00
Remit to: RANCHO CUCAMONGA, CA					FYTD: \$850.00
CROSSROAD MEGAWASH, INC DBA WASH BANK EXPRESS	31204	07/12/2021	004	CAR WASH SVC-PD	\$1,390.00
Remit to: MORENO VALLEY, CA					FYTD: \$1,390.00
CROWN CASTLE FIBER LLC	31205	07/12/2021	858325	INTERNET SVCS 7/01-7/31/21	\$1,250.00
Remit to: HOUSTON, TX					FYTD: \$1,250.00
CSG CONSULTANTS, INC.	31249	07/19/2021	B210564	PLAN CHECK SVCS-APRIL 2021	\$15,117.30
Remit to: FOSTER CITY, CA					FYTD: \$15,117.30
CYCLERY U.S.A. INC.	31136	07/06/2021	060821122224091	BICYCLE HELMETS	\$345.82
Remit to: REDLANDS, CA					FYTD: \$345.82
DATA TICKET, INC.	31137	07/06/2021	126373	ADMIN CITATION PROCESSING-ANIMAL SVC-MAY 2021	\$73.12
	31206	07/12/2021	125777	PARKING CITATION PROCESSING-CODE-MAY 2021	\$15,705.84
		07/12/2021	126374	ADMINISTRATIVE CITATIONS-CODE-MAY 2021	
		07/12/2021	126479	ADMIN CITATION PROCESSING-ANIMAL SVC-JUNE 2021	
		07/12/2021	126482	ADMIN CITATION PROCESSING-PD-JUNE 2021	
Remit to: IRVINE, CA					FYTD: \$61,829.07

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DELTA DENTAL OF CALIFORNIA	31251	07/19/2021	BE004489535	EMPLOYEE DENTAL INSURANCE-PPO	\$13,977.25
Remit to: SAN FRANCISCO, CA					<u>FYTD:</u> \$13,977.25
DELTACARE USA	31252	07/19/2021	BE004490354	EMPLOYEE DENTAL INSURANCE-HMO	\$4,204.14
Remit to: DALLAS, TX					<u>FYTD:</u> \$4,204.14
DEPARTMENT OF CONSERVATION	241930	07/26/2021	2ND QTR 2021	SMI FEES REPORT-2ND QTR ENDING 06/30/21	\$14,561.46
Remit to: SACRAMENTO, CA					<u>FYTD:</u> \$14,561.46
DEPARTMENT OF ENVIRONMENTAL HEALTH	241931	07/26/2021	APR-JUNE 2021	VECTOR CONTROL SVCS-CODE	\$8,428.50
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$8,428.50
DIVISION OF THE STATE ARCHITECT	241858	07/12/2021	2ND QTR 2021-796	STATE PORTION-DISABILITY ACCESS & EDUCATION FEE REPORT 796	\$273.60
Remit to: SACRAMENTO, CA					<u>FYTD:</u> \$273.60
DLT SOLUTIONS	31253	07/19/2021	4961618A	AUTO CAD MAINTENANCE 7/18/21-7/17/22	\$15,438.05
Remit to: HERNDON, VA					<u>FYTD:</u> \$15,438.05
E.R. BLOCK PLUMBING & HEATING, INC.	31208	07/12/2021	134449	BACKFLOW DEVICE TEST-FIRE STATION 6	\$575.00
		07/12/2021	134647	BACKFLOW DEVICE TEST-CITY HALL	
		07/12/2021	134644	BACKFLOW DEVICE TEST-FIRE STATION 99	
		07/12/2021	134195	BACKFLOW DEVICE TEST-CFD	
		07/12/2021	134646	BACKFLOW DEVICE TEST-CITY YARD	
	31255	07/19/2021	134643	BACKFLOW DEVICE TEST-WQB	\$363.13
	31312	07/26/2021	134738	BACKFLOW DEVICE TEST-PARKS	\$325.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$1,263.13

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EAGLE PUMP SERVICES, INC.	31256	07/19/2021	17022513	LANDSCAPE MAINT-ZONES D, M, 01, 04, 05, 06, 09 02A & NPDES	\$4,400.00
Remit to: CHINO, CA					<u>FYTD:</u> \$4,400.00
EASTERN MUNICIPAL WATER DISTRICT	241829	07/06/2021	MAY-21 07/01/21	WATER CHARGES	\$785.32
	241859	07/12/2021	JUNE-21 07/12/21	WATER CHARGES	\$950.64
Remit to: PERRIS, CA					<u>FYTD:</u> \$240,285.33
EL HAWAT, MICHAEL	241851	07/06/2021	R21-157189	ANIMAL SERVICES REFUND-OVERPAYMENT ON WEB LICENSE	\$20.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$20.00
EMPIRE MOWER	241888	07/19/2021	15958	TREE TRIMMING EQUIPMENT PARTS	\$816.34
		07/19/2021	15959	TREE TRIMMING EQUIPMENT PARTS	
		07/19/2021	16090	TREE TRIMMING EQUIPMENT REPAIR	
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$816.34
EMPLOYMENT DEVELOPMENT DEPARTMENT	31291	07/02/2021	1ST QTR 2021 ADJ	UNEMPLOYMENT INSURANCE CLAIMS 01/01/21-03/31/21 ASSESSMENT CHARG	\$2,893.86
Remit to: SACRAMENTO, CA					<u>FYTD:</u> \$2,893.86

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ENCO UTILITY SERVICES MORENO VALLEY LLC	31314	07/26/2021	0402-MF-02528	SOLAR SYSTEM INSPECTION	\$24,593.87
		07/26/2021	C21-02	24559 DELPHINIUM AVE.-VEHICLE HIT STREETLIGHT	
		07/26/2021	0402-MF-02526	SOLAR SYSTEM INSPECTION	
		07/26/2021	C21-23	ALESSANDRO, WEST OF PERRIS-VEHICLE HIT STREETLIGHT	
		07/26/2021	C21-14	RAMSDELL DR/VIA VARGAS DR-VEHICLE HIT STREETLIGHT	
		07/26/2021	0402-MF-02527	SOLAR SYSTEM INSPECTION	
		07/26/2021	C21-12	14620 SHADY VALLEY-CAR HIT TRANSFORMER	
		07/26/2021	0402-MF-02525	SOLAR SYSTEM INSPECTION	
Remit to: ANAHEIM, CA					<u>FYTD:</u> \$684,326.74
ENERGY SERVICE PARTNERS INC	241909	07/19/2021	BON21-0373	REFUND CANCELLED BUILDING PERMIT-24699 DUNLAVY CT	\$262.16
	241910	07/19/2021	BON21-0583	REFUND CANCELLED BUILDING PERMIT-24715 SUNDAY DR	\$262.16
Remit to: TORRANCE, CA					<u>FYTD:</u> \$524.32
EXCLUSIVE TOWING	241947	07/26/2021	JUNE 2021	REFUND-ROTATIONAL TOW PROGRAM	\$1,667.20
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$1,667.20
FAIR HOUSING COUNCIL OF RIVERSIDE COUNTY, INC.	31210	07/12/2021	MAY-21 (FH)	FAIR HOUSING DISCRIMINATION SVCS-CDBG	\$4,316.13
		07/12/2021	MAY-21 (LT)	LANDLORD/TENANT MEDIATION SVCS-CDBG	
	31315	07/26/2021	JUNE-21 (FH)	FAIR HOUSING DISCRIMINATION SVCS-CDBG	\$4,530.13
		07/26/2021	JUNE-21 (LT)	LANDLORD/TENANT MEDIATION SVCS-CDBG	
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$8,846.26
FALCON ENGINEERING SERVICES, INC.	31211	07/12/2021	2021-02	801 0021 SR-60/MORENO BEACH IC PHASE 2	\$3,910.00
Remit to: CORONA, CA					<u>FYTD:</u> \$3,910.00

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<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
FERRELLGAS LP	241860	07/12/2021	1115744403	PROPANE-CITY YARD	\$1,265.41
		07/12/2021	1116015839	PROPANE-FIRE STATION 6	
		07/12/2021	1116013744	PROPANE-CITY YARD	
		07/12/2021	RNT8810469	500 GAL PROPANE TANK RENTAL FEE-CITY YARD	
Remit to: DENVER, CO					<u>FYTD:</u> \$1,265.41
FIRST AMERICAN DATA TREE, LLC	241861	07/12/2021	20027760621	ONLINE SOFTWARE SUBSCRIPTION-JUNE 21	\$99.00
Remit to: PASADENA, CA					<u>FYTD:</u> \$99.00
FRANCE PUBLICATIONS, INC. DBA FRANCE MEDIA, INC	31140	07/06/2021	2021-37177	FULL PAGE AD-CALIFORNIA CENTER MAGAZINE-MAY 21 ISSUE	\$2,600.00
		31259	07/19/2021	2021-37170	FULL PAGE AD-SHOPPING CTR. BUSINESS-MAY 2021- SSUE
Remit to: ATLANTA, GA					<u>FYTD:</u> \$6,050.00
FRIENDS OF THE LIBRARY	241877	07/12/2021	JUNE 2021	PASS THROUGH FUNDS-6/1-6/30/21	\$352.20
Remit to: LAKEVIEW, CA					<u>FYTD:</u> \$352.20
FRONTIER COMMUNICATIONS/FORMERLY VERIZON	31260	07/19/2021	7002Z183-S-21186	BACKBONE COMMUNICATIONS SERVICE 7/5-8/4/21	\$1,640.70
Remit to: ROCHESTER, NY					<u>FYTD:</u> \$1,640.70
FRONTIER COMMUNICATIONS/FORMERLY VERIZON CALIF.	241933	07/26/2021	081095-5/JULY21	FOREIGN EXCHANGE BUS LISTING-MV UTILITY	\$7.67
Remit to: CINCINNATI, OH					<u>FYTD:</u> \$7.67
FULL COMPASS SYSTEMS LTD.	31261	07/19/2021	INC01987433	DIGITAL MEDIA CONVERTER-FIRE STATION	\$7,564.05
Remit to: MADISON, WI					<u>FYTD:</u> \$7,564.05

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<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
FULLMER CONSTRUCTION, KEVIN MOLLE	241852	07/06/2021	13305	REFUND-CFD 2014-01-ANNEXATION ADMIN FEE & BOUNDRY MAP FEE	\$2,254.00
Remit to: ONTARIO, CA					<u>FYTD:</u> \$2,254.00
G/M BUSINESS INTERIORS, INC.	31262	07/19/2021	0269227-IN	OFFICE CHAIR-CONF & REC. CTR	\$819.57
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$819.57
GARCIA ROOFING	241948	07/26/2021	BOR21-0162	REFUND CANCELLED BUILDING PERMIT-24784 CHIPPENDALE ST	\$131.52
Remit to: REDLANDS, CA					<u>FYTD:</u> \$131.52
GARCIA, CHANTEL	31316	07/26/2021	JUN-2021	INSTRUCTOR SERVICES - ART/DRAWING CLASSES	\$652.40
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$652.40
GARDAWORLD	31212	07/12/2021	10640847	ARMORED CAR SRV-CITY HALL, CONF & REC, LIB & ANIMAL-JUNE 2021	\$927.00
	31317	07/26/2021	20488785	AMORED CAR SRV-CONF & REC CTR, MV UTILITIES, ANIMAL SVCS-EXCESS	\$58.55
Remit to: CHICAGO, IL					<u>FYTD:</u> \$985.55
GONZALEZ, DANNY	241949	07/26/2021	BFR20-0182	REFUND PERMIT FEE POSTED TWICE-15295 VIA MARAVILLA	\$268.04
Remit to: FONTANA, CA					<u>FYTD:</u> \$268.04
GOVERNMENTJOBS.COM, INC. / NEOGOV	31141	07/06/2021	INV-21818	ONBOARD SUBSCRIPTION-6/25/21-6/24/22	\$19,000.00
Remit to: ELSEGUNDO, CA					<u>FYTD:</u> \$19,000.00

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<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
GRAVES & KING, LLP	31318	07/26/2021	2105-0010379-03	LEGAL SERVICES-CLAIM MV2013 (D. COLEMAN)	\$12,798.83
		07/26/2021	2105-0010328-05	LEGAL SERVICES-CLAIM MV2009 (D. MARIANO)	
		07/26/2021	2106-0010166-03	LEGAL SERVICES-CLAIM MV 0010166-INRI TOWING	
		07/26/2021	2105-0010335-03	LEGAL SERVICES-CLAIM MV1940 (S. MARTIN)	
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$12,798.83
GREENTECH LANDSCAPE, INC.	31142	07/06/2021	51183	LANDSCAPE MAINT-ZONES 01, 01A, 8 & E7	\$9,914.64
		07/06/2021	51243	LANDSCAPE MAINT-ZONES 01, 8 & E7	
		07/12/2021	51241	LANDSCAPE MAINT-ZONE E7	\$2,350.00
Remit to: LOS ANGELES, CA					<u>FYTD:</u> \$40,943.60
GREGORY J. CRAYCRAFT DBA THE REFLEXX	241962	07/26/2021	100	THE REFLEXX BAND PERFORMANCE FEE - 7/15/21 MOVAL ROCKS EVENT	\$1,500.00
Remit to: MISSION VIEJO, CA					<u>FYTD:</u> \$1,500.00
GUIDA SURVEYING, INC.	31214	07/12/2021	48672	SUNNYMEAD - FLAMING ARROW DR STORM DRAIN	\$10,000.58
Remit to: IRVINE, CA					<u>FYTD:</u> \$10,000.58
GUTIERREZ, YXSTIAN	241925	07/19/2021	NOVEMBER 2020	2020 CANDIDATE STATEMENT REIMBURSEMENT	\$204.94
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$204.94
GWORCS - GIS WORKSHOP, LLC	31215	07/12/2021	2019-12429	MAINTENANCE & SUPPORT 7/1/21-6/30/22	\$1,170.75
Remit to: OMAHA, NE					<u>FYTD:</u> \$1,170.75
HAAS, ROMY	241926	07/19/2021	#2	REGISTR. FOR 4 OFFICERS-GOOGLE FOR LAW ENFORCEMENT CLASS 7/22/21	\$500.00
Remit to: WHITTIER, CA					<u>FYTD:</u> \$500.00

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Vendor Name	Check/EFT Number	Payment Date	Inv Number	Invoice Description	Payment Amount
HASCO HEATING AIR CONDITIONING SERVICE COMPANY	31216	07/12/2021	98460	HVAC REPAIR-CITY YARD PERRIS	\$418.63
	31320	07/12/2021	97830	HVAC REPAIR-PUBLIC SAFETY BLDG.	\$2,474.10
		07/26/2021	98174	HVAC REPAIR-ANIMAL SHELTER	
		07/26/2021	98224	HVAC REPAIR-ANNEX 1	
Remit to: RIVERSIDE, CA					FYTD: \$2,892.73
HDL SOFTWARE LLC	241862	07/12/2021	SIN009581	BUSINESS LICENSE SOFTWARE HOST CHARGES 7/1/21-6/30/22	\$1,980.00
Remit to: BREAA, CA					FYTD: \$1,980.00
HERC RENTALS INC/ HERTZ EQUIPMENT RENTAL	31217	07/12/2021	32165399-002	HEAVY EQUIP RENTAL-STORM PREP	\$268.44
Remit to: DALLAS, TX					FYTD: \$268.44
HINDERLITER DE LLAMAS & ASSOCIATES	241934	07/26/2021	SIN009872	CANNABIS MANAGEMENT PROGRAM-JUNE 2021	\$500.00
Remit to: BREAA, CA					FYTD: \$500.00
HLP, INC.	31218	07/12/2021	19946	FY 22-CHAMELEON/CMS SOFTWARE ANNUAL SUPPORT/MAINT	\$10,344.00
Remit to: LITTLETON, CO					FYTD: \$10,344.00
HR GREEN PACIFIC INC.	31144	07/06/2021	143748	PLAN CHECK SVCS-WQMP-FROM 3/31/21 THRU 4/30/21	\$16,514.25
		07/06/2021	144049	PLAN CHECK SVCS-WQMP-THRU 5/28/21	
		07/06/2021	144396	ON-CALL TRAFFIC ENGINEERING SERVICES	
Remit to: DES MOINES, IA					FYTD: \$16,514.25

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ICE BEAR SPV #1 DBA THULE ENERGY STORAGE	241863	07/12/2021	0017	IB20 & FURNACE INSTALLS/ANNUAL PREVENTATIVE MAINT-ICE BEAR UNITS	\$23,115.00
Remit to: COSTA MESA, CA					<u>FYTD:</u> \$23,115.00
INLAND EMPIRE PROPERTY SERVICE, INC	31219	07/12/2021	2021107	WEED ABATEMENT SVCS-APN 488-200-013	\$1,281.00
	31321	07/26/2021	21112	WEED ABATEMENT SVCS-APN 482-020-064	\$15,827.00
		07/26/2021	21111	WEED ABATEMENT SVCS-APN 481-270-058	
		07/26/2021	21109	WEED ABATEMENT SVCS-APN 486-280-044, 059	
		07/26/2021	21105	WEED ABATEMENT SVCS-ALESSANDRO & DAY	
		07/26/2021	21108	WEED ABATEMENT SVCS-APN 487-470-030, 031	
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$17,108.00
INTERPRETERS UNLIMITED	31264	07/19/2021	277075	LANGUAGE INTERPRETATION SERVICES	\$228.00
Remit to: SAN DIEGO, CA					<u>FYTD:</u> \$228.00
ISLAM, ASHIK	31145	07/06/2021	JUN-2021	INSTRUCTOR SERVICES-HOMEWORK/SUBJECT MATTER TUTORING	\$96.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$96.00
JEMPSON, D. LADONNA	241911	07/19/2021	NOVEMBER 2020	2020 CANDIDATE STATEMENT REIMBURSEMENT	\$189.52
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$189.52
JITTERZ GOURMET COFFEE	241830	07/06/2021	JUN 25, 2021	SENIOR EATS PROGRAM 06/21-06/25/21	\$4,050.00
	241889	07/19/2021	JUNE 30, 2021	SENIOR EATS PROGRAM 6/28-6/30/21	\$8,325.00
		07/19/2021	JULY 2, 2021	SENIOR EATS PROGRAM 07/01-07/02/21	
		07/19/2021	JULY 9, 2021	SENIOR EATS PROGRAM 07/05-07/09/21	
Remit to: REDLANDS, CA					<u>FYTD:</u> \$12,375.00

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JOHNSON , TRACY	31146	07/06/2021	JUN-2021	INSTRUCTOR SERVICES - SHITO-RYU KARATE CLASSES	\$237.60
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$237.60
JONES, ANTIONETTE	241912	07/19/2021	2002193.047	REFUND - VALLEY DAY CAMP	\$94.80
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$94.80
JTB SUPPLY CO., INC.	31147	07/06/2021	109115	TRAFFIC SIGNAL MAINT SUPPLIES	\$1,075.14
Remit to: ORANGE, CA					<u>FYTD:</u> \$1,075.14
JVS RESTAURANTS DBA LOS ZAPATAS MEXICAN RESTAURANT	31148	07/06/2021	JUN 25, 2021	SENIOR EATS PROGRAM 06/21-06/25/21	\$3,825.00
	31235	07/13/2021	JULY 2, 2021	SENIOR EATS PROGRAM-07/01-07/02/21	\$3,825.00
		07/13/2021	JUNE 30, 2021	SENIOR EATS PROGRAM-6/28-6/30/21	
	31265	07/19/2021	JULY 9, 2021	SENIOR EATS PROGRAM 07/05-07/09/21	\$3,825.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$11,475.00
KONICA MINOLTA BUSINESS SOLUTIONS, USA	31149	07/06/2021	50240927	COPIER RELOCATION	\$500.00
	31266	07/19/2021	9007878656	COPIER USAGE-JUNE 2021	\$133.04
Remit to: PASADENA, CA					<u>FYTD:</u> \$633.04
LATIN NATION BAND, LLC	241831	07/06/2021	062421	AMPHITHEATRE GRAND OPENING-6/24/21	\$1,500.00
Remit to: COVINA, CA					<u>FYTD:</u> \$1,500.00
LAW ENFORCEMENT MEDICAL SERVICES	241913	07/19/2021	15864	PHLEBOTOMY SVCS	\$150.00
Remit to: FONTANA, CA					<u>FYTD:</u> \$150.00

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LCG MVD LLC	241914	07/19/2021	BFC21-0001-0077	REFUND FEES PAID PRIOR TO PROJECT T&M DESIGNATION	\$7,702.00
Remit to: LOS ANGELES, CA					FYTD: \$7,702.00
LEWIS , DWAYNE	241915	07/19/2021	NOVEMBER 2020	2020 CANDIDATE STATEMENT REIMBURSEMENT	\$189.52
Remit to: MORENO VALLEY, CA					FYTD: \$189.52
LEXISNEXIS PRACTICE MANAGEMENT	31220	07/12/2021	3093325730	LEGAL RESEARCH TOOLS-JUNE 2021	\$883.20
Remit to: CHICAGO, IL					FYTD: \$883.20
LIEBERT, CASSIDY, WHITMORE	241832	07/06/2021	789	HARASSMENT PREVENTION TRAINING	\$184.00
Remit to: LOS ANGELES, CA					FYTD: \$184.00
LIN R ROGERS ELECTRICAL CONTRACTORS INC	241916	07/19/2021	BFC21-0095	REFUND FEES CHARGED IN ERROR-BOFA-23571 SUNNYMEAD RANCH PKWY	\$1,800.00
Remit to: ALPHARETTA, GA					FYTD: \$1,800.00
LSA ASSOCIATES, INC.	241935	07/26/2021	178365	SUNNYMEAD - FLAMING ARROW DR STORM DRAIN	\$2,446.25
Remit to: IRVINE, CA					FYTD: \$2,446.25
LUDY, CHANCE	241853	07/06/2021	R21-156985	ANIMAL SERVICES REFUND-RABIES DEPOSIT	\$20.00
Remit to: MORENO VALLEY, CA					FYTD: \$20.00

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LYONS SECURITY SERVICE, INC.	31267	07/19/2021	28768	SECURITY GUARD SVCS-CRC-JUNE 21-COVID-19	\$13,773.76
		07/19/2021	28769	SECURITY GUARD SVCS-ERC-JUNE 21-COVID-19	
		07/19/2021	28776	SECURITY GUARD SVCS-CITY HALL-JUNE 2021-COVID-19	
		07/19/2021	28766	SECURITY GUARD SVCS-CITY HALL-JUNE 2021	
		07/19/2021	28770	SECURITY GUARD SVCS-LIBRARY-JUNE 21	
	31322	07/26/2021	28767	SECURITY GUARD SVCS-CONF & REC CTR-JUNE 2021	\$6,694.32
		07/26/2021	28771	SECURITY GUARD SVCS-TOWNGATE-JUNE 2021	
Remit to: ANAHEIM, CA					FYTD: \$20,468.08
MAINTENANCE, INC DBA TOTAL MAINTENANCE COMPANY	241833	07/06/2021	46631	STUCCO REPAIR/RE-PAINT OF FASCIA AT BUSINESS & EMP. RESOURCE CTR	\$675.00
Remit to: SANTA ANA, CA					FYTD: \$675.00
MANDELL MUNICIPAL COUNSELING	241865	07/12/2021	JUN-2021	LEGAL SERVICES FOR SPECIAL FINANCING DISTRICTS	\$180.00
Remit to: LOS ANGELES, CA					FYTD: \$180.00
MARCH JOINT POWERS AUTHORITY	241834	07/06/2021	54213	GAS CHARGES-M.A.R.B. BUILDING 823-MAY 2021	\$56.96
		07/06/2021	54216	GAS CHARGES-M.A.R.B. BUILDING 938-MAY 2021	
Remit to: RIVERSIDE, CA					FYTD: \$56.96
MARGARITAS GRILL RESTAURANT & CATERING, LLC	241866	07/12/2021	JUN 25, 2021	SENIOR EATS PROGRAM 06/21-06/25/21	\$3,375.00
		241879	07/13/2021	JULY 2, 2021	
		07/13/2021	JUNE 30, 2021	SENIOR EATS PROGRAM-6/28-6/30/21	
	241891	07/19/2021	JULY 9, 2021	SENIOR EATS PROGRAM 07/05-07/09/21	\$3,510.00
Remit to: MORENO VALLEY, CA					FYTD: \$10,620.00

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MARIPOSA LANDSCAPES, INC.	31151	07/06/2021	93276	LANDSCAPE MAINT.-AQUEDUCT BIKEWAY-DEPHINIUM/PERHAM TO JFK-MAY21	\$22,114.83
		07/06/2021	93280	LANDSCAPE MAINT.-SOUTH AQUEDUCT A-MAY 2021	
		07/06/2021	93281	LANDSCAPE MAINT.-SOUTH AQUEDUCT B-MAY 2021	
		07/06/2021	93282	LANDSCAPE MAINT.-AQUEDUCT/SCE AND OLD LAKE DRIVE-MAY 2021	
		07/06/2021	93275	LANDSCAPE MAINT.-AQUEDUCT BIKEWAY/BAY AVE. TO GRAHAM-MAY 2021	
		07/06/2021	93298	LANDSCAPE MAINT.-AQUEDUCT BIKEWAY/FAY TO GENTIAN-MAY 2021	
		07/06/2021	93296	LANDSCAPE MAINT.-CITY YARD SANTIAGO OFFICE-MAY 2021	
		07/06/2021	93295	LANDSCAPE MAINT.-VETERANS MEMORIAL-MAY 2021	
		07/06/2021	93294	LANDSCAPE MAINT.-CITY HALL ANNEX-MAY 2021	
		07/06/2021	93284	LANDSCAPE MAINT.-MARCH ANNEX BUILDING-MAY 2021	
		07/06/2021	93288	LANDSCAPE MAINT.-LIBRARY-MAY 2021	
		07/06/2021	93274	LANDSCAPE MAINT.-TOWNGATE AQUEDUCT BIKEWAY-MAY 2021	
		07/06/2021	93285	LANDSCAPE MAINT.-CITY YARD-MAY 2021	
		07/06/2021	93286	LANDSCAPE MAINT.-CONFERENCE & REC. CENTER-MAY 2021	
		07/06/2021	93803	LANDSCAPE EXTRA WORK-JUN21-ZONE 02/REPLACE DEAD PLANT MATERIAL	
		07/06/2021	93283	LANDSCAPE MAINT.-ANIMAL SHELTER-MAY 2021	
		07/06/2021	93292	LANDSCAPE MAINT.-FIRE STATIONS 2, 6, 48, 58, 65, 91, & 99-MAY21	
		07/06/2021	93278	LANDSCAPE MAINT.-NORTH AQUEDUCT-MAY 2021	
		07/06/2021	93290	LANDSCAPE MAINT.-SENIOR CENTER-MAY 2021	
		07/06/2021	93279	LANDSCAPE MAINT.-PAN AM SECTION AQUEDUCT-MAY 2021	
		07/06/2021	93289	LANDSCAPE MAINT.-PUBLIC SAFETY BUILDING-MAY 2021	
		07/06/2021	93273	LANDSCAPE MAINT.-TOWNGATE COMMUNITY CENTER-MAY 2021	
		07/06/2021	93293	LANDSCAPE MAINT.-CITY HALL-MAY 2021	

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MARIPOSA LANDSCAPES, INC.		07/06/2021	93277	LANDSCAPE MAINT.-AQUEDUCT BIKEWAY/VANDENBERG TO FAY-MAY 2021	
Remit to: IRWINDALE, CA					<u>FYTD:</u> \$58,973.71
MARQUEZ, DAVID	241927	07/19/2021	NOVEMBER 2020	2020 CANDIDATE STATEMENT REIMBURSEMENT	\$203.74
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$203.74
MCBEAN, MARY	241917	07/19/2021	NOVEMBER 2020	2020 CANDIDATE STATEMENT REIMBURSEMENT	\$204.94
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$204.94
MCCLAIN, MELISSA	31152	07/06/2021	8/4/20 - 12/5/20	MILEAGE REIMBURSEMENT FOR BUSINESS MEETINGS & EVENTS	\$542.44
		07/06/2021	1/26 - 6/16/21	MILEAGE REIMBURSEMENT FOR BUSINESS MEETINGS & EVENTS	
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$542.44
MCGRATH RENTCORP AND SUBSIDIARIES	31269	07/19/2021	300459740	TEMPORARY STORAGE UNIT RENTAL-CITY YARD 5/7-6/5/21	\$348.22
		07/19/2021	300483192	TEMPORARY STORAGE UNIT RENTAL-CITY YARD 6/6-7/5/21	
Remit to: SAN FRANCISCO, CA					<u>FYTD:</u> \$348.22

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MERCHANTS BUILDING MAINTENANCE, LLC.	31221	07/12/2021	619567	ENHANCED SANITIZING OF LEARNING HUBS-MAR. 2021	\$15,481.14
		07/12/2021	627351	DISINFECT TABLES & CHAIRS ON 4/21/21 AT CRC GVBR	
		07/12/2021	619568	ENHANCED SANITIZING OF LEARNING HUBS AT CRC-MAR. 2021	
		07/12/2021	619185	DAY PORTER SERVICES FOR ENHANCED COVID-19 CLEANING-MAR. 2021	
		07/12/2021	627403	EXTERIOR & INTERIOR WINDOW CLEANING AT BERC ON 4/26/21	
	31323	07/26/2021	634075	COVID-19 DISINFECTANT CLEANING SVCS-RED MAPLE/VV PORTABLE/JUN21	\$13,519.24
		07/26/2021	634074	COVID-19 DISINFECTANT CLEANING SVCS-RAINBOW RIDGE PORTABLE/JUN21	
		07/26/2021	634028	PICK UP OF RECYCLING BINS FROM 2ND FL. COPY ROOM AT CITY HALL	
		07/26/2021	634076	JUNE 2021 SPECIAL CLEANINGS FOR EVENTS AT TOWNGATE COMMUNITY CTR	
		07/26/2021	634364	DAY PORTER SERVICES FOR ENHANCED COVID-19 CLEANING-JUN. 2021	
Remit to: MONTEREY PARK, CA					FYTD: \$76,906.26
MONTGOMERY PLUMBING INC	241867	07/12/2021	050621	EMERGENCY PLUMBING REPAIR-PUBLIC SAFTEY BLDG.	\$750.00
Remit to: MORENO VALLEY, CA					FYTD: \$750.00
MORENO VALLEY CHAMBER OF COMMERCE	241835	07/06/2021	7259	WAKE-UP MV MEETING-6/23/21	\$50.00
Remit to: MORENO VALLEY, CA					FYTD: \$50.00
MORENO VALLEY MALL HOLDING, LLC	31324	07/26/2021	AUG. 2021 RENT	AUGUST 2021 RENT PAYMENT FOR SP. 2078-M.V. LIBRARY BRANCH	\$6,874.54
Remit to: MORENO VALLEY, CA					FYTD: \$6,874.54

Attachment: July 2021 Payment Register (4451 : PAYMENT REGISTER - JULY 2021)



City of Moreno Valley
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 For Period 7/1/2021 through 7/31/2021

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
MORENO VALLEY TOW	241950	07/26/2021	JUNE 2021	REFUND-ROTATIONAL TOW PROGRAM	\$797.20
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$797.20
MORENO VALLEY TOW & RADIATOR	241868	07/12/2021	13839	EVIDENCE TOWING FOR PD	\$225.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$225.00
MOTOPOST USA	241892	07/19/2021	149625	UNIFORM ITEMS FOR PD TRAFFIC OFFICER	\$2,900.26
Remit to: SAN MARCOS, CA					<u>FYTD:</u> \$2,900.26
MOVAL ENTERPRISES INC. DBA MARINAJ CATERING	31154	07/06/2021	JUN 25, 2021	SENIOR EATS PROGRAM 06/21-06/25/21	\$6,300.00
		07/06/2021	JUN 18, 2021	SENIOR EATS PROGRAM 06/14-06/18/21	
	31271	07/19/2021	JULY 9, 2021	SENIOR EATS PROGRAM 07/05-07/09/21	\$6,300.00
		07/19/2021	JULY 2, 2021	SENIOR EATS PROGRAM 07/01-07/02/21	
		07/19/2021	JUNE 30, 2021	SENIOR EATS PROGRAM 06/28-6/30/21	
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$12,600.00
MV HOLDING LLC	241951	07/26/2021	BPR20-0235	REFUND PAYMENT POSTED TWICE-12840 AUTO MALL MV	\$1,156.00
Remit to: FEDERAL WAY, WA					<u>FYTD:</u> \$1,156.00
MYERS, DENISE	241854	07/06/2021	486250024	REFUND ACCOUNT BALANCE-TRUST ACCOUNT PSN17-0077	\$573.28
Remit to: ORANGE, CA					<u>FYTD:</u> \$573.28
NAMEKATA, JAMES	31155	07/06/2021	JUN-2021	INSTRUCTOR SERVICES - SHITO-RYU KARATE CLASSES	\$237.60
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$237.60
NEXTECH SYSTEMS INC.	241836	07/06/2021	INV765	4 SOLAR RED BEACON SYSTEMS	\$8,806.95
Remit to: IRVINE, CA					<u>FYTD:</u> \$8,806.95

Attachment: July 2021 Payment Register (4451 : PAYMENT REGISTER - JULY 2021)



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NGUYEN, CLEMENT BA DUONG	31222	07/12/2021	JUN-2021	INSTRUCTOR SERVICES-VOVINAM MARTIAL ARTS CLASSES	\$764.40
Remit to: BEAUMONT, CA					<u>FYTD:</u> \$764.40
NOVOA, ANNETTE	241952	07/26/2021	BON21-0785	REFUND BUILDING PERMIT FEES-PROCESSING ERROR-25278 PLUMERIA	\$450.00
Remit to: BAKERSFIELD, CA					<u>FYTD:</u> \$450.00
NPG INC, DBA GOLDSTAR ASPHALT PRODUCTS	31272	07/19/2021	19814	ROAD AND HIGHWAY BUILDING MATERIALS-MAINT & OP'S	\$6,992.98
Remit to: PERRIS, CA					<u>FYTD:</u> \$6,992.98
NV5, INC.	31273	07/19/2021	218498	SUNNYMEAD - FLAMING ARROW DR STORM DRAIN	\$10,285.00
	31326	07/26/2021	222392	SUNNYMEAD - FLAMING ARROW DR STORM DRAIN	\$8,695.00
Remit to: HOLLYWOOD, FL					<u>FYTD:</u> \$18,980.00
OPERATION SAFEHOUSE, INC.	31157	07/06/2021	4 / MAR-APR 2021	CDBG SUBRECIPIENT PAYMENT-EMERGENCY SHELTER FOR YOUTH PROGRAM	\$1,941.52
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$1,941.52
PACIFIC TELEMANAGEMENT SERVICES	31158	07/06/2021	2068818	PAY PHONE SERVICES-JUL. 2021	\$128.28
Remit to: SAN RAMON, CA					<u>FYTD:</u> \$128.28
PEDLEY SQUARE VETERINARY CLINIC	31223	07/12/2021	MAY-2021	VETERINARY SERVICES-MV ANIMAL SHELTER	\$11,367.68
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$11,367.68
PEPE'S TOWING	241953	07/26/2021	JUNE 2021	REFUND-ROTATIONAL TOW PROGRAM	\$357.84
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$357.84

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PERCEPTIVE ENTERPRISES, INC.	31224	07/12/2021	3711	PROFESSIONAL DBE/ CPR CONSULTING SERVICES	\$9,156.00
Remit to: LOS ANGELES, CA					FYTD: \$9,156.00
PERMA	31159	07/06/2021	MV2088-CHAVEZ	REIMBURSEMENT PAYMENTS-MV2088 CHAVEZ	\$3,856.58
Remit to: PALM DESERT, CA					FYTD: \$3,856.58
PERMITROCKET SOFTWARE LLC DBA EPERMITHUB	31160	07/06/2021	2304	IMPLEMENTATION AND PROFESSIONAL SVC-PLANNING	\$22,000.00
Remit to: MIAMI, FL					FYTD: \$22,000.00
PETTY CASH - FINANCE	241904	07/19/2021	JAN-JUN 2021	PETTY CASH FUND REPLENISHMENT	\$861.13
Remit to: MORENO VALLEY, CA					FYTD: \$861.13
PIXCAR, YAZMIM	241918	07/19/2021	2002173.047	REFUND- GROUP KEYBOARD	\$59.00
Remit to: MORENO VALLEY, CA					FYTD: \$59.00
PREMIER PARTY & TENT RENTALS	241893	07/19/2021	RES# 42657-FINAL	RENTAL OF CANOPIES, TABLES, CHAIRS, ETC. FOR JULY 4, 2021 EVENT	\$2,706.60
Remit to: MORENO VALLEY, CA					FYTD: \$2,706.60
PROFESSIONAL COMMUNICATIONS NETWORK PCN	241838	07/06/2021	158500242	LIVE ANSWERING SERVICE FOR ROTATIONAL TOW PROGRAM	\$514.31
Remit to: RIVERSIDE, CA					FYTD: \$514.31

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<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
PRUDENTIAL OVERALL SUPPLY	31161	07/06/2021	23173987	UNIFORM RENTAL & LAUNDERING SVC.-VEHICLE/EQUIPMENT MAINT. STAFF	\$877.56
		07/06/2021	23168109	UNIFORM RENTAL & LAUNDERING SVC.-STREET MAINT. STAFF	
		07/06/2021	23168169	UNIFORM RENTAL & LAUNDERING SVC.-STREET SWEEPING STAFF	
		07/06/2021	23168192	UNIFORM RENTAL & LAUNDERING SVC.-CONCRETE MAINT. STAFF	
		07/06/2021	23177827	UNIFORM RENTAL & LAUNDERING SVC.-PURCHASING STAFF STOREKEEPER	
		07/06/2021	23177830	UNIFORM RENTAL & LAUNDERING SVC.-SIGNS & STRIPING STAFF	
		07/06/2021	23168082	UNIFORM RENTAL & LAUNDERING SVC.-VEHICLE/EQUIPMENT MAINT. STAFF	
		07/06/2021	23167881	UNIFORM RENTAL & LAUNDERING SVC.-LIBRARY SECURITY GUARD	
		07/06/2021	23164690	UNIFORM RENTAL & LAUNDERING SVC.-PURCHASING STAFF STOREKEEPER	
		07/06/2021	23170984	UNIFORM RENTAL & LAUNDERING SVC.-LIBRARY SECURITY GUARD	
		07/06/2021	23177831	UNIFORM RENTAL & LAUNDERING SVC.-TRAFFIC SIGNAL MAINT. STAFF	
		07/06/2021	23168042	UNIFORM RENTAL & LAUNDERING SVC.-PURCHASING STAFF STOREKEEPER	
		07/06/2021	23177826	UNIFORM RENTAL & LAUNDERING SVC.-CITY YARD SECURITY GUARD	
		07/06/2021	23168212	UNIFORM RENTAL & LAUNDERING SVC.-GRAFFITI REMOVAL STAFF	
		07/06/2021	23164664	UNIFORM RENTAL & LAUNDERING SVC.-CITY YARD SECURITY GUARD	
		07/06/2021	23164659	UNIFORM RENTAL & LAUNDERING SVC.-FACILITIES MAINT. STAFF	
		07/06/2021	23164629	UNIFORM RENTAL & LAUNDERING SVC.-LIBRARY SECURITY GUARD	
		07/06/2021	23161278	UNIFORM RENTAL & LAUNDERING SVC.-PURCHASING STAFF STOREKEEPER	

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PRUDENTIAL OVERALL SUPPLY		07/06/2021	23161252	UNIFORM RENTAL & LAUNDERING SVC.-CITY YARD SECURITY GUARD	
		07/06/2021	23161215	UNIFORM RENTAL & LAUNDERING SVC.-FACILITIES MAINT. STAFF	
		07/06/2021	23171073	UNIFORM RENTAL & LAUNDERING SVC.-CITY YARD SECURITY GUARD	
		07/06/2021	23168019	UNIFORM RENTAL & LAUNDERING SVC.-CITY YARD SECURITY GUARD	
		07/06/2021	23173892	UNIFORM RENTAL & LAUNDERING SVC.-LIBRARY SECURITY GUARD	
		07/06/2021	23174124	UNIFORM RENTAL & LAUNDERING SVC.-STREET SWEEPING STAFF	
		07/06/2021	23174169	UNIFORM RENTAL & LAUNDERING SVC.-CONCRETE MAINT. STAFF	
		07/06/2021	23174207	UNIFORM RENTAL & LAUNDERING SVC.-GRAFFITI REMOVAL STAFF	
		07/06/2021	23167951	UNIFORM RENTAL & LAUNDERING SVC.-FACILITIES MAINT. STAFF	
		07/06/2021	23177824	UNIFORM RENTAL & LAUNDERING SVC.-LIBRARY SECURITY GUARD	
		07/06/2021	23161142	UNIFORM RENTAL & LAUNDERING SVC.-LIBRARY SECURITY GUARD STAFF	
		07/06/2021	23177825	UNIFORM RENTAL & LAUNDERING SVC.-FACILITIES MAINT. STAFF	
		07/06/2021	23174269	UNIFORM RENTAL & LAUNDERING SVC.-TREE MAINT. STAFF	
		07/06/2021	23174043	UNIFORM RENTAL & LAUNDERING SVC.-SIGNS & STRIPING STAFF	
		07/06/2021	23171127	UNIFORM RENTAL & LAUNDERING SVC.-PURCHASING STAFF STOREKEEPER	
		07/06/2021	23171413	UNIFORM RENTAL & LAUNDERING SVC.-TREE MAINT. STAFF	
		07/06/2021	23171161	UNIFORM RENTAL & LAUNDERING SVC.-VEHICLE/EQUIPMENT MAINT. STAFF	
		07/06/2021	23173907	UNIFORM RENTAL & LAUNDERING SVC.-FACILITIES MAINT. STAFF	
		07/06/2021	23173930	UNIFORM RENTAL & LAUNDERING SVC.-CITY YARD SECURITY GUARD	

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<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
PRUDENTIAL OVERALL SUPPLY		07/06/2021	23173963	UNIFORM RENTAL & LAUNDERING SVC.-PURCHASING STAFF STOREKEEPER	
		07/06/2021	23171037	UNIFORM RENTAL & LAUNDERING SVC.-FACILITIES MAINT. STAFF	
		07/06/2021	23174006	UNIFORM RENTAL & LAUNDERING SVC.-STREET MAINT. STAFF	
		07/06/2021	23168238	UNIFORM RENTAL & LAUNDERING SVC.-TREE MAINT. STAFF	
		07/06/2021	23174058	UNIFORM RENTAL & LAUNDERING SVC.-TRAFFIC SIGNAL MAINT. STAFF	
		07/06/2021	23171381	UNIFORM RENTAL & LAUNDERING SVC.-CONCRETE MAINT. STAFF	
		07/06/2021	23171357	UNIFORM RENTAL & LAUNDERING SVC.-STREET SWEEPING STAFF	
		07/06/2021	23171250	UNIFORM RENTAL & LAUNDERING SVC.-STREET MAINT. STAFF	
		07/06/2021	23171395	UNIFORM RENTAL & LAUNDERING SVC.-GRAFFITI REMOVAL STAFF	
	31225	07/12/2021	23174246	UNIFORM RENTAL & LAUNDERING SVC.-PARKS MAINT. STAFF	\$133.39
		07/12/2021	23174089	UNIFORM RENTAL & LAUNDERING SVC.-CFD #1 STAFF	
		07/12/2021	23168230	UNIFORM RENTAL & LAUNDERING SVC.-PARKS MAINT. STAFF	
		07/12/2021	23168160	UNIFORM RENTAL & LAUNDERING SVC.-CFD #1 STAFF	
	31275	07/19/2021	23177832	UNIFORM RENTAL & LAUNDERING SVC.-CFD #1 STAFF	\$55.02
		07/19/2021	23177836	UNIFORM RENTAL & LAUNDERING SVC.-PARKS MAINT. STAFF	
	31327	07/26/2021	23177837	UNIFORM RENTAL & LAUNDERING SVC.-TREE MAINT. STAFF	\$202.63
		07/26/2021	23177828	UNIFORM RENTAL & LAUNDERING SVC.-VEHICLE/EQUIPMENT MAINT. STAFF	
		07/26/2021	23177829	UNIFORM RENTAL & LAUNDERING SVC.-STREET MAINT. STAFF	
		07/26/2021	23177833	UNIFORM RENTAL & LAUNDERING SVC.-STREET SWEEPING STAFF	
		07/26/2021	23177834	UNIFORM RENTAL & LAUNDERING SVC.-CONCRETE MAINT. STAFF	
		07/26/2021	23177835	UNIFORM RENTAL & LAUNDERING SVC.-GRAFFITI REMOVAL STAFF	

Remit to: RIVERSIDE, CA

FYTD: \$1,268.60

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PSOMAS	31276	07/19/2021	174721	JUAN BAUTISTA TRAIL ATP-2	\$1,683.20
Remit to: LOS ANGELES, CA					FYTD: \$1,683.20
PYRO SPECTACULARS, INC.	241894	07/19/2021	57490	BALANCE DUE FOR JULY 4, 2021 FIREWORKS DISPLAY	\$23,500.00
Remit to: RIALTO, CA					FYTD: \$23,500.00
READY REFRESH BY NESTLE	31329	07/26/2021	01G0035449305	BOTTLED WATER COOLER RENTAL-CREEKSIDE ELEMENTARY/CHILD CARE	\$1.07
Remit to: COLTON, CA					FYTD: \$1.07
REGALADO, BLANCA E	31162	07/06/2021	SUMMER 2021	INSTRUCTOR SERVICES-FOLKLORIC DANCE ADULT & YOUTH CLASSES	\$307.80
Remit to: MORENO VALLEY, CA					FYTD: \$307.80
RENZ, ASHLEIGH	31330	07/26/2021	SPRING 2021 - 2	TUITION/EMPLOYEE EDUCATION REIMBURSEMENT	\$450.00
Remit to: MORENO VALLEY, CA					FYTD: \$450.00
RIGHTWAY SITE SERVICES, INC.	241839	07/06/2021	282617	PORTABLE RESTROOMS RENTAL/SERVICE-MAINT. & OPS. DIVISION	\$206.30
Remit to: LAKE ELSINORE, CA					FYTD: \$206.30
RIVERSIDE AREA RAPE CRISIS CENTER	31163	07/06/2021	MAR2021	CDBG SUBRECIPIENT PAYMENT-CHILD ABUSE PREVENTION PROGRAM	\$898.27
	31331	07/26/2021	APR2021	CDBG SUBRECIPIENT PAYMENT-CHILD ABUSE PREVENTION PROGRAM	\$1,654.27
		07/26/2021	MAY2021	CDBG SUBRECIPIENT PAYMENT-CHILD ABUSE PREVENTION PROGRAM	
Remit to: RIVERSIDE, CA					FYTD: \$2,552.54

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RIVERSIDE COUNTY DEPARTMENT OF HEALTH	241840	07/06/2021	HS0000006982	FRA RABIES TESTING @ PUBLIC HEALTH LAB	\$50.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$50.00
RIVERSIDE COUNTY FLOOD CONTROL & WATER, CONSERVATION DIST.	241870	07/12/2021	FC018852	RCFC&WCD 801 0077 PERMIT FEES	\$1,750.14
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$1,750.14
RIVERSIDE COUNTY HABITAT CONSERVATION	241895	07/19/2021	2ND QTR 2021	STEPHEN'S KANGAROO RAT MITIGATION FEES FOR QTR ENDING 6/30/21	\$8,745.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$8,745.00
RIVERSIDE COUNTY OFFICE OF EDUCATION	241841	07/06/2021	2021/2060	TRANSLATION SVCS-PW/TRAFFIC	\$134.69
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$134.69
RIVERSIDE MEDICAL CLINIC	31277	07/19/2021	7/14/21 INV.	EMPLOYMENT PHYSICALS/DRUG SCREENINGS-MELENDREZ	\$2,293.60
		07/19/2021	700000183 07/09	EMPLOYMENT PHYSICALS/DRUG SCREENINGS	
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$2,293.60
RIVERSIDE UNIVERSITY HEALTH SYSTEMS - MEDICAL CTR	31332	07/26/2021	1165	SART EXAMS BILLING FOR PD - JUN. 2021	\$4,800.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$4,800.00
ROADPOST USA INC DBA BLUECOSMO	31333	07/26/2021	BU01348540	SATELLITE PHONE SERVICE PLAN-FIRE	\$548.00
Remit to: SEATTLE, WA					<u>FYTD:</u> \$548.00

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ROGERS, ANDERSON, MALODY & SCOTT, LLP	31164	07/06/2021	65962	AUDIT SERVICES FOR FY ENDING 6/30/21 - MAY 2021 PROGRESS BILLING	\$10,950.00
Remit to: SAN BERNARDINO, CA					<u>FYTD:</u> \$10,950.00
RSG, INC	31334	07/26/2021	1007490	AFFORDABLE HOUSING COMPLIANCE MONITORING SERVICES- MAY-JUN. 2021	\$8,587.40
Remit to: IRVINE, CA					<u>FYTD:</u> \$8,587.40
SALVATION ARMY	31165	07/06/2021	14 / MAR 2021	CDBG SUBGRANTEE PAYMENT-INTERIM ASSIST./HOMELESS TO WORK PROGRAM	\$4,003.91
		07/06/2021	15 / APR 2021	CDBG SUBGRANTEE PAYMENT-INTERIM ASSIST./HOMELESS TO WORK PROGRAM	
	31226	07/12/2021	ESG 20/21 - 7	ESG SUBRECIPIENT PAYMENT-STREET OUTREACH PROGRAM	\$9,488.25
		07/12/2021	ESG 20/21 - 6	ESG SUBRECIPIENT PAYMENT-STREET OUTREACH PROGRAM	
	31335	07/26/2021	ESG 20/21 - 8	ESG SUBRECIPIENT PAYMENT-STREET OUTREACH PROGRAM	\$9,875.06
		07/26/2021	16 / MAY 2021	CDBG SUBGRANTEE PAYMENT-INTERIM ASSIST./HOMELESS TO WORK PROGRAM	
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$23,367.22
SANCHEZ, JAIME	241954	07/26/2021	R21-157616	ANIMAL SERVICES REFUND-OVERPAYMENT ON WEB LICENSE	\$20.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$20.00
SCAG-SOUTHERN CALIFORNIA ASSOC. OF GOVERNMENTS	241896	07/19/2021	FY 2021-22	ANNUAL DUES ASSESSMENT FOR FISCAL YEAR 2021-22	\$21,658.00
Remit to: PASADENA, CA					<u>FYTD:</u> \$21,658.00
SEARLE CREATIVE GROUP, LLC	31336	07/26/2021	21808	WEBSITE HOSTING & MAINTENANCE-JUN. 2021	\$2,310.00
		07/26/2021	21807	WEBSITE HOSTING & MAINTENANCE-MAY 2021	
Remit to: VENTURA, CA					<u>FYTD:</u> \$2,310.00

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SIGNS BY TOMORROW	31337	07/26/2021	27166	UPDATE & INSTALLATION OF PUBLIC HEARING SIGN	\$607.50
		07/26/2021	27165	UPDATE & INSTALLATION OF PUBLIC HEARING SIGN	
Remit to: MURRIETA, CA					<u>FYTD:</u> \$607.50
SIMONE, DEAN	31338	07/26/2021	100	SMOKIN' COBRAS BAND PERFORMANCE FEE - 7/22/21 MOVAL ROCKS EVENT	\$1,500.00
Remit to: MONROVIA, CA					<u>FYTD:</u> \$1,500.00
SKY PUBLISHING	31227	07/12/2021	21-4_312	1/2 PAGE ADVERTISING-YOUR VILLA MAGAZINE/2021 ISSUE 4	\$920.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$920.00
SNST ENTERPRISE INC. DBA OISHII SUSHI AND TERIYAKI	31167	07/06/2021	JUN 25, 2021	SENIOR EATS PROGRAM 06/21-06/25/21	\$3,600.00
	31236	07/13/2021	JULY 2, 2021	SENIOR EATS PROGRAM-07/01-07/02/21	\$3,600.00
		07/13/2021	JUNE 30, 2021	SENIOR EATS PROGRAM-6/28-6/30/21	
	31278	07/19/2021	JULY 9, 2021	SENIOR EATS PROGRAM 07/05-07/09/21	\$3,600.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$10,800.00
SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT	241871	07/12/2021	3821501	ANNUAL RENEWAL FEES-CITY YARD	\$415.29
		07/12/2021	3824031	EMMISSIONS FEE INVOICE-CITY HALL	
		07/12/2021	3824003	EMISSIONS FEES INVOICE-CITY YARD	
Remit to: DIAMOND BAR, CA					<u>FYTD:</u> \$415.29
SOUTHERN CALIFORNIA EDISON	241842	07/06/2021	JUN-21 7/6/21	ELECTRICITY CHARGES	\$7,104.34
	241872	07/12/2021	JUN-21 7/12/21	ELECTRICITY CHARGES	\$8,219.93
		07/12/2021	395913224/MAY-21	ELECTRICITY CHARGES	
	241937	07/26/2021	JUN-21 7/26/21	ELECTRICITY CHARGES	\$6,024.87
Remit to: ROSEMEAD, CA					<u>FYTD:</u> \$106,111.86

Attachment: July 2021 Payment Register (4451 : PAYMENT REGISTER - JULY 2021)



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<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
SOUTHERN CALIFORNIA GAS CO.	241938	07/26/2021	JUN-2021	GAS CHARGES	\$5,225.34
Remit to: MONTEREY PARK, CA					<u>FYTD:</u> \$5,225.34
SOUTHERN PET SUPPLIES	31168	07/06/2021	9906	PET SUPPLIES-SLIP LEADS	\$239.95
Remit to: SAN DIEGO, CA					<u>FYTD:</u> \$239.95
STANDARD INSURANCE CO	241898	07/19/2021	210701	EMPLOYEE SUPPLEMENTAL INSURANCE	\$1,197.63
Remit to: PORTLAND, OR					<u>FYTD:</u> \$1,197.63
STATE BOARD OF EQUALIZATION 1	31475	07/31/2021	2ND QTR 2021	SALES & USE TAX REPORT FOR THE QUARTER ENDING 6/30/21	\$526.00
Remit to: SACRAMENTO, CA					<u>FYTD:</u> \$526.00
STATE OF CALIFORNIA DEPT. OF JUSTICE	241843	07/06/2021	502236 (HR)	FINGERPRINTING SERVICES-HR/EMPLOYMENT/VOLUNTEERS RELATED-MAR2021	\$514.00
		07/06/2021	502236 (BL)	FINGERPRINTING SERVICES-BUSINESS LICENSE RELATED-MAR 2021	
	241899	07/19/2021	518520	LIVE SCAN FINGERPRINTING APPS FOR PD-JUN. 2021	\$49.00
	241939	07/26/2021	522939	BLOOD ALCOHOL ANALYSIS SERVICES FOR PD-JAN/MAR/APR. CORRECTIONS	\$1,190.00
		07/26/2021	522884	BLOOD ALCOHOL ANALYSIS SERVICES FOR PD-JUN. 2021	
Remit to: SACRAMENTO, CA					<u>FYTD:</u> \$1,753.00
STATEWIDE RIVERSIDE	241919	07/19/2021	13007646	DIGITAL MESSAGE BOARD-JULY 4TH EVENT	\$5,400.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$5,400.00
STC TRAFFIC, INC.	31169	07/06/2021	4738	CITY TRAFFIC ENGINEER CONSULTING SERVICES-PERIOD ENDING MAY 2021	\$14,762.50
Remit to: CARLSBAD, CA					<u>FYTD:</u> \$14,762.50

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<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
STENO SOLUTIONS TRANSCRIPTION SVCS., INC.	31279	07/19/2021	43462	TRANSCRIPTION SERVICES FOR PD-JUN. 2021	\$307.89
Remit to: CORONA, CA					<u>FYTD:</u> \$307.89
STEPHEN H BADGETT CONSULTING LLC	31228	07/12/2021	MVU-027	CONSULTING SERVICES-REVIEW SCOPE OF WORK ON RFI'S/APR-JUN 2021	\$2,175.00
Remit to: MURRIETA, CA					<u>FYTD:</u> \$2,175.00
STEVEN PERRY PROFESSIONAL PHOTOGRAPHY	31171	07/06/2021	210628.1	PHOTOGRAPHY SERVICES-06/25/21 AMPHITHEATER MOVIE NIGHT EVENT	\$2,202.60
		07/06/2021	210625.1	PHOTOGRAPHY SERVICES-06/24/21 AMPHITHEATER RIBBON CUTTING EVENT	
		07/06/2021	210629.1	PHOTOGRAPHY SERVICES-06/28/21 EMERGING LEADERS COUNCIL	
		07/06/2021	210630.1	PHOTOGRAPHY SERVICES-06/11-06/18/21 MOVAL TRAILS PROJECT	
		07/06/2021	210618.1	PHOTOGRAPHY SERVICES-06/15/21 AMPHITHEATER FIRST PHOTOS	
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$2,202.60
STILES ANIMAL REMOVAL, INC.	241940	07/26/2021	111205	DECEASED LARGE ANIMAL REMOVAL SERVICES-JUN. 2021	\$1,265.00
Remit to: GUAISTI, CA					<u>FYTD:</u> \$1,265.00

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<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
STRADLING, YOCCA, CARLSON & RAUTH	31340	07/26/2021	377910-0004	LEGAL SERVICES-EUCALYPTUS GROVE MATTER-JUN. 2021	\$9,913.80
		07/26/2021	377100-0000	LEGAL SERVICES-GENERAL/HOUSING AUTHORITY MATTERS-MAY 2021	
		07/26/2021	377911-0005	LEGAL SERVICES-COTTONWOOD II MATTER-JUN. 2021	
		07/26/2021	377101-0004	LEGAL SERVICES-EUCALYPTUS GROVE MATTER-MAY 2021	
		07/26/2021	377909-0000	LEGAL SERVICES-GENERAL/HOUSING AUTHORITY MATTERS-JUN. 2021	
Remit to: NEWPORT BEACH, CA					<u>FYTD:</u> \$9,913.80
SUN CITY GRANITE, INC.	31172	07/06/2021	19206	VETERANS MEMORIAL PAVERS ENGRAVING SERVICES	\$269.38
Remit to: PERRIS, CA					<u>FYTD:</u> \$269.38
SUNNYMEAD ACE HARDWARE	241844	07/06/2021	91578	MISC SUPPLIES FOR FIRE STATION 6	\$89.59
	241900	07/19/2021	91749	PAINT PURCHASE FOR FIRE STATION 48	\$183.16
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$272.75
SUNRUN INSTALLATION SERVICES INC	241920	07/19/2021	BON21-0766	REFUND PERMIT FEES-PROCESSING ERROR-23403 MONTALVO	\$435.70
	241955	07/26/2021	BON21-0769	REFUND BUILDING PERMIT FEES-PROCESSING ERROR-23578 VIA SOLANA	\$435.70
Remit to: REDLANDS, CA					<u>FYTD:</u> \$871.40
TERRELL, DARYL	241921	07/19/2021	NOVEMBER 2020	2020 CANDIDATE STATEMENT REIMBURSEMENT	\$204.94
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$204.94
TESLA ENERGY OPERATIONS INC	241922	07/19/2021	BFR20-0171	REFUND CANCELLED BUILDING PERMIT-23648 WHITEOWL CT	\$142.80
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$142.80

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<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
THE ADVANTAGE GROUP/ FLEX ADVANTAGE	31280	07/19/2021	130931	FLEX AND COBRA ADMIN FEES-MAY 2021	\$1,537.60
	31342	07/26/2021	131891	FLEX AND COBRA ADMIN FEES-JUNE 2021	\$1,542.55
Remit to: TEMECULA, CA					<u>FYTD:</u> \$46,037.96
THE CUPCAKE & ESPRESSO BAR	241845	07/06/2021	JUN 25, 2021	SENIOR EATS PROGRAM 06/21-06/25/21	\$3,825.00
	241901	07/19/2021	JUNE 30, 2021	SENIOR EATS PROGRAM 06/28-6/30/21	\$7,650.00
		07/19/2021	JULY 2, 2021	SENIOR EATS PROGRAM 07/01-07/02/21	
		07/19/2021	JULY 9, 2021	SENIOR EATS PROGRAM-07/05-07/09/21	
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$11,475.00
THE LEW EDWARDS GROUP	31230	07/12/2021	21-04	STRATEGIC CONSULTING PLANNING-JUNE 2021	\$6,000.00
Remit to: OAKLAND, CA					<u>FYTD:</u> \$6,000.00
THE PALM HOUSE LLC DBA WOODY'S BREWHOUSE	31173	07/06/2021	JUN 25, 2021	SENIOR EATS PROGRAM 06/21-06/25/21	\$3,600.00
	31237	07/13/2021	JULY 2, 2021	SENIOR EATS PROGRAM-07/01-07/02/21	\$3,600.00
		07/13/2021	JUNE 30, 2021	SENIOR EATS PROGRAM-6/28-6/30/21	
	31281	07/19/2021	JULY 9, 2021	SENIOR EATS PROGRAM 07/05-07/09/21	\$3,600.00
31343	07/26/2021	2005	VIP JULY 4TH EVENT CATERING	\$4,050.00	
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$14,850.00

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<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
THE SOCO GROUP INC.	31174	07/06/2021	1887044-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	\$13,954.78
		07/06/2021	1875847-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
		07/06/2021	1892910-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
		07/06/2021	1890815-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
	31344	07/26/2021	1901793-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	\$12,705.77
		07/26/2021	1897703-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
		07/26/2021	1900344-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
		07/26/2021	887044C-CM	CREDIT MEMO TO REVERSE/CORRECT PAID INVOICE# 1887044-IN	
		07/26/2021	887044R-DM	FUEL FOR CITY VEHICLES & EQUIPMENT-REBILL OF INVOICE 1887044-IN	
		07/26/2021	1894893-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
Remit to: ORANGE, CA					FYTD: \$26,660.55
THOMPSON COBURN LLP	31345	07/26/2021	3487498	LEGAL SERVICES-MVU/RELIABILITY STANDARD COMPLIANCE/MAY 2021	\$94.33
Remit to: WASHINGTON, DC					FYTD: \$94.33
THYSSENKRUPP ELEVATOR CORPORATION	241961	07/26/2021	6000518062	ELEVATOR REPAIR-CITY HALL	\$3,513.89
		07/26/2021	6000518480	ELEVATOR REPAIR-CITY HALL	
Remit to: ATLANTA, GA					FYTD: \$3,513.89
TIME WARNER CABLE	241846	07/06/2021	2622388061321	SPECTRUM 1G ISP LINE FOR EOC 6/13-7/12/21	\$2,100.00
	241941	07/26/2021	091922301070121	FIBER INTERNET ACCESS SERVICES - JUL. 2021	\$844.00
Remit to: CITY OF INDUSTRY, CA					FYTD: \$2,944.00
TKE ENGINEERING INC	241847	07/06/2021	2021-444	CONSULTANT PLAN CHECK SERVICES-PM 37429 ANGELLA WAY/PEN18-0042	\$2,467.50
Remit to: RIVERSIDE, CA					FYTD: \$2,467.50

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Vendor Name	Check/EFT Number	Payment Date	Inv Number	Invoice Description	Payment Amount
T-MOBILE USA	241873	07/12/2021	9452279058	CELLULAR TECHNOLOGY EXTRACTION/LOCATOR SERVICES FOR PD	\$480.00
		07/12/2021	9452279057	CELLULAR TECHNOLOGY EXTRACTION/LOCATOR SERVICES FOR PD	
		07/12/2021	9452781667	CELLULAR TECHNOLOGY EXTRACTION/LOCATOR SERVICES FOR PD	
Remit to: SEATTLE, WA					FYTD: \$480.00
TNPP RESTAURANT INC DBA BRAVO BURGERS	31175	07/06/2021	JUN 25, 2021	SENIOR EATS PROGRAM 06/21-06/25/21	\$3,600.00
		07/13/2021	JULY 2, 2021	SENIOR EATS PROGRAM-07/01-07/02/21	\$3,600.00
			JUNE 30, 2021	SENIOR EATS PROGRAM-6/28-6/30/21	\$3,600.00
31282	07/19/2021	JULY 9, 2021	SENIOR EATS PROGRAM 07/05-07/09/21	\$3,600.00	
Remit to: MORENO VALLEY, CA					FYTD: \$10,800.00
TOP ROCK ENTERTAINMENT	241960	07/26/2021	100	SATIN DOLLZ BAND PERFORMANCE FEE - JULY 4TH	\$2,000.00
Remit to: CYPRESS, CA					FYTD: \$2,000.00
TORTORO ENTERPRISES	241942	07/26/2021	230671	FUNFEST FUN SERVICE	\$5,940.00
Remit to: YORBA LINDA, CA					FYTD: \$5,940.00
TR DESIGN GROUP, INC.	31283	07/19/2021	4519	ARCHITECTURAL DESIGN SERVICES FOR CIVIC CENTER MARQUEE SIGN	\$3,652.50
		07/19/2021	4501	ARCHITECTURAL DESIGN SERVICES FOR CIVIC CENTER MARQUEE SIGN	
Remit to: RIVERSIDE, CA					FYTD: \$3,652.50
TRUEPOINT SOLUTIONS, LLC	31284	07/19/2021	21-583	SUPPORT SERVICES-JUN. 2021-ACP/ACA SUPPORT & ENHANCEMENTS	\$2,025.00
Remit to: LOOMIS, CA					FYTD: \$2,025.00

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TSG ENTERPRISES, INC. DBA THE SOLIS GROUP	31231	07/12/2021	7347	SR-60/MORENO BEACH IC PHASE 2	\$2,588.00
Remit to: PASADENA, CA					<u>FYTD:</u> \$2,588.00
TUMON BAY RESORT & SPA	31357	07/29/2021	AUG. 2021 RENT	AUG. 2021 RENT (INCL. CAM, ETC) FOR BUSINESS & EMP. RESOURCE CTR	\$7,994.81
Remit to: TAMUNING, GU					<u>FYTD:</u> \$7,994.81
TYLER TECHNOLOGIES, INC.	241943	07/26/2021	025-336029	MYCIVICAPP SMARTPHONE APP SUBSCRIPTION 7/1/21 - 6/30/22	\$6,615.00
Remit to: DALLAS, TX					<u>FYTD:</u> \$6,615.00
U.S. POSTAL SERVICE	241905	07/19/2021	FALL/WINTER2021	PERMIT #153-DEPOSIT FOR POSTAGE TO MAIL RECREATON GUIDES	\$10,000.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$10,000.00
ULTRASERV AUTOMATED SERVICES, LLC	31177	07/06/2021	255646	COFFEE SERVICE SUPPLIES-ANIMAL SHELTER	\$609.81
		07/06/2021	255641	COFFEE SERVICE SUPPLIES-CITY HALL/PUBLIC WORKS LOCATION	
		07/06/2021	255640	COFFEE SERVICE SUPPLIES-CITY HALL/PUBLIC WORKS LOCATION	
		07/06/2021	255639	COFFEE SERVICE SUPPLIES-CITY YARD	
Remit to: COSTA MESA, CA					<u>FYTD:</u> \$609.81
UNDERCOVER LIVE ENTERTAINMENT LLC	31346	07/26/2021	100	BAND PERFORMANCE FEE FOR JULY 4TH EVENT	\$3,000.00
Remit to: COSTA MESA, CA					<u>FYTD:</u> \$3,000.00

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<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>	
UNDERGROUND SERVICE ALERT	31285	07/19/2021	520210467 (a)	DIGALERT TICKETS SUBSCRIPTION SERVICE-MAY 2021	\$175.00	
		07/19/2021	520210467 (c)	DIGALERT TICKETS SUBSCRIPTION SERVICE-MAY 2021		
		07/19/2021	520210467 (d)	DIGALERT TICKETS SUBSCRIPTION SERVICE-MAY 2021		
		07/19/2021	520210467 (b)	DIGALERT TICKETS SUBSCRIPTION SERVICE-MAY 2021		
	31286	07/19/2021	620210468 (d)	DIGALERT TICKETS SUBSCRIPTION SERVICE-JUN. 2021	\$222.85	
		07/19/2021	620210468 (c)	DIGALERT TICKETS SUBSCRIPTION SERVICE-JUN. 2021		
		07/19/2021	620210468 (b)	DIGALERT TICKETS SUBSCRIPTION SERVICE-JUN. 2021		
	241902		07/19/2021	dsb20202720 (d)	CA STATE FEE FOR REGULATORY COSTS TO DIG SAFE BOARD	\$124.53
			07/19/2021	dsb20202720 (b)	CA STATE FEE FOR REGULATORY COSTS TO DIG SAFE BOARD	
			07/19/2021	dsb20202720 (c)	CA STATE FEE FOR REGULATORY COSTS TO DIG SAFE BOARD	
			07/19/2021	dsb20202720 (a)	CA STATE FEE FOR REGULATORY COSTS TO DIG SAFE BOARD	
	241903		07/19/2021	dsb20203282 (a)	CA STATE FEE FOR REGULATORY COSTS TO DIG SAFE BOARD	\$124.53
07/19/2021			dsb20203282 (d)	CA STATE FEE FOR REGULATORY COSTS TO DIG SAFE BOARD		
07/19/2021			dsb20203282 (c)	CA STATE FEE FOR REGULATORY COSTS TO DIG SAFE BOARD		
07/19/2021			dsb20203282 (b)	CA STATE FEE FOR REGULATORY COSTS TO DIG SAFE BOARD		
Remit to: CORONA, CA					<u>FYTD:</u> \$646.91	
UNION BANK OF CALIFORNIA 1	241944	07/26/2021	1277531	INVESTMENT CUSTODIAL SERVICES-JUN. 2021	\$625.00	
Remit to: LOS ANGELES, CA					<u>FYTD:</u> \$625.00	

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UNITED ROTARY BRUSH CORP	31178	07/06/2021	CI267730	STREET SWEEPER BRUSHES & ACCESSORIES	\$8,220.17
		07/06/2021	CI265578	STREET SWEEPER BRUSHES & ACCESSORIES	
		07/06/2021	CI266410	STREET SWEEPER BRUSHES & ACCESSORIES	
		07/06/2021	CI267186	STREET SWEEPER BRUSHES & ACCESSORIES	
		07/06/2021	CI267609	STREET SWEEPER BRUSHES & ACCESSORIES	
		07/06/2021	CI267590	STREET SWEEPER BRUSHES & ACCESSORIES	
		07/06/2021	CI265434	STREET SWEEPER BRUSHES & ACCESSORIES	
Remit to: KANSAS CITY, MO					<u>FYTD:</u> \$8,220.17
UNITED STATES CONFERENCE OF MAYORS	31179	07/06/2021	INV001784	MEMBERSHIP FOR FISCAL YEAR 2022	\$12,242.00
Remit to: WASHINGTON, DC					<u>FYTD:</u> \$12,242.00
UNITED STATES TREASURY - 2	241874	07/12/2021	JUNE 30, 2021	2ND QUARTER-FEDERAL EXCISE TAX-FORM 720-33-0076484	\$984.20
Remit to: OGDEN, UT					<u>FYTD:</u> \$984.20
UNITED STATES VETERANS INITIATIVE	31347	07/26/2021	3/ESG-CV FY19/20	STREET OUTREACH/HOMELESSNESS PREV./EMERG. SHELTER PROGR. PAYMENT	\$22,541.86
Remit to: LOS ANGELES, CA					<u>FYTD:</u> \$22,541.86
VACATE TERMITE & PEST ELIMINATION COMPANY	31180	07/06/2021	111925	BEE ABATEMENT FOR CODE & NEIGHBORHOOD SERVICES DIV.- 24171 POSTAL	\$250.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$250.00
VALLEY WIDE TOWING	241956	07/26/2021	JUNE 2021	REFUND-ROTATIONAL TOW PROGRAM	\$1,646.99
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$1,646.99
VENEGAS, MANUEL	241957	07/26/2021	R21-157561	ANIMAL SERVICES REFUND-OVERPAYMENT ON WEB LICENSE	\$54.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$54.00

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VERTIGIS NORTH AMERICA DBA LATITUDE GEOGRAPHICS	241848	07/06/2021	IN-VGNA-00000854	GEOCORTEX LASERFICHE INTEGRATION PROJECT SERVICES-FEB 2021	\$7,350.00
		07/06/2021	IN-VGNA-00001015	GEOCORTEX LASERFICHE INTEGRATION PROJECT SERVICES-MAR 2021	
	241849	07/06/2021	IN-SO-VGNA-00845	GCX STANDARD STARTER - SUBSCRIPTION & GCX HOSTING 7/1/21-6/30/22	\$9,767.50
Remit to: VICTORIA, BC					<u>FYTD:</u> \$17,117.50
VISION SERVICE PLAN	31287	07/19/2021	812615128	EMPLOYEE VISION INSURANCE	\$3,422.13
Remit to: SAN FRANCISCO, CA					<u>FYTD:</u> \$3,422.13
VOYAGER FLEET SYSTEM, INC.	31288	07/19/2021	8693366022122	FUEL CARD CHARGES-PD TRAFFIC MOTORS	\$2,069.54
Remit to: HOUSTON, TX					<u>FYTD:</u> \$2,069.54

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VULCAN MATERIALS CO, INC.	31181	07/06/2021	72962494	ASPHALTIC/CRACK SEAL MATERIALS	\$1,371.58
		07/06/2021	72967313	ASPHALTIC/CRACK SEAL MATERIALS	
		07/06/2021	72969641	ASPHALTIC/CRACK SEAL MATERIALS	
		07/06/2021	72972559	ASPHALTIC/CRACK SEAL MATERIALS	
		07/06/2021	72969642	ASPHALTIC/CRACK SEAL MATERIALS	
		07/06/2021	72975022	ASPHALTIC/CRACK SEAL MATERIALS	
		07/06/2021	72972560	ASPHALTIC/CRACK SEAL MATERIALS	
	31348	07/26/2021	72987404	ASPHALTIC/CRACK SEAL MATERIALS	\$3,472.56
		07/26/2021	72977255	ASPHALTIC/CRACK SEAL MATERIALS	
		07/26/2021	72989872	ASPHALTIC/CRACK SEAL MATERIALS	
		07/26/2021	72977254	ASPHALTIC/CRACK SEAL MATERIALS	
		07/26/2021	72994686	ASPHALTIC/CRACK SEAL MATERIALS	
		07/26/2021	72984570	ASPHALTIC/CRACK SEAL MATERIALS	
		07/26/2021	72991992	ASPHALTIC/CRACK SEAL MATERIALS	
		07/26/2021	72980173	ASPHALTIC/CRACK SEAL MATERIALS	
		07/26/2021	72994685	ASPHALTIC/CRACK SEAL MATERIALS	
		07/26/2021	72991991	ASPHALTIC/CRACK SEAL MATERIALS	
		07/26/2021	72980172	ASPHALTIC/CRACK SEAL MATERIALS	
		07/26/2021	72987405	ASPHALTIC/CRACK SEAL MATERIALS	
		07/26/2021	72982557	ASPHALTIC/CRACK SEAL MATERIALS	
07/26/2021	72984569	ASPHALTIC/CRACK SEAL MATERIALS			
Remit to: LOS ANGELES, CA					FYTD: \$4,844.14
WALTERS, NATHAN	241958	07/26/2021	BOM21-0321	REFUND CANCELLED BUILDING PERMIT-10182 LAKE SUMMIT	\$191.20
Remit to: RIVERSIDE, CA					FYTD: \$191.20

Attachment: July 2021 Payment Register (4451 : PAYMENT REGISTER - JULY 2021)



City of Moreno Valley
Payment Register
 For Period 7/1/2021 through 7/31/2021

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
WAXIE ENTERPRISES, LLC DBA WAXIE SANITARY SUPPLY	31232	07/12/2021	80104275	JANITORIAL SUPPLIES FOR PD	\$710.50
Remit to: LOS ANGELES, CA					<u>FYTD:</u> \$710.50
WEST COAST ARBORISTS, INC.	31182	07/06/2021	173618	TREE REMOVAL SERVICES - ZONE 02	\$660.00
Remit to: ANAHEIM, CA					<u>FYTD:</u> \$660.00
WEST COAST SHOPPING CART SERVICE, INC.	241875	07/12/2021	21-026	SHOPPING CART RETRIEVAL SERVICES-JUN. 2021	\$3,247.00
Remit to: WEST COVINA, CA					<u>FYTD:</u> \$3,247.00
WESTERN MUNICIPAL WATER DISTRICT	241850	07/06/2021	24753-018620/MY1	WATER CHARGES-M.A.R.B. BALLFIELDS	\$3,402.24
	241945	07/26/2021	24753-018620/JN1	WATER CHARGES-M.A.R.B. BALLFIELDS	\$5,266.84
		07/26/2021	23866-018292/JN1	WATER CHARGES-SKATE PARK	
		07/26/2021	23821-018257/JN1	WATER CHARGES-MARCH FIELD PARK COMMUNITY CTR. LANDSCAPE	
		07/26/2021	23821-018258/JN1	WATER CHARGES-MARCH FIELD PARK COMMUNITY CTR.-BLDG. 938	
Remit to: ARTESIA, CA					<u>FYTD:</u> \$8,669.08
WILLDAN ENGINEERING	31349	07/26/2021	00713384	PROJECT MANAGEMENT SERVICES-MAY 2021/NSP CLOSEOUT, ETC.	\$1,925.00
Remit to: ANAHEIM, CA					<u>FYTD:</u> \$1,925.00
WILLHITE, LESLIE	241959	07/26/2021	2002203.047	TOWNGATE COMM. CTR. RENTAL REFUND	\$752.50
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$752.50

Attachment: July 2021 Payment Register (4451 : PAYMENT REGISTER - JULY 2021)



City of Moreno Valley
Payment Register
For Period 7/1/2021 through 7/31/2021

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
WRCOG - WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS	31233	07/12/2021	1008	WRCOG PUBLIC SERVICE FELLOWSHIP PROGRAM FY20/21	\$10,000.00
	31351	07/26/2021	587	FY 20/21 CLEAN CITIES COALITION DUES	\$15,000.00
Remit to: RIVERSIDE, CA					FYTD: \$25,000.00
WSP USA, INC.	31289	07/19/2021	1072347	SUNNYMEAD MDP LINE F AND F-7	\$3,696.47
Remit to: SAN BERNARDINO, CA					FYTD: \$3,696.47
XEROX CAPITAL SERVICES, LLC	31352	07/26/2021	013771037	COLOR COPIER EQUIPMENT LEASE-JUN. 2021-PARKS DEPT./CRC	\$2,194.46
		07/26/2021	013771034	COLOR COPIER LEASE/BILLABLE PRINTS-JUN. 2021-GRAPHICS DEPT.	
		07/26/2021	013771035	COLOR COPIER EQUIPMENT LEASE-JUN. 2021-GRAPHICS DEPT.	
		07/26/2021	013771036	COLOR COPIER LEASE/BILLABLE PRINTS-JUN. 2021-PARKS DEPT. /CRC	
Remit to: PASADENA, CA					FYTD: \$2,194.46
TOTAL CHECKS UNDER \$25,000					\$1,219,851.01
GRAND TOTAL					\$25,512,526.75

Attachment: July 2021 Payment Register (4451 : PAYMENT REGISTER - JULY 2021)



Report to City Council

TO: Mayor and City Council

FROM: Brian Mohan, Assistant City Manager

AGENDA DATE: September 7, 2021

TITLE: LIST OF PERSONNEL CHANGES

RECOMMENDED ACTION

Recommendation:

1. Ratify the list of personnel changes as described.

DISCUSSION

The attached list of personnel changes scheduled since the last City Council meeting is presented for City Council ratification.

Staffing of City positions ensures assignment of highly qualified and trained personnel to achieve Momentum MoVal priorities, objectives and initiatives.

FISCAL IMPACT

All position changes are consistent with appropriations previously approved by the City Council.

PREPARATION OF STAFF REPORT

Prepared By:
Vanessa Leccese
Executive Assistant

Department Head Approval:
Brian Mohan
Assistant City Manager
Chief Financial Officer/City Treasurer

CITY COUNCIL GOALS

None

CITY COUNCIL STRATEGIC PRIORITIES

- 1. Economic Development
- 2. Public Safety
- 3. Library
- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs

ATTACHMENTS

- 1. Personnel Changes

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	8/29/21 7:44 PM
City Attorney Approval	<u>✓ Approved</u>	
City Manager Approval	<u>✓ Approved</u>	8/30/21 9:06 AM

City of Moreno Valley Personnel Changes September 7, 2021

New Hires

Antonio De Jesus Martinez, Recycling Specialist, Purchasing & Sustainability Division, Financial & Management Services Department

Sergio Torres, Facilities Maintenance Worker, Facilities Division, Public Works Department

Paul Bradvica, Administrative Assistant, City Council Department

Matthew Bramlett, Public Information & Intergovernmental Relations Officer, City Manager Department

Claudia Torres, Community Services Supervisor, Parks & Community Administration Division, Parks & Community Services Department

Julio Peralta, Community Services Supervisor, Parks & Community Administration Division, Parks & Community Services Department

Promotions

Anna Chacon

From: Management Assistant, Capital Projects Division, Public Works Department

To: Management Analyst, Purchasing & Sustainability Division, Financial & Management Services Department

Humberto Silva

From: Information Technology Technician, Technology Services Division, Financial & Management Services Department

To: Application Analyst, Technology Services Division, Financial & Management Services Department

Jasmin Rivera

From: Management Aide, Purchasing & Sustainability Division, Financial & Management Services Department

To: Management Assistant, City Clerk Department

Transfers

None

Separations

Frank Flores, Parks Maintenance Worker, Parks Maintenance, Parks & Community Services Department

Regina Godoy, Community Services Assistant Coordinator, Parks & Community Administration Division, Parks & Community Services Department



Report to City Council

TO: Mayor and City Council

FROM: Brian Mohan, Assistant City Manager

AGENDA DATE: September 7, 2021

TITLE: RECEIPT OF QUARTERLY INVESTMENT REPORT FOR THE QUARTER ENDED JUNE 30, 2021

RECOMMENDED ACTION

Recommendation:

1. Receive and file the Quarterly Investment Report for quarter ended June 30, 2021, in compliance with the City's Investment Policy.

SUMMARY

The attached Quarterly Investment Report presents the City's cash and investments for the quarter that ended June 30, 2021. This report is in compliance with California Government Code Section 53646 regarding the reporting of detailed information on all securities, investments, and monies of the City, as well as the reporting of the market value of the investments held. All of the investments contained within the portfolio are in full compliance with the City's Investment Policy and Government Code Section 53601 as to the types of investments allowed. It is recommended that the City Council receive and file the attached Quarterly Investment Report.

DISCUSSION

The City maintains a portfolio of investments in order to earn interest on cash balances that are not currently required to fund operations. California Government Code Sections 53601 and 53646 establish the types of investments allowed, the governing restrictions on these investments, the third-party custodian arrangement for certain investments, and the reporting practices related to the portfolios of local agencies. In keeping with best practices the City has implemented an Investment Policy, which was last reviewed by the City Council on May 5, 2021. The policy is in full compliance with the requirements of both of the above-mentioned Code Sections.

The attached Quarterly Investment Report presents the City’s cash and investments for the quarter that ended June 30, 2021. The report complies with California Government Code Section 53646 regarding the reporting of detailed information on all securities, investments, and monies of the City, as well as the reporting of the market value of the investments held. All of the investments contained within the portfolio are in full compliance with the City’s Investment Policy and Government Code Section 53601 as to the types of investments allowed. As stated in the attached report, there is more than adequate liquidity within the portfolio for the City to meet its budgeted expenditures over the next six months.

The City’s investment policy has set the primary goals of the portfolio management as Safety and Liquidity followed by Yield. The City’s cash flow requirements are evaluated on an ongoing basis, with short-term needs accommodated through the City’s pooled investment funds with the Local Agency Investment Fund (LAIF). LAIF is a pool of public funds managed by the State Treasurer of California, providing 24-hour liquidity while yielding a rate of return approximately equivalent to a one-year treasury bill. With the combined use of a conservative approach to evaluating cash flow needs and LAIF liquidity, the City will not have to liquidate securities at current market rates that are intended to be held for longer-term investment.

The table shows some of the key portfolio measures for the month.

	Portfolio, Balance	Avg. Yield to Maturity Trends		
		June 2021	May 2021	Jun 2020
Investments	\$164,046,885	1.54%	1.59%	1.95%
LAIF	\$129,050,449	0.262%	0.315%	1.217%

Bond proceeds are held and invested by a Trustee. The investment of these funds is governed by an investment policy approved by the City Council as a part of the governing documents for each specific bond issue. Deferred Compensation Plan funds are not included in the report since these funds are held and invested by the respective plan administrators based on the direction of the participating employees. These funds are placed in a trust separate from City funds.

ALTERNATIVES

1. Receive and file the Quarterly Investment Report for June 30, 2021. **Staff recommends this alternative as it accomplishes timely investment reporting.**
2. Do not accept and file the Quarterly Investment Report and provide staff with additional direction. **Staff does not recommend this alternative as it will not accomplish timely investment reporting.**

FISCAL IMPACT

For additional information regarding the bond market, please see the attached Bond Market Review provided by Chandler Asset Management.

NOTIFICATION

Publication of the agenda

PREPARATION OF STAFF REPORT

Prepared By:
Brooke McKinney
Treasury Operations Division Manager

Department Head Approval:
Brian Mohan
Assistant City Manager/Chief Financial Officer/City Treasurer

CITY COUNCIL GOALS

Revenue Diversification and Preservation. Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

CITY COUNCIL STRATEGIC PRIORITIES

- 1. Economic Development
- 2. Public Safety
- 3. Library
- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs

ATTACHMENTS

- 1. 2021-06 report
- 2. CAM-Newsletter-July-2021

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	8/29/21 7:37 PM
City Attorney Approval	<u>✓ Approved</u>	
City Manager Approval	<u>✓ Approved</u>	8/30/21 9:09 AM

CITY OF MORENO VALLEY
Treasurer's Cash and Investments Report
June 2021

General Portfolio	Cost Value	Market Value	Par Value	Average Maturity (in years)	Average Yield to Maturity	Average Duration (in years)
Bank Accounts	7,688,180	7,688,180	7,688,180			
State of California LAIF Pool	129,050,449	129,061,156	129,050,449	0.80	0.262%	
Investments	165,231,221	167,958,710	164,046,885	2.71	1.54%	2.64
Total General Portfolio	301,969,850	304,708,047	300,785,514			
Total Funds with Fiscal Agents		9,158,876				
Total Investment Portfolio		313,866,923				

1. I hereby certify that the investments are in compliance with the investment policy adopted by the City Council. There are no items of non-compliance for this period.
2. The market values for the investments in the General Portfolio are provided by the City's investment advisors.
3. The market value for LAIF is provided by the State Treasurer's Office.
4. The market values for investments held by fiscal agents are provided by each respective trustee or fiscal agent.
5. The City has the ability to meet its budgeted expenditures for the next six months pending any future action by City Council or any unforeseen catastrophic event.

/S/ Brian Mohan
 City Treasurer

Attachment: 2021-06 report (5493 : RECEIPT OF QUARTERLY INVESTMENT REPORT - QUARTER ENDED

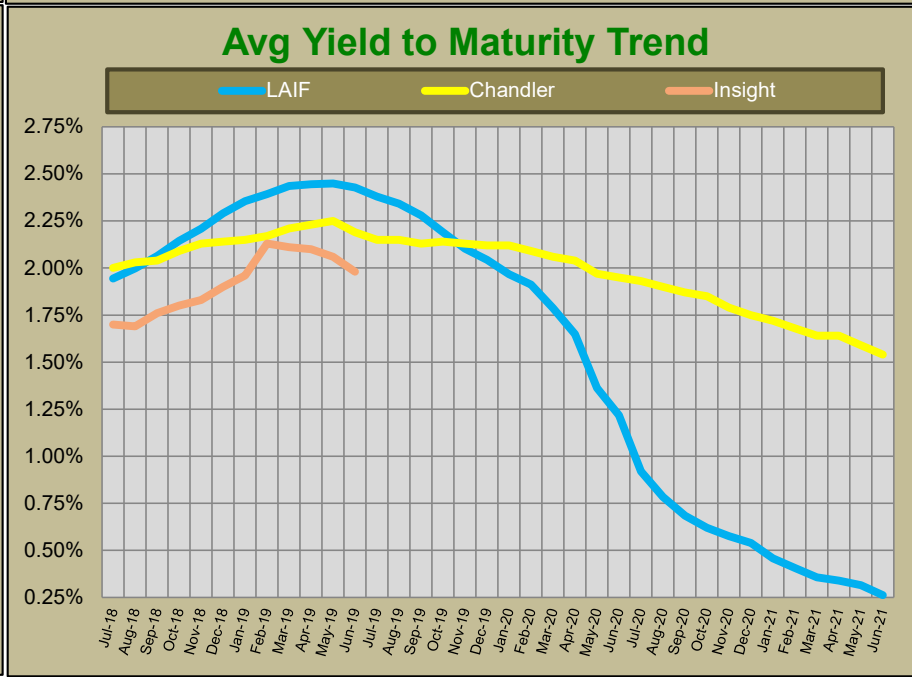
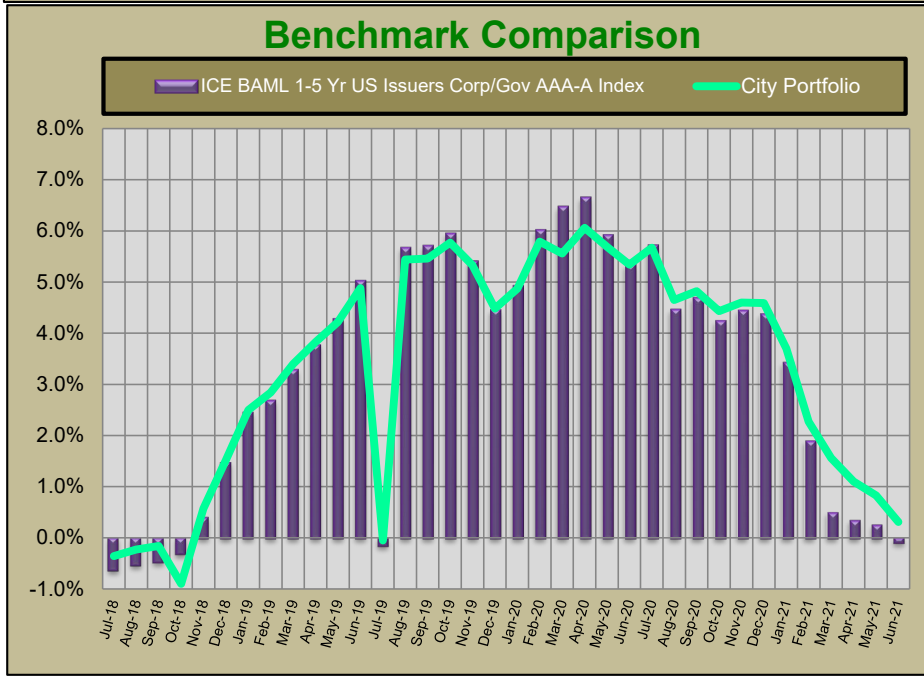
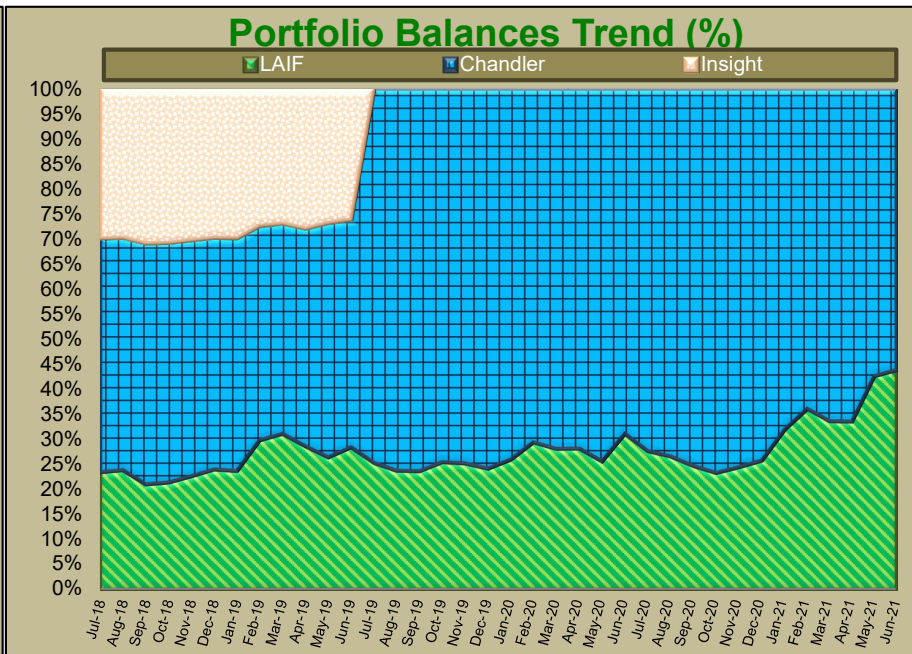
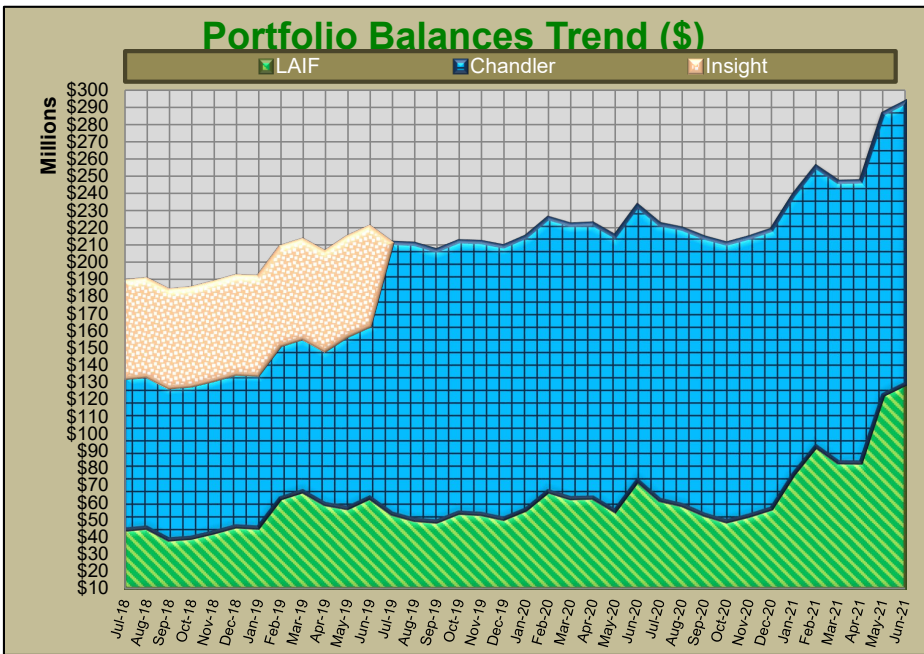
PORTFOLIO PERFORMANCE - 36 MONTH TREND

Period	Total General Portfolio (1)		Local Agency Investment Fund (LAIF)		Chandler Asset Management (CAM)				Insight Asset Management			
	Asset Balance (par)	Avg YTM (2)	Balance	Yield	Asset Balance (par)	Weighted Avg YTM (2)	Rate of Return (3)		Asset Balance (par)	Weighted Avg YTM (2)	Rate of Return (3)	
							Investment Portfolio (4)	Benchmark 1-5 Gov(5)			Investment Portfolio (4)	Benchmark 1-3 Gov(5)
Jul-18	190,571,998		44,418,902	1.944%	88,543,794	2.00%	-0.36%	-0.63%	56,116,437	1.70%	-0.14%	0.50%
Aug-18	191,837,452		45,518,902	1.998%	88,654,200	2.03%	-0.23%	-0.53%	56,196,487	1.69%	0.76%	-0.01%
Sep-18	187,805,745		38,718,902	2.063%	88,810,836	2.04%	-0.16%	-0.47%	56,303,716	1.76%	0.83%	0.04%
Oct-18	188,925,543		39,668,140	2.144%	88,887,254	2.09%	-0.90%	-0.31%	56,473,609	1.80%	0.97%	0.25%
Nov-18	192,152,043		42,768,140	2.208%	89,084,357	2.13%	0.57%	0.40%	56,568,013	1.83%	1.52%	2.25%
Dec-18	197,462,474		46,268,140	2.291%	89,215,211	2.14%	1.52%	1.47%	56,671,250	1.90%	1.68%	2.33%
Jan-19	195,050,449		45,553,390	2.355%	89,373,064	2.15%	2.50%	2.45%	56,704,121	1.96%	0.31%	2.40%
Feb-19	211,740,422		62,553,390	2.392%	89,552,434	2.17%	2.84%	2.68%	56,761,069	2.13%	0.29%	2.44%
Mar-19	216,770,725		66,553,390	2.436%	89,668,393	2.21%	3.40%	3.28%	56,827,466	2.11%	0.47%	2.72%
Apr-19	206,696,569		59,210,262	2.445%	89,757,226	2.23%	3.83%	3.76%	56,986,412	2.10%	1.12%	3.08%
May-19	217,014,248		56,910,262	2.449%	100,691,487	2.25%	4.22%	4.27%	57,041,732	2.06%	1.51%	2.52%
Jun-19	225,003,102		62,910,263	2.428%	100,533,542	2.19%	4.88%	5.01%	57,126,387	1.98%	1.85%	2.57%
Jul-19	215,879,596	2.16%	53,598,980	2.379%	157,563,906	2.15%	-0.05%	-0.15%				
Aug-19	209,798,005	2.17%	50,148,980	2.341%	160,310,760	2.15%	5.44%	5.65%				
Sep-19	211,426,202	2.14%	49,048,980	2.280%	157,687,693	2.13%	5.46%	5.69%				
Oct-19	214,964,798	2.12%	54,181,584	2.190%	157,861,930	2.14%	5.77%	5.93%				
Nov-19	214,680,646	2.08%	53,481,584	2.103%	158,054,077	2.13%	5.33%	5.39%				
Dec-19	212,612,925	2.06%	50,681,584	2.043%	158,388,112	2.12%	4.48%	4.44%				
Jan-20	229,167,101	1.94%	55,970,504	1.967%	158,699,920	2.12%	4.87%	4.91%				
Feb-20	230,049,439	1.99%	66,570,054	1.912%	158,969,268	2.09%	5.79%	6.00%				
Mar-20	225,363,037	1.94%	62,570,054	1.787%	159,105,226	2.06%	5.56%	6.45%				
Apr-20	225,445,326	1.85%	62,878,795	1.648%	159,403,581	2.04%	6.06%	6.63%				
May-20	219,117,777	1.77%	55,278,795	1.363%	159,679,729	1.97%	5.69%	5.90%				
Jun-20	236,772,134	1.68%	72,778,795	1.217%	160,035,042	1.95%	5.34%	5.32%				
Jul-20	226,372,547	1.60%	61,612,184	0.920%	160,406,297	1.93%	5.67%	5.70%				
Aug-20	223,935,560	1.57%	58,612,184	0.784%	160,692,610	1.90%	4.65%	4.45%				
Sep-20	218,568,986	1.54%	53,112,184	0.685%	161,062,847	1.87%	4.82%	4.68%				
Oct-20	215,409,591	1.53%	49,242,648	0.620%	161,363,505	1.85%	4.43%	4.23%				
Nov-20	219,911,125	1.45%	52,542,648	0.576%	161,645,491	1.79%	4.60%	4.43%				
Dec-20	222,707,950	1.41%	56,542,648	0.540%	162,067,058	1.75%	4.59%	4.36%				
Jan-21	247,976,895	1.26%	76,625,187	0.458%	162,426,675	1.72%	3.70%	3.42%				
Feb-21	261,300,356	1.19%	92,625,187	0.407%	162,768,446	1.68%	2.27%	1.89%				
Mar-21	252,962,115	1.18%	83,325,187	0.357%	163,251,768	1.64%	1.56%	0.49%				
Apr-21	258,986,067	1.14%	83,309,833	0.339%	163,515,676	1.64%	1.10%	0.34%				
May-21	293,505,179	1.01%	122,550,449	0.315%	163,706,976	1.59%	0.83%	0.25%				
Jun-21	300,785,514	0.95%	129,050,449	0.262%	164,046,885	1.54%	0.31%	-0.09%				

- Notes:
- (1) Total General Portfolio includes all assets that comprise the City's Investment Portfolio which is LAIF as well as assets managed by Chandler Asset Management.
 - (2) Yield to Maturity (YTM): The rate of return on an investment or security if it were to be held until maturity. This yield does not reflect changes in the market value of a security
 - (3) Rate of Return represents the gain or loss on an investment or portfolio of investments over a specified period, expressed as a percentage of increase over the initial investment cost. Gains on investments are considered to be any income received from the security or portfolio plus any realized capital gain. This measure of return recognizes the changes in market values of a security or portfolio of securities.
 - (4) The Rate of Return for the investment portfolio reflects the performance of the portfolio during the past twelve months.
 - (5) The portfolio benchmark is the ICE Bank of America-Merrill Lynch 1 to 5 year Government Index

Attachment: 2021-06 report (5493 : RECEIPT OF QUARTERLY INVESTMENT REPORT - QUARTER ENDED

PORTFOLIO PERFORMANCE - 36 MONTH TREND



PORTFOLIO CHARACTERISTICS

The portfolio invested in LAIF represents the City's immediate cash liquidity needs and is managed by City staff in a manner to fund the day to day operations of the City.
 The portfolio managed by Chandler is comprised of idle cash balances related to funds that generally expect to expend cash with the next 12 to 60 months.

Attachment: 2021-06 report (5493 : RECEIPT OF QUARTERLY INVESTMENT REPORT - QUARTER ENDED

FUNDS WITH FISCAL AGENTS

By Investment Type

Trustee	Bond Description	Investment Type	Issuer	Value Date	Maturity Date	Market Value	Stated Rate	Yield	Price	% of Portfolio
Wells Fargo	CFD # 5	Money Market	WF Government Fund	6/30/2021	7/1/2021	\$ 813,078	0.01%	0.01%	1.00	8.88%
Wells Fargo	Community Facilities District 87-1 (IA-1)	Money Market	WF Government Fund	6/30/2021	7/1/2021	\$ 1,927,439	0.01%	0.01%	1.00	21.04%
Wells Fargo	2013 Partial Refunding of the 2005 Lease Revenue Bonds	Money Market	WF Government Fund	6/30/2021	7/1/2021	\$ 0	0.01%	0.01%	1.00	0.00%
Wells Fargo	2014 Partial Refunding of the 2005 Lease Revenue Bonds	Money Market	WF Government Fund	6/30/2021	7/1/2021	\$ 2	0.01%	0.01%	1.00	0.00%
Wells Fargo	2015 Taxable Lease Revenue Bonds (Electric Utility)	Money Market	WF Government Fund	6/30/2021	7/1/2021	\$ 1	0.01%	0.01%	1.00	0.00%
Wells Fargo	2016 Taxable Refunding Lease Revenue Bonds (Electric Utility)	Money Market	WF Government Fund	6/30/2021	7/1/2021	\$ 4	0.01%	0.01%	1.00	0.00%
Wells Fargo	2016 Community Facilities District 7 Improvement Area 1	Money Market	83309833	6/30/2021	7/1/2021	\$ 377,491	0.01%	0.01%	1.00	4.12%
Wells Fargo	2017 Refunding of the 2007 RDA TABs	Money Market	WF Government Fund	6/30/2021	7/1/2021	\$ 48	0.01%	0.01%	1.00	0.00%
Wells Fargo	2019 Taxable Lease Revenue Bonds (Electric Utility)	Money Market	WF Government Fund	6/30/2021	7/1/2021	\$ 6,040,002	0.01%	0.01%	1.00	65.95%
Wilmington Trust	2020 Taxable Refunding of the 2013 TRIP COPs	Money Market	Federated Hermes Gov Fund	6/30/2021	7/1/2021	\$ 806	0.00%	0.00%	1.00	0.01%
Wilmington Trust	2018 Streetlight Financing	Money Market	Federated Hermes Gov Fund	6/30/2021	7/1/2021	\$ 5				
Total						\$ 9,158,876				100.00%

By Fund Purpose

Trustee	Bond Description	Construction fund	Debt Service	Reserve & Other	Total
Wells Fargo	CFD # 5	\$0	\$267,078	\$546,000	\$813,078
Wells Fargo	Community Facilities District 87-1 (IA-1)	\$0	\$898,747	\$1,028,692	\$1,927,439
Wells Fargo	2013 Partial Refunding of the 2005 Lease Revenue Bonds	\$0	\$0	\$0	\$0
Wells Fargo	2014 Partial Refunding of the 2005 Lease Revenue Bonds	\$0	\$2	\$0	\$2
Wells Fargo	2015 Taxable Lease Revenue Bonds (Electric Utility)	\$0	\$1	\$0	\$1
Wells Fargo	2016 Taxable Refunding Lease Revenue Bonds (Electric Utility)	\$0	\$4	\$0	\$4
Wells Fargo	2016 Community Facilities District 7 Improvement Area 1	\$0	\$5	\$377,486	\$377,491
Wells Fargo	2017 Refunding of the 2007 RDA TABs	\$0	\$48	\$0	\$48
Wells Fargo	2019 Taxable Lease Revenue Bonds (Electric Utility)	\$6,040,001	\$1	\$0	\$6,040,002
Wilmington Trust	2020 Taxable Refunding of the 2013 TRIP COPs	\$0	\$806	\$0	\$806
Wilmington Trust	2018 Streetlight Financing	\$5	\$0	\$0	\$5
Total		\$6,040,006	\$1,166,692	\$1,952,178	\$9,158,876

Attachment: 2021-06 report (5493 : RECEIPT OF QUARTERLY INVESTMENT REPORT - QUARTER ENDED



City of Moreno Valley

MONTHLY ACCOUNT STATEMENT

JUNE 1, 2021 THROUGH JUNE 30, 2021

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact operations@chandlerasset.com

Custodian

Union Bank N.A.
Tina Guzman
(619) 230-3547

CHANDLER ASSET MANAGEMENT
chandlerasset.com

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures.

PORTFOLIO CHARACTERISTICS

Average Modified Duration	2.64
Average Coupon	1.72%
Average Purchase YTM	1.54%
Average Market YTM	0.52%
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	2.94 yrs
Average Life	2.71 yrs

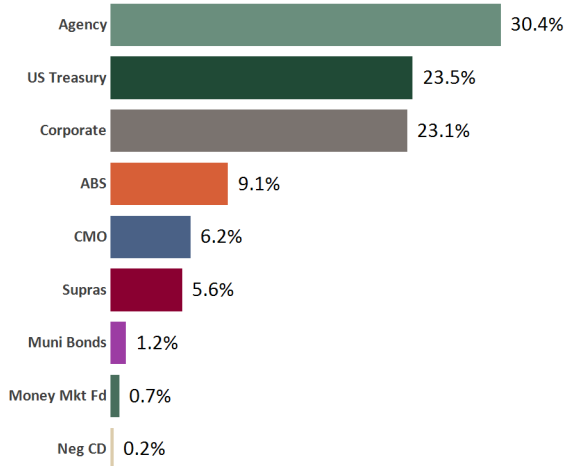
ACCOUNT SUMMARY

	Beg. Values as of 5/31/21	End Values as of 6/30/21
Market Value	168,242,353	167,958,710
Accrued Interest	677,255	587,331
Total Market Value	168,919,608	168,546,041
Income Earned	222,381	214,148
Cont/WD		0
Par	163,706,976	164,046,885
Book Value	164,414,086	164,742,169
Cost Value	164,914,847	165,231,221

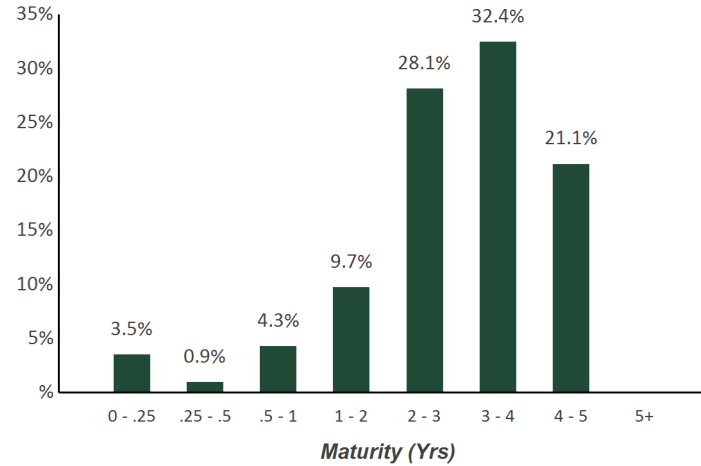
TOP ISSUERS

Government of United States	23.5%
Federal Home Loan Mortgage Corp	15.4%
Federal National Mortgage Assoc	12.1%
Federal Home Loan Bank	9.0%
Inter-American Dev Bank	3.6%
Intl Bank Recon and Development	2.0%
Toyota Motor Corp	2.0%
JP Morgan Chase & Co	1.9%
Total	69.5%

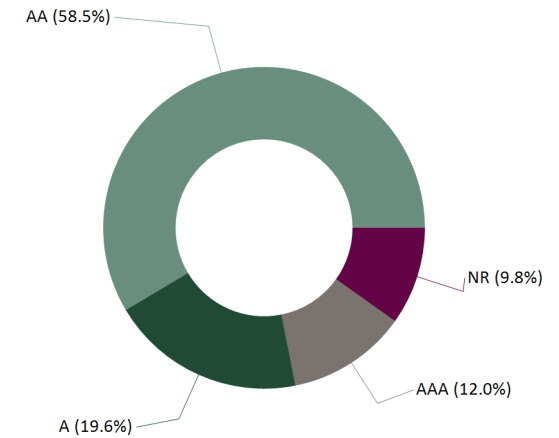
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

TOTAL RATE OF RETURN	Annualized									
	1M	3M	YTD	1YR	2YRS	3YRS	5YRS	10YRS	5/31/20	
City of Moreno Valley	-0.22%	0.22%	-0.27%	0.31%	2.80%	3.49%	2.08%	1.88%	2.00%	
ICE BAML 1-5 Year US Treasury/Agency Index	-0.22%	0.11%	-0.41%	-0.25%	2.44%	3.25%	1.77%	1.59%	1.70%	
ICE BAML 1-5 Yr US Issuers Corp/Govt Rtd AAA-A Idx	-0.21%	0.16%	-0.38%	-0.09%	2.58%	3.38%	1.90%	1.73%	1.86%	

Attachment: 2021-06 report (5493 : RECEIPT OF QUARTERLY INVESTMENT REPORT - QUARTER ENDED

Statement of Compliance

As of June 30, 2021

City of Moreno Valley

Assets managed by Chandler Asset Management are in full compliance with state law and with the City's investment policy.

Category	Standard	Comment
Treasury Issues	No Limitation	<i>Complies</i>
U.S. Agency Issues	No Limitation	<i>Complies</i>
Supranational Securities	"AA" rating by a NRSRO; 30% maximum; 5% max per issuer; Issued by International Bank for Reconstruction (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB) only	<i>Complies</i>
Municipal Securities (Local Agency/State-CA and others)	No Limitation	<i>Complies</i>
Banker's Acceptances	40% maximum; 5% max per issuer; 180 days max maturity	<i>Complies</i>
Commercial Paper	"A-1/P-1/F-1" minimum ratings; "A" rated issuer or higher, if long term debt issued; 25% maximum; 5% max per issuer; 270 days max maturity	<i>Complies</i>
Negotiable Certificates of Deposit	30% maximum; 5% max per issuer	<i>Complies</i>
Medium Term Notes	"A" rating or better by a NRSRO; 30% maximum; 5% max per issuer	<i>Complies</i>
Money Market Mutual Funds and Mutual Funds	AAA/Aaa or Highest rating by two NRSROs; 20% maximum	<i>Complies</i>
Certificates of Deposit (CD)/ Time Deposit (TD)/ Bank Deposit (Collateralized/FDIC insured)	5% max per issuer	<i>Complies</i>
Asset-Backed Securities, Mortgage Pass-Through Securities, Collateralized Mortgage Backed Securities	"AA" rating or better by a NRSRO; 20% maximum (combined MBS/ABS/CMO); 5% max per issuer	<i>Complies</i>
Repurchase Agreements	1 year max maturity	<i>Complies</i>
Local Agency Investment Fund (LAIF)	Maximum program limitation; Not used by investment adviser	<i>Complies</i>
County Pooled Investment Funds; Joint Powers Authority Pool	Not used by investment adviser	<i>Complies</i>
Prohibited Securities	Reverse repurchase agreements; Futures or Option contracts; Securities lending; Zero interest accrual securities; Derivatives including but not limited to: Inverse floaters, Interest only strips from mortgages, residual securities, structured notes, forward based derivatives, forward contracts, forward rate agreements, interest rate futures, foreign currency futures contracts, option based derivatives, interest rate caps, interest rate floors, swap contracts, interest rate swaps, interest rate collars, foreign currency swaps, cross currency exchange agreements, fixed rate currency swaps, basis swaps, equity swaps, fixed rate equity swaps, floating rate equity swaps and commodity swaps.	<i>Complies</i>
Max Per Issuer	5% of portfolio per issuer, except US Government, its agencies and instrumentalities	<i>Complies</i>
Maximum Maturity	5 years	<i>Complies</i>
Weighted Average Maturity	3 years	<i>Complies</i>

Attachment: 2021-06 report (5493 : RECEIPT OF QUARTERLY INVESTMENT REPORT - QUARTER ENDED

Holdings Report

As of June 30, 2021



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
ABS									
43815HAC1	Honda Auto Receivables Trust 2018-3 A3 2.95% Due 8/22/2022	124,525.95	08/21/2018 2.98%	124,508.86 124,521.05	100.52 0.30%	125,171.99 102.04	0.07% 650.94	Aaa / NR AAA	1.1 0.2
89238TAD5	Toyota Auto Receivables Trust 2018-B A3 2.96% Due 9/15/2022	328,154.14	07/25/2019 2.31%	331,627.96 329,493.26	100.40 0.26%	329,458.88 431.71	0.20% (34.38)	Aaa / AAA NR	1.2 0.1
47788EAC2	John Deere Owner Trust 2018-B A3 3.08% Due 11/15/2022	101,398.90	07/18/2018 3.10%	101,391.21 101,396.45	100.51 0.14%	101,920.49 138.80	0.06% 524.04	Aaa / NR AAA	1.3 0.1
58770FAC6	Mercedes Benz Auto Lease Trust 2020-A A3 1.84% Due 12/15/2022	570,000.00	01/21/2020 1.85%	569,924.87 569,961.97	100.73 0.20%	574,174.11 466.13	0.34% 4,212.14	Aaa / AAA NR	1.4 0.4
65479GAD1	Nissan Auto Receivables Trust 2018-B A3 3.06% Due 3/15/2023	321,622.60	09/16/2019 1.67%	326,095.16 322,785.16	100.79 0.37%	324,172.97 437.41	0.19% 1,387.81	Aaa / AAA NR	1.7 0.2
47789JAD8	John Deere Owner Trust 2019-A A3 2.91% Due 7/17/2023	725,861.32	08/27/2019 1.90%	740,973.98 731,587.93	101.15 0.18%	734,238.50 938.78	0.44% 2,650.57	Aaa / NR AAA	2.0 0.4
43815NAC8	Honda Auto Receivables Trust 2019-3 A3 1.78% Due 8/15/2023	1,075,523.17	08/20/2019 1.79%	1,075,514.25 1,075,519.64	100.92 0.23%	1,085,425.51 850.86	0.64% 9,905.87	Aaa / AAA NR	2.1 0.5
58769EAC2	Mercedes-Benz Auto Lease Trust 2020-B A3 0.4% Due 11/15/2023	525,000.00	09/15/2020 0.40%	524,973.38 524,982.24	100.18 0.25%	525,930.82 93.33	0.31% 948.58	NR / AAA AAA	2.3 1.1
477870AC3	John Deere Owner Trust 2019-B A3 2.21% Due 12/15/2023	414,428.27	07/16/2019 2.23%	414,340.28 414,379.09	101.30 0.09%	419,832.00 407.06	0.25% 5,452.91	Aaa / NR AAA	2.4 0.6
92348AAA3	Verizon Owner Trust 2019-C A1A 1.94% Due 4/22/2024	785,000.00	10/01/2019 1.95%	784,939.48 784,962.55	101.41 0.22%	796,088.13 465.33	0.47% 11,125.58	NR / AAA AAA	2.8 0.8
44891VAC5	Hyundai Auto Lease Trust 2021-B A3 0.33% Due 6/17/2024	1,020,000.00	06/08/2021 0.34%	1,019,847.00 1,019,849.80	99.82 0.43%	1,018,140.54 140.25	0.60% (1,709.26)	Aaa / AAA NR	2.9 1.8
65479JAD5	Nissan Auto Receivables Owner 2019-C A3 1.93% Due 7/15/2024	1,230,000.00	10/16/2019 1.94%	1,229,935.06 1,229,958.26	101.24 0.29%	1,245,297.51 1,055.07	0.74% 15,339.25	Aaa / AAA NR	3.0 0.7
43813DAC2	Honda Auto Receivables 2020-2 A3 0.82% Due 7/15/2024	525,000.00	05/18/2020 0.83%	524,958.68 524,969.63	100.64 0.27%	528,367.88 191.33	0.31% 3,398.25	Aaa / AAA NR	3.0 1.1
47789KAC7	John Deere Owner Trust 2020-A A3 1.1% Due 8/15/2024	865,000.00	03/04/2020 1.11%	864,947.15 864,962.73	100.77 0.34%	871,657.91 422.89	0.52% 6,695.18	Aaa / NR AAA	3.1 1.01

Attachment: 2021-06 report (5493 : RECEIPT OF QUARTERLY INVESTMENT REPORT - QUARTER ENDED

Holdings Report

As of June 30, 2021



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
ABS									
43813KAC6	Honda Auto Receivables Trust 2020-3 A3 0.37% Due 10/18/2024	870,000.00	09/22/2020 0.38%	869,872.20 869,902.89	100.13 0.28%	871,118.82 116.24	0.52% 1,215.93	NR / AAA AAA	3.3 1.4
47787NAC3	John Deere Owner Trust 2020-B A3 0.51% Due 11/15/2024	400,000.00	07/14/2020 0.52%	399,939.04 399,955.53	100.25 0.29%	400,992.40 90.67	0.24% 1,036.87	Aaa / NR AAA	3.3 1.1
89236XAC0	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	695,000.00	10/06/2020 0.36%	694,870.52 694,892.25	100.09 0.28%	695,631.06 108.11	0.41% 738.81	NR / AAA AAA	3.5 1.3
92290BAA9	Verizon Owner Trust 2020-B A 0.47% Due 2/20/2025	1,215,000.00	08/04/2020 0.48%	1,214,744.85 1,214,794.71	100.27 0.30%	1,218,267.14 174.49	0.72% 3,472.43	Aaa / NR AAA	3.6 1.5
43813GAC5	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	415,000.00	02/17/2021 0.27%	414,992.41 414,993.27	99.93 0.32%	414,707.01 31.13	0.25% (286.26)	Aaa / NR AAA	3.8 1.4
44891RAC4	Hyundai Auto Receivables Trust 2020-C A3 0.38% Due 5/15/2025	880,000.00	10/20/2020 0.39%	879,797.34 879,838.71	100.07 0.34%	880,585.20 148.62	0.52% 746.49	NR / AAA AAA	3.8 1.7
89240BAC2	Toyota Auto Receivables Owners 2021- A A3 0.26% Due 5/15/2025	1,520,000.00	02/02/2021 0.27%	1,519,717.89 1,519,753.56	99.91 0.32%	1,518,686.72 175.64	0.90% (1,066.84)	Aaa / NR AAA	3.8 1.5
44933LAC7	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	720,000.00	04/20/2021 0.38%	719,924.26 719,928.62	99.97 0.40%	719,774.65 121.60	0.43% (153.97)	NR / AAA AAA	4.2 2.1
Total ABS		15,326,514.35	1.02%	15,347,835.83 15,333,389.30	0.29%	15,399,640.24 7,107.49	9.14% 66,250.94	Aaa / AAA AAA	3.0 1.1
AGENCY									
3130A8QS5	FHLB Note 1.125% Due 7/14/2021	1,100,000.00	10/04/2016 1.33%	1,089,836.00 1,099,924.15	100.04 0.13%	1,100,426.80 5,740.63	0.66% 502.65	Aaa / AA+ AAA	0.0 0.0
3130AF5B9	FHLB Note 3% Due 10/12/2021	1,400,000.00	11/29/2018 2.91%	1,403,528.00 1,400,347.07	100.83 0.08%	1,411,585.00 9,216.67	0.84% 11,237.93	Aaa / AA+ NR	0.2 0.2
3137EAEN5	FHLMC Note 2.75% Due 6/19/2023	3,000,000.00	Various 2.40%	3,038,014.00 3,019,912.87	104.91 0.25%	3,147,201.00 2,750.00	1.87% 127,288.13	Aaa / AA+ AAA	1.9 1.9
3137EAEV7	FHLMC Note 0.25% Due 8/24/2023	1,925,000.00	08/19/2020 0.28%	1,923,036.50 1,923,598.01	99.98 0.26%	1,924,543.78 1,697.74	1.14% 945.77	Aaa / AA+ AAA	2.1 2.1

Attachment: 2021-06 report (5493 : RECEIPT OF QUARTERLY INVESTMENT REPORT - QUARTER ENDED

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
AGENCY									
3130A0F70	FHLB Note 3.375% Due 12/8/2023	1,700,000.00	01/16/2019 2.73%	1,749,623.00 1,724,728.15	107.34 0.35%	1,824,854.80 3,665.63	1.08% 100,126.65	Aaa / AA+ AAA	2.4 2.5
3130AB3H7	FHLB Note 2.375% Due 3/8/2024	1,400,000.00	04/29/2019 2.37%	1,400,098.00 1,400,054.19	105.49 0.32%	1,476,854.40 10,436.81	0.88% 76,800.21	Aaa / AA+ NR	2.6 2.6
3130A1XJ2	FHLB Note 2.875% Due 6/14/2024	3,000,000.00	Various 1.94%	3,131,160.00 3,078,297.56	106.99 0.49%	3,209,715.00 4,072.92	1.91% 131,417.44	Aaa / AA+ NR	2.9 2.8
3135G0V75	FNMA Note 1.75% Due 7/2/2024	3,000,000.00	07/16/2019 1.96%	2,969,790.00 2,981,710.61	103.97 0.42%	3,119,151.00 26,104.17	1.87% 137,440.39	Aaa / AA+ AAA	3.0 2.9
3130A2UW4	FHLB Note 2.875% Due 9/13/2024	3,000,000.00	09/13/2019 1.79%	3,155,070.00 3,099,469.24	107.44 0.53%	3,223,200.00 25,875.00	1.93% 123,730.76	Aaa / AA+ AAA	3.2 3.0
3135G0W66	FNMA Note 1.625% Due 10/15/2024	1,180,000.00	10/17/2019 1.66%	1,177,982.20 1,178,670.29	103.59 0.52%	1,222,364.36 4,048.06	0.73% 43,694.07	Aaa / AA+ AAA	3.3 3.2
3135G0X24	FNMA Note 1.625% Due 1/7/2025	3,210,000.00	Various 1.18%	3,276,100.10 3,258,165.79	103.56 0.60%	3,324,362.67 25,211.87	1.99% 66,196.88	Aaa / AA+ AAA	3.5 3.4
3137EAEP0	FHLMC Note 1.5% Due 2/12/2025	3,590,000.00	02/13/2020 1.52%	3,587,235.70 3,587,997.59	103.21 0.60%	3,705,160.02 20,792.08	2.21% 117,162.43	Aaa / AA+ AAA	3.6 3.5
3130A4CH3	FHLB Note 2.375% Due 3/14/2025	2,750,000.00	03/19/2020 1.18%	2,908,867.50 2,868,015.86	106.34 0.64%	2,924,402.25 19,412.33	1.75% 56,386.39	Aaa / AA+ AAA	3.7 3.5
3135G03U5	FNMA Note 0.625% Due 4/22/2025	2,830,000.00	04/22/2020 0.67%	2,824,170.20 2,825,554.14	99.91 0.65%	2,827,526.58 3,390.10	1.68% 1,972.44	Aaa / AA+ AAA	3.8 3.7
3135G04Z3	FNMA Note 0.5% Due 6/17/2025	3,400,000.00	Various 0.51%	3,398,324.20 3,398,874.57	99.41 0.65%	3,379,980.80 661.11	2.01% (18,893.77)	Aaa / AA+ AAA	3.9 3.9
3137EAEU9	FHLMC Note 0.375% Due 7/21/2025	3,400,000.00	Various 0.45%	3,388,108.00 3,390,118.88	98.63 0.72%	3,353,423.40 5,666.67	1.99% (36,695.48)	Aaa / AA+ AAA	4.0 4.0
3135G05X7	FNMA Note 0.375% Due 8/25/2025	3,150,000.00	12/16/2020 0.43%	3,141,904.50 3,142,831.32	98.56 0.73%	3,104,564.40 4,134.38	1.84% (38,266.92)	Aaa / AA+ AAA	4.1 4.1
3137EAEX3	FHLMC Note 0.375% Due 9/23/2025	3,385,000.00	Various 0.44%	3,374,969.55 3,376,349.77	98.47 0.74%	3,333,358.44 3,455.52	1.98% (42,991.33)	Aaa / AA+ AAA	4.2 4.1
3135G06G3	FNMA Note 0.5% Due 11/7/2025	3,400,000.00	Various 0.56%	3,389,186.80 3,390,553.02	98.91 0.75%	3,363,038.60 2,550.00	2.00% (27,514.42)	Aaa / AA+ AAA	4.3 4.2
Total Agency		49,820,000.00	1.26%	50,327,004.25 50,145,173.08	0.54%	50,975,713.30 178,881.69	30.35% 830,540.22	Aaa / AA+ AAA	3.7 3.7

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CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
CMO									
3137BFDQ1	FHLMC K717 A2 2.991% Due 9/25/2021	791,408.51	12/28/2018 2.89%	791,903.15 791,451.09	100.17 0.29%	792,791.81 1,972.59	0.47% 1,340.72	NR / NR AAA	0.2 0.1
3137BM6P6	FHLMC K721 A2 3.09% Due 8/25/2022	2,760,360.71	Various 2.19%	2,846,555.97 2,785,318.89	102.24 0.48%	2,822,076.63 7,107.92	1.68% 36,757.74	Aaa / NR NR	1.1 0.9
3137B5JM6	FHLMC K034 A2 3.531% Due 7/25/2023	1,500,000.00	08/28/2018 3.03%	1,531,816.41 1,513,409.49	105.81 0.46%	1,587,105.00 4,413.75	0.94% 73,695.51	NR / NR AAA	2.0 1.9
3137B4WB8	FHLMC K033 A2 3.06% Due 7/25/2023	1,500,000.00	08/19/2019 1.90%	1,562,812.50 1,533,049.98	104.87 0.44%	1,573,027.50 765.00	0.93% 39,977.52	Aaa / NR NR	2.0 1.8
3137B7MZ9	FHLMC K036 A2 3.527% Due 10/25/2023	2,145,000.00	Various 2.79%	2,209,267.38 2,178,577.47	106.39 0.48%	2,282,033.33 1,260.90	1.35% 103,455.86	Aaa / NR AAA	2.3 2.1
3137BYPQ7	FHLMC K726 A2 2.905% Due 4/25/2024	1,348,254.78	04/22/2019 2.72%	1,357,892.70 1,353,683.03	105.06 0.86%	1,416,507.48 3,263.90	0.84% 62,824.45	NR / AAA NR	2.8 2.4
Total CMO		10,045,024.00	2.53%	10,300,248.11 10,155,489.95	0.51%	10,473,541.75 18,784.06	6.23% 318,051.80	Aaa / AAA AAA	1.8 1.6
CORPORATE									
594918BP8	Microsoft Callable Note Cont 7/8/2021 1.55% Due 8/8/2021	420,000.00	Various 1.58%	419,453.40 419,988.63	100.02 0.49%	420,098.70 2,585.92	0.25% 110.07	Aaa / AAA AAA	0.1 0.0
69371RN44	Paccar Financial Corp Note 1.65% Due 8/11/2021	1,100,000.00	05/23/2018 3.15%	1,050,093.00 1,098,257.08	100.16 0.22%	1,101,789.70 7,058.33	0.66% 3,532.62	A1 / A+ NR	0.1 0.1
17275RBJ0	Cisco Systems Callable Note Cont 8/20/2021 1.85% Due 9/20/2021	1,250,000.00	02/26/2019 2.70%	1,223,812.50 1,247,728.92	100.23 0.20%	1,252,868.75 6,487.85	0.75% 5,139.83	A1 / AA- NR	0.2 0.1
89233P5T9	Toyota Motor Credit Corp Note 3.3% Due 1/12/2022	1,500,000.00	02/20/2019 2.84%	1,519,035.00 1,503,518.32	101.60 0.29%	1,524,067.50 23,237.50	0.92% 20,549.18	A1 / A+ A+	0.9 0.9
69353RFE3	PNC Bank Callable Note Cont 6/28/2022 2.45% Due 7/28/2022	1,170,000.00	07/25/2017 2.45%	1,169,894.70 1,169,977.39	102.16 0.28%	1,195,221.69 12,182.63	0.72% 25,244.30	A2 / A A+	1.0 0.9
808513AT2	Charles Schwab Corp Callable Note Cont 12/25/2022 2.65% Due 1/25/2023	665,000.00	08/01/2019 2.27%	673,179.50 668,581.01	103.36 0.38%	687,367.28 7,636.42	0.41% 18,786.27	A2 / A A	1.9 1.4
24422ETG4	John Deere Capital Corp Note 2.8% Due 3/6/2023	780,000.00	Various 2.50%	786,043.20 783,825.23	104.19 0.30%	812,661.72 6,976.66	0.49% 28,836.49	A2 / A A	1.6 1.6

Attachment: 2021-06 report (5493 : RECEIPT OF QUARTERLY INVESTMENT REPORT - QUARTER ENDED

Holdings Report

As of June 30, 2021



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
CORPORATE									
037833AK6	Apple Inc Note 2.4% Due 5/3/2023	715,000.00	11/28/2018 3.54%	681,959.85 701,272.48	103.75 0.36%	741,800.35 2,764.67	0.44% 40,527.87	Aa1 / AA+ NR	1.8 1.8
404280BA6	HSBC Holdings PLC Note 3.6% Due 5/25/2023	900,000.00	03/20/2019 3.33%	909,477.00 904,306.60	105.87 0.50%	952,848.90 3,240.00	0.57% 48,542.30	A3 / A- A+	1.9 1.8
02665WCJ8	American Honda Finance Note 3.45% Due 7/14/2023	335,000.00	07/11/2018 3.49%	334,420.45 334,763.92	106.18 0.40%	355,696.64 5,361.40	0.21% 20,932.72	A3 / A- NR	2.0 1.9
06406RAJ6	Bank of NY Mellon Corp Note 3.45% Due 8/11/2023	1,900,000.00	Various 2.64%	1,960,162.00 1,930,661.66	106.50 0.36%	2,023,591.20 25,491.66	1.22% 92,929.54	A1 / A AA-	2.1 2.0
02665WCQ2	American Honda Finance Note 3.625% Due 10/10/2023	1,635,000.00	Various 3.02%	1,673,579.30 1,655,986.30	107.11 0.48%	1,751,291.01 13,335.47	1.05% 95,304.71	A3 / A- NR	2.2 2.1
24422EVN6	John Deere Capital Corp Note 0.45% Due 1/17/2024	2,300,000.00	03/01/2021 0.47%	2,298,367.00 2,298,552.25	99.90 0.49%	2,297,640.20 3,363.75	1.37% (912.05)	A2 / A A	2.5 2.5
69371RR24	Paccar Financial Corp Note 0.35% Due 2/2/2024	665,000.00	01/28/2021 0.39%	664,228.60 664,333.57	99.47 0.55%	661,506.76 963.33	0.39% (2,826.81)	A1 / A+ NR	2.5 2.5
06051GHF9	Bank of America Corp Callable Note 1X 3/5/2023 3.55% Due 3/5/2024	1,900,000.00	Various 2.70%	1,930,235.00 1,917,290.23	105.06 0.52%	1,996,162.80 21,733.89	1.20% 78,872.57	A2 / A- AA-	2.6 1.6
89114QCB2	Toronto Dominion Bank Note 3.25% Due 3/11/2024	1,900,000.00	Various 2.77%	1,940,554.00 1,922,952.62	107.07 0.60%	2,034,250.20 18,868.06	1.22% 111,297.58	Aa3 / A AA-	2.7 2.5
808513BN4	Charles Schwab Corp Callable Note Cont 2/18/2024 0.75% Due 3/18/2024	955,000.00	03/16/2021 0.77%	954,522.50 954,568.25	100.57 0.53%	960,469.29 2,049.27	0.57% 5,901.04	A2 / A A	2.7 2.6
404280BS7	HSBC Holdings PLC Callable Note 1X 5/18/2023 3.95% Due 5/18/2024	1,000,000.00	08/28/2019 2.18%	1,050,660.00 1,030,931.12	106.22 0.62%	1,062,169.00 4,718.06	0.63% 31,237.88	A3 / A- A+	2.8 1.8
91159HHX1	US Bancorp Callable Note Cont 6/28/2024 2.4% Due 7/30/2024	1,750,000.00	10/10/2019 2.07%	1,775,567.50 1,766,266.17	105.20 0.64%	1,841,038.50 17,616.67	1.10% 74,772.33	A1 / A+ A+	3.0 2.8
009158AV8	Air Products & Chemicals Callable Note Cont 4/30/2024 3.35% Due 7/31/2024	500,000.00	08/07/2019 2.11%	527,750.00 516,624.28	107.62 0.63%	538,118.50 7,025.69	0.32% 21,494.22	A2 / A NR	3.0 2.6
69371RQ25	Paccar Financial Corp Note 2.15% Due 8/15/2024	670,000.00	08/08/2019 2.20%	668,519.30 669,075.27	104.45 0.71%	699,805.62 5,441.89	0.42% 30,730.35	A1 / A+ NR	3.1 3.0

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Holdings Report

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CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
CORPORATE									
78015K7C2	Royal Bank of Canada Note 2.25% Due 11/1/2024	1,900,000.00	12/05/2019 2.26%	1,899,012.00 1,899,326.79	104.76 0.80%	1,990,478.00 7,125.00	1.19% 91,151.21	A2 / A AA	3.3 3.2
14913Q3B3	Caterpillar Finl Service Note 2.15% Due 11/8/2024	2,020,000.00	Various 1.88%	2,044,446.00 2,037,287.40	104.89 0.67%	2,118,741.64 6,393.86	1.26% 81,454.24	A2 / A A	3.3 3.2
90331HPL1	US Bank NA Callable Note Cont 12/21/2024 2.05% Due 1/21/2025	810,000.00	01/16/2020 2.10%	808,274.70 808,772.36	104.44 0.75%	845,990.73 7,380.00	0.51% 37,218.37	A1 / AA- AA-	3.5 3.3
46647PCH7	JP Morgan Chase & Co Callable Note Cont 6/1/2024 0.824% Due 6/1/2025	1,770,000.00	05/24/2021 0.74%	1,772,292.35 1,772,245.28	99.82 0.89%	1,766,743.20 1,215.40	1.05% (5,502.08)	A2 / A- AA-	3.9 2.8
46647PCK0	JP Morgan Chase & Co Callable Note Cont 6/23/2024 0.969% Due 6/23/2025	840,000.00	Various 0.87%	840,520.15 840,517.66	100.13 0.93%	841,058.40 180.88	0.50% 540.74	A2 / A- AA-	3.9 2.9
46647PBK1	JP Morgan Chase & Co Callable Note Cont 4/22/2025 2.083% Due 4/22/2026	534,000.00	05/20/2021 1.11%	553,934.22 553,404.13	103.44 1.16%	552,373.87 2,131.95	0.33% (1,030.26)	A2 / A- AA-	4.8 3.6
023135BX3	Amazon.com Inc Callable Note Cont 4/12/2026 1% Due 5/12/2026	2,615,000.00	05/10/2021 1.09%	2,603,703.20 2,604,012.53	100.06 0.99%	2,616,503.63 3,559.31	1.55% 12,491.10	A1 / AA AA-	4.8 4.6
91324PEC2	United Health Group Inc Callable Note Cont 4/15/2026 1.15% Due 5/15/2026	430,000.00	Various 1.08%	431,391.30 431,379.72	100.05 1.14%	430,221.46 576.92	0.26% (1,158.26)	A3 / A+ A	4.8 4.6
89236TJK2	Toyota Motor Credit Corp Note 1.125% Due 6/18/2026	1,785,000.00	06/15/2021 1.13%	1,784,214.60 1,784,220.19	99.77 1.17%	1,780,980.18 725.16	1.06% (3,240.01)	A1 / A+ A+	4.9 4.8
06051GJD2	Bank of America Corp Callable Note Cont 6/19/2025 1.319% Due 6/19/2026	800,000.00	06/17/2021 1.23%	802,768.00 802,752.82	100.26 1.25%	802,046.40 351.73	0.48% (706.42)	A2 / A- AA-	4.9 3.8
Total Corporate		37,514,000.00	1.98%	37,752,070.32 37,693,380.18	0.62%	38,655,601.82 227,779.33	23.07% 962,221.64	A1 / A A+	2.8 2.9

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CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
MONEY MARKET FUND									
60934N104	Federated Investors Government Obligations Fund	1,181,347.10	Various 0.01%	1,181,347.10 1,181,347.10	1.00 0.01%	1,181,347.10 0.00	0.70% 0.00	Aaa / AAA AAA	0.0 0.0
Total Money Market Fund		1,181,347.10	0.01%	1,181,347.10	0.01%	1,181,347.10 0.00	0.70% 0.00	Aaa / AAA AAA	0.0 0.0
MUNICIPAL BONDS									
13063DRK6	California State Taxable GO 2.4% Due 10/1/2024	1,915,000.00	10/16/2019 1.91%	1,958,987.55 1,943,967.41	105.51 0.69%	2,020,439.90 11,490.00	1.21% 76,472.49	Aa2 / AA- AA	3.2 3.1
Total Municipal Bonds		1,915,000.00	1.91%	1,958,987.55 1,943,967.41	0.69%	2,020,439.90 11,490.00	1.21% 76,472.49	Aa2 / AA- AA	3.2 3.1
NEGOTIABLE CD									
89114W7M1	Toronto Dominion Yankee CD 0.24% Due 4/28/2022	400,000.00	04/29/2021 0.24%	399,999.99 399,999.99	100.04 0.20%	400,146.80 170.67	0.24% 146.81	P-1 / A-1 F-1+	0.8 0.8
Total Negotiable CD		400,000.00	0.24%	399,999.99 399,999.99	0.20%	400,146.80 170.67	0.24% 146.81	P-1 / A-1 F-1+	0.8 0.8
SUPRANATIONAL									
4581X0CW6	Inter-American Dev Bank Note 2.125% Due 1/18/2022	1,675,000.00	01/10/2017 2.15%	1,672,939.75 1,674,773.21	101.06 0.19%	1,692,815.30 16,116.06	1.01% 18,042.09	Aaa / NR AAA	0.5 0.5
4581X0CZ9	Inter-American Dev Bank Note 1.75% Due 9/14/2022	850,000.00	03/23/2018 2.79%	813,178.00 840,072.50	101.88 0.19%	866,008.90 4,421.18	0.52% 25,936.40	Aaa / AAA AAA	1.2 1.1
459058JL8	Intl. Bank Recon & Development Note 0.5% Due 10/28/2025	3,400,000.00	Various 0.60%	3,384,848.15 3,386,066.89	98.81 0.78%	3,359,523.01 2,975.01	2.00% (26,543.88)	Aaa / AAA AAA	4.3 4.2

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Holdings Report

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CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
SUPRANATIONAL									
4581X0DV7	Inter-American Dev Bank Note 0.875% Due 4/20/2026	3,435,000.00	04/13/2021 0.97%	3,419,267.70 3,419,888.03	100.04 0.87%	3,436,240.04 5,927.76	2.04% 16,352.01	Aaa / AAA AAA	4.8 4.6
Total Supranational		9,360,000.00	1.21%	9,290,233.60 9,320,800.63	0.65%	9,354,587.25 29,440.01	5.57% 33,786.62	Aaa / AAA AAA	3.5 3.4
US TREASURY									
912828F21	US Treasury Note 2.125% Due 9/30/2021	100,000.00	02/11/2019 2.47%	99,117.19 99,916.40	100.51 0.08%	100,514.50 534.15	0.06% 598.10	Aaa / AA+ AAA	0.2 0.2
912828J43	US Treasury Note 1.75% Due 2/28/2022	1,785,000.00	03/13/2017 2.14%	1,752,722.58 1,780,686.84	101.11 0.09%	1,804,802.79 10,440.79	1.08% 24,115.95	Aaa / AA+ AAA	0.6 0.6
912828XG0	US Treasury Note 2.125% Due 6/30/2022	1,700,000.00	08/15/2017 1.82%	1,724,111.17 1,704,936.15	102.02 0.11%	1,734,265.20 98.17	1.03% 29,329.05	Aaa / AA+ AAA	1.0 0.9
912828L57	US Treasury Note 1.75% Due 9/30/2022	1,750,000.00	10/17/2017 1.99%	1,730,585.94 1,745,103.53	102.01 0.14%	1,785,204.75 7,698.09	1.06% 40,101.22	Aaa / AA+ AAA	1.2 1.2
912828N30	US Treasury Note 2.125% Due 12/31/2022	1,750,000.00	01/25/2018 2.46%	1,722,792.97 1,741,716.97	102.91 0.18%	1,800,996.75 101.05	1.07% 59,279.78	Aaa / AA+ AAA	1.5 1.4
912828T91	US Treasury Note 1.625% Due 10/31/2023	3,200,000.00	Various 1.80%	3,176,515.63 3,187,270.38	103.04 0.32%	3,297,126.40 8,760.87	1.96% 109,856.02	Aaa / AA+ AAA	2.3 2.2
912828V23	US Treasury Note 2.25% Due 12/31/2023	3,150,000.00	Various 1.81%	3,209,369.15 3,183,054.04	104.71 0.35%	3,298,516.20 192.60	1.96% 115,462.16	Aaa / AA+ AAA	2.5 2.4
912828B66	US Treasury Note 2.75% Due 2/15/2024	3,150,000.00	Various 1.81%	3,279,865.24 3,223,905.34	106.20 0.38%	3,345,151.95 32,544.20	2.00% 121,246.61	Aaa / AA+ AAA	2.6 2.5
91282CBR1	US Treasury Note 0.25% Due 3/15/2024	1,000,000.00	03/30/2021 0.33%	997,578.13 997,784.44	99.60 0.40%	996,016.00 733.70	0.59% (1,768.44)	Aaa / AA+ AAA	2.7 2.6
912828X70	US Treasury Note 2% Due 4/30/2024	3,100,000.00	Various 1.86%	3,119,312.50 3,111,326.35	104.45 0.42%	3,237,925.20 10,445.65	1.93% 126,598.85	Aaa / AA+ AAA	2.8 2.7
912828XX3	US Treasury Note 2% Due 6/30/2024	3,000,000.00	07/30/2019 1.87%	3,018,867.19 3,011,503.10	104.59 0.46%	3,137,577.00 163.04	1.86% 126,073.90	Aaa / AA+ AAA	3.0 2.9
912828D56	US Treasury Note 2.375% Due 8/15/2024	3,000,000.00	08/29/2019 1.45%	3,133,007.81 3,083,753.81	105.88 0.48%	3,176,484.00 26,767.96	1.90% 92,730.19	Aaa / AA+ AAA	3.1 3.0

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Holdings Report

As of June 30, 2021



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US TREASURY									
9128283D0	US Treasury Note 2.25% Due 10/31/2024	2,900,000.00	Various 1.76%	2,966,847.66 2,945,193.59	105.68 0.53%	3,064,824.40 10,993.21	1.82% 119,630.81	Aaa / AA+ AAA	3.3 3.2
91282CAM3	US Treasury Note 0.25% Due 9/30/2025	3,300,000.00	03/29/2021 0.74%	3,228,199.22 3,232,258.47	97.93 0.75%	3,231,551.40 2,073.77	1.92% (707.07)	Aaa / AA+ AAA	4.2 4.2
91282CAT8	US Treasury Note 0.25% Due 10/31/2025	3,400,000.00	02/22/2021 0.54%	3,354,046.88 3,357,484.64	97.81 0.76%	3,325,492.40 1,432.07	1.97% (31,992.24)	Aaa / AA+ AAA	4.3 4.2
91282CAZ4	US Treasury Note 0.375% Due 11/30/2025	2,200,000.00	03/26/2021 0.77%	2,160,554.69 2,162,726.84	98.24 0.78%	2,161,242.60 698.77	1.28% (1,484.24)	Aaa / AA+ AAA	4.4 4.3
Total US Treasury		38,485,000.00	1.54%	38,673,493.95 38,568,620.89	0.44%	39,497,691.54 113,678.09	23.50% 929,070.65	Aaa / AA+ AAA	2.8 2.7
TOTAL PORTFOLIO		164,046,885.45	1.54%	165,231,220.70 164,742,168.53	0.52%	167,958,709.70 587,331.34	100.00% 3,216,541.17	Aa1 / AA AAA	2.9 2.6
TOTAL MARKET VALUE PLUS ACCRUED						168,546,041.04			

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Transaction Ledger

As of June 30, 2021



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	06/01/2021	46647PCH7	355,000.00	JP Morgan Chase & Co Callable Note Cont 6/1/2024 0.824% Due 6/1/2025	100.000	0.77%	355,000.00	0.00	355,000.00	0.00
Purchase	06/01/2021	46647PCH7	945,000.00	JP Morgan Chase & Co Callable Note Cont 6/1/2024 0.824% Due 6/1/2025	100.163	0.73%	946,540.35	0.00	946,540.35	0.00
Purchase	06/01/2021	46647PCH7	470,000.00	JP Morgan Chase & Co Callable Note Cont 6/1/2024 0.824% Due 6/1/2025	100.160	0.73%	470,752.00	0.00	470,752.00	0.00
Purchase	06/01/2021	60934N104	15.23	Federated Investors Government Obligations Fund	1.000	0.01%	15.23	0.00	15.23	0.00
Purchase	06/08/2021	60934N104	28,687.50	Federated Investors Government Obligations Fund	1.000	0.01%	28,687.50	0.00	28,687.50	0.00
Purchase	06/10/2021	60934N104	705,418.22	Federated Investors Government Obligations Fund	1.000	0.01%	705,418.22	0.00	705,418.22	0.00
Purchase	06/11/2021	60934N104	45,625.00	Federated Investors Government Obligations Fund	1.000	0.01%	45,625.00	0.00	45,625.00	0.00
Purchase	06/11/2021	60934N104	3,000,000.00	Federated Investors Government Obligations Fund	1.000	0.01%	3,000,000.00	0.00	3,000,000.00	0.00
Purchase	06/14/2021	60934N104	43,125.00	Federated Investors Government Obligations Fund	1.000	0.01%	43,125.00	0.00	43,125.00	0.00
Purchase	06/15/2021	60934N104	202.71	Federated Investors Government Obligations Fund	1.000	0.01%	202.71	0.00	202.71	0.00
Purchase	06/15/2021	60934N104	1,978.25	Federated Investors Government Obligations Fund	1.000	0.01%	1,978.25	0.00	1,978.25	0.00
Purchase	06/15/2021	60934N104	874.00	Federated Investors Government Obligations Fund	1.000	0.01%	874.00	0.00	874.00	0.00
Purchase	06/15/2021	60934N104	175.00	Federated Investors Government Obligations Fund	1.000	0.01%	175.00	0.00	175.00	0.00
Purchase	06/15/2021	60934N104	792.92	Federated Investors Government Obligations Fund	1.000	0.01%	792.92	0.00	792.92	0.00
Purchase	06/15/2021	60934N104	228.00	Federated Investors Government Obligations Fund	1.000	0.01%	228.00	0.00	228.00	0.00

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Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	06/15/2021	60934N104	278.67	Federated Investors Government Obligations Fund	1.000	0.01%	278.67	0.00	278.67	0.00
Purchase	06/15/2021	60934N104	358.75	Federated Investors Government Obligations Fund	1.000	0.01%	358.75	0.00	358.75	0.00
Purchase	06/15/2021	60934N104	170.00	Federated Investors Government Obligations Fund	1.000	0.01%	170.00	0.00	170.00	0.00
Purchase	06/15/2021	60934N104	329.33	Federated Investors Government Obligations Fund	1.000	0.01%	329.33	0.00	329.33	0.00
Purchase	06/15/2021	60934N104	76,182.66	Federated Investors Government Obligations Fund	1.000	0.01%	76,182.66	0.00	76,182.66	0.00
Purchase	06/15/2021	60934N104	27,871.10	Federated Investors Government Obligations Fund	1.000	0.01%	27,871.10	0.00	27,871.10	0.00
Purchase	06/15/2021	60934N104	26,617.81	Federated Investors Government Obligations Fund	1.000	0.01%	26,617.81	0.00	26,617.81	0.00
Purchase	06/15/2021	60934N104	75,389.64	Federated Investors Government Obligations Fund	1.000	0.01%	75,389.64	0.00	75,389.64	0.00
Purchase	06/15/2021	60934N104	47,001.58	Federated Investors Government Obligations Fund	1.000	0.01%	47,001.58	0.00	47,001.58	0.00
Purchase	06/15/2021	60934N104	94,240.85	Federated Investors Government Obligations Fund	1.000	0.01%	94,240.85	0.00	94,240.85	0.00
Purchase	06/16/2021	44891VAC5	1,020,000.00	Hyundai Auto Lease Trust 2021-B A3 0.33% Due 6/17/2024	99.985	0.34%	1,019,847.00	0.00	1,019,847.00	0.00
Purchase	06/16/2021	91324PEC2	285,000.00	United Health Group Inc Callable Note Cont 4/15/2026 1.15% Due 5/15/2026	100.333	1.08%	285,949.05	245.81	286,194.86	0.00
Purchase	06/17/2021	60934N104	8,500.00	Federated Investors Government Obligations Fund	1.000	0.01%	8,500.00	0.00	8,500.00	0.00
Purchase	06/17/2021	91324PEC2	145,000.00	United Health Group Inc Callable Note Cont 4/15/2026 1.15% Due 5/15/2026	100.305	1.08%	145,442.25	129.69	145,571.94	0.00
Purchase	06/18/2021	60934N104	1,229,830.67	Federated Investors Government Obligations Fund	1.000	0.01%	1,229,830.67	0.00	1,229,830.67	0.00

Attachment: 2021-06 report (5493 : RECEIPT OF QUARTERLY INVESTMENT REPORT - QUARTER ENDED

Transaction Ledger

As of June 30, 2021



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	06/18/2021	60934N104	268.25	Federated Investors Government Obligations Fund	1.000	0.01%	268.25	0.00	268.25	0.00
Purchase	06/18/2021	89236TJK2	1,785,000.00	Toyota Motor Credit Corp Note 1.125% Due 6/18/2026	99.956	1.13%	1,784,214.60	0.00	1,784,214.60	0.00
Purchase	06/19/2021	60934N104	41,250.00	Federated Investors Government Obligations Fund	1.000	0.01%	41,250.00	0.00	41,250.00	0.00
Purchase	06/21/2021	06051GJD2	800,000.00	Bank of America Corp Callable Note Cont 6/19/2025 1.319% Due 6/19/2026	100.346	1.23%	802,768.00	58.62	802,826.62	0.00
Purchase	06/21/2021	60934N104	93.38	Federated Investors Government Obligations Fund	1.000	0.01%	93.38	0.00	93.38	0.00
Purchase	06/21/2021	60934N104	1,269.08	Federated Investors Government Obligations Fund	1.000	0.01%	1,269.08	0.00	1,269.08	0.00
Purchase	06/21/2021	60934N104	475.88	Federated Investors Government Obligations Fund	1.000	0.01%	475.88	0.00	475.88	0.00
Purchase	06/21/2021	60934N104	31,420.85	Federated Investors Government Obligations Fund	1.000	0.01%	31,420.85	0.00	31,420.85	0.00
Purchase	06/23/2021	46647PCK0	335,000.00	JP Morgan Chase & Co Callable Note Cont 6/23/2024 0.969% Due 6/23/2025	100.000	0.89%	335,000.00	0.00	335,000.00	0.00
Purchase	06/24/2021	46647PCK0	505,000.00	JP Morgan Chase & Co Callable Note Cont 6/23/2024 0.969% Due 6/23/2025	100.103	0.86%	505,520.15	13.59	505,533.74	0.00
Purchase	06/25/2021	60934N104	6,304.58	Federated Investors Government Obligations Fund	1.000	0.01%	6,304.58	0.00	6,304.58	0.00
Purchase	06/25/2021	60934N104	4,413.75	Federated Investors Government Obligations Fund	1.000	0.01%	4,413.75	0.00	4,413.75	0.00
Purchase	06/25/2021	60934N104	3,825.00	Federated Investors Government Obligations Fund	1.000	0.01%	3,825.00	0.00	3,825.00	0.00
Purchase	06/25/2021	60934N104	11,572.88	Federated Investors Government Obligations Fund	1.000	0.01%	11,572.88	0.00	11,572.88	0.00
Purchase	06/25/2021	60934N104	4,631.36	Federated Investors Government Obligations Fund	1.000	0.01%	4,631.36	0.00	4,631.36	0.00

Attachment: 2021-06 report (5493 : RECEIPT OF QUARTERLY INVESTMENT REPORT - QUARTER ENDED

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	06/25/2021	60934N104	35,340.98	Federated Investors Government Obligations Fund	1.000	0.01%	35,340.98	0.00	35,340.98	0.00
Purchase	06/28/2021	60934N104	87,388.42	Federated Investors Government Obligations Fund	1.000	0.01%	87,388.42	0.00	87,388.42	0.00
Purchase	06/30/2021	60934N104	102,093.75	Federated Investors Government Obligations Fund	1.000	0.01%	102,093.75	0.00	102,093.75	0.00
Subtotal			12,389,241.05				12,395,274.45	447.71	12,395,722.16	0.00
Security Contribution	06/04/2021	60934N104	625.00	Federated Investors Government Obligations Fund	1.000		625.00	0.00	625.00	0.00
Security Contribution	06/30/2021	60934N104	625.00	Federated Investors Government Obligations Fund	1.000		625.00	0.00	625.00	0.00
Subtotal			1,250.00				1,250.00	0.00	1,250.00	0.00
Short Sale	06/01/2021	60934N104	-1,772,292.35	Federated Investors Government Obligations Fund	1.000		-1,772,292.35	0.00	-1,772,292.35	0.00
Short Sale	06/16/2021	60934N104	-1,019,847.00	Federated Investors Government Obligations Fund	1.000		-1,019,847.00	0.00	-1,019,847.00	0.00
Subtotal			-2,792,139.35				-2,792,139.35	0.00	-2,792,139.35	0.00
TOTAL ACQUISITIONS			9,598,351.70				9,604,385.10	447.71	9,604,832.81	0.00
DISPOSITIONS										
Closing Purchase	06/01/2021	60934N104	-1,772,292.35	Federated Investors Government Obligations Fund	1.000		-1,772,292.35	0.00	-1,772,292.35	0.00
Closing Purchase	06/16/2021	60934N104	-1,019,847.00	Federated Investors Government Obligations Fund	1.000		-1,019,847.00	0.00	-1,019,847.00	0.00
Subtotal			-2,792,139.35				-2,792,139.35	0.00	-2,792,139.35	0.00
Sale	06/01/2021	60934N104	1,772,292.35	Federated Investors Government Obligations Fund	1.000	0.01%	1,772,292.35	0.00	1,772,292.35	0.00
Sale	06/10/2021	912828F21	300,000.00	US Treasury Note 2.125% Due 9/30/2021	100.645	2.47%	301,933.59	1,236.68	303,170.27	2,242.00

Attachment: 2021-06 report (5493 : RECEIPT OF QUARTERLY INVESTMENT REPORT - QUARTER ENDED

Transaction Ledger

As of June 30, 2021



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
DISPOSITIONS										
Sale	06/10/2021	912828T34	400,000.00	US Treasury Note 1.125% Due 9/30/2021	100.344	1.48%	401,375.00	872.95	402,247.95	1,799.95
Sale	06/16/2021	60934N104	286,194.86	Federated Investors Government Obligations Fund	1.000	0.01%	286,194.86	0.00	286,194.86	0.00
Sale	06/16/2021	60934N104	1,019,847.00	Federated Investors Government Obligations Fund	1.000	0.01%	1,019,847.00	0.00	1,019,847.00	0.00
Sale	06/17/2021	60934N104	145,571.94	Federated Investors Government Obligations Fund	1.000	0.01%	145,571.94	0.00	145,571.94	0.00
Sale	06/18/2021	60934N104	1,784,214.60	Federated Investors Government Obligations Fund	1.000	0.01%	1,784,214.60	0.00	1,784,214.60	0.00
Sale	06/18/2021	89236TDP7	1,200,000.00	Toyota Motor Credit Corp Note 2.6% Due 1/11/2022	101.352	3.07%	1,216,224.00	13,606.67	1,229,830.67	19,969.67
Sale	06/21/2021	60934N104	802,826.62	Federated Investors Government Obligations Fund	1.000	0.01%	802,826.62	0.00	802,826.62	0.00
Sale	06/23/2021	60934N104	335,000.00	Federated Investors Government Obligations Fund	1.000	0.01%	335,000.00	0.00	335,000.00	0.00
Sale	06/24/2021	60934N104	505,533.74	Federated Investors Government Obligations Fund	1.000	0.01%	505,533.74	0.00	505,533.74	0.00
Subtotal			8,551,481.11				8,571,013.70	15,716.30	8,586,730.00	24,011.00
Paydown	06/15/2021	43813DAC2	0.00	Honda Auto Receivables 2020-2 A3 0.82% Due 7/15/2024	100.000		0.00	358.75	358.75	0.00
Paydown	06/15/2021	43815NAC8	74,476.83	Honda Auto Receivables Trust 2019-3 A3 1.78% Due 8/15/2023	100.000		74,476.83	1,705.83	76,182.66	0.00
Paydown	06/15/2021	44891RAC4	0.00	Hyundai Auto Receivables Trust 2020-C A3 0.38% Due 5/15/2025	100.000		0.00	278.67	278.67	0.00
Paydown	06/15/2021	44933LAC7	0.00	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	100.000		0.00	228.00	228.00	0.00
Paydown	06/15/2021	477870AC3	27,058.03	John Deere Owner Trust 2019-B A3 2.21% Due 12/15/2023	100.000		27,058.03	813.07	27,871.10	0.00

Attachment: 2021-06 report (5493 : RECEIPT OF QUARTERLY INVESTMENT REPORT - QUARTER ENDED

Transaction Ledger

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Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
DISPOSITIONS										
Paydown	06/15/2021	47787NAC3	0.00	John Deere Owner Trust 2020-B A3 0.51% Due 11/15/2024	100.000		0.00	170.00	170.00	0.00
Paydown	06/15/2021	47788EAC2	26,290.08	John Deere Owner Trust 2018-B A3 3.08% Due 11/15/2022	100.000		26,290.08	327.73	26,617.81	0.00
Paydown	06/15/2021	47789JAD8	73,451.31	John Deere Owner Trust 2019-A A3 2.91% Due 7/17/2023	100.000		73,451.31	1,938.33	75,389.64	0.00
Paydown	06/15/2021	47789KAC7	0.00	John Deere Owner Trust 2020-A A3 1.1% Due 8/15/2024	100.000		0.00	792.92	792.92	0.00
Paydown	06/15/2021	58769EAC2	0.00	Mercedes-Benz Auto Lease Trust 2020-B A3 0.4% Due 11/15/2023	100.000		0.00	175.00	175.00	0.00
Paydown	06/15/2021	58770FAC6	0.00	Mercedes Benz Auto Lease Trust 2020-A A3 1.84% Due 12/15/2022	100.000		0.00	874.00	874.00	0.00
Paydown	06/15/2021	65479GAD1	46,063.98	Nissan Auto Receivables Trust 2018-B A3 3.06% Due 3/15/2023	100.000		46,063.98	937.60	47,001.58	0.00
Paydown	06/15/2021	65479JAD5	0.00	Nissan Auto Receivables Owner 2019-C A3 1.93% Due 7/15/2024	100.000		0.00	1,978.25	1,978.25	0.00
Paydown	06/15/2021	89236XAC0	0.00	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	100.000		0.00	202.71	202.71	0.00
Paydown	06/15/2021	89238TAD5	93,201.51	Toyota Auto Receivables Trust 2018-B A3 2.96% Due 9/15/2022	100.000		93,201.51	1,039.34	94,240.85	0.00
Paydown	06/15/2021	89240BAC2	0.00	Toyota Auto Receivables Owners 2021-A A3 0.26% Due 5/15/2025	100.000		0.00	329.33	329.33	0.00
Paydown	06/18/2021	43813KAC6	0.00	Honda Auto Receivables Trust 2020-3 A3 0.37% Due 10/18/2024	100.000		0.00	268.25	268.25	0.00
Paydown	06/21/2021	43813GAC5	0.00	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	100.000		0.00	93.38	93.38	0.00

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Transaction Ledger

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Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
DISPOSITIONS										
Paydown	06/21/2021	43815HAC1	31,038.42	Honda Auto Receivables Trust 2018-3 A3 2.95% Due 8/22/2022	100.000		31,038.42	382.43	31,420.85	0.00
Paydown	06/21/2021	92290BAA9	0.00	Verizon Owner Trust 2020-B A 0.47% Due 2/20/2025	100.000		0.00	475.88	475.88	0.00
Paydown	06/21/2021	92348AAA3	0.00	Verizon Owner Trust 2019-C A1A 1.94% Due 4/22/2024	100.000		0.00	1,269.08	1,269.08	0.00
Paydown	06/25/2021	3137B4WB8	0.00	FHLMC K033 A2Due 7/25/2023	100.000		0.00	3,825.00	3,825.00	0.00
Paydown	06/25/2021	3137B5JM6	0.00	FHLMC K034 A2 3.531% Due 7/25/2023	100.000		0.00	4,413.75	4,413.75	0.00
Paydown	06/25/2021	3137B7MZ9	0.00	FHLMC K036 A2Due 10/25/2023	100.000		0.00	6,304.58	6,304.58	0.00
Paydown	06/25/2021	3137BDDC7	35,249.04	FHLMC K716 A2 3.13% Due 6/25/2021	100.000		35,249.04	91.94	35,340.98	0.00
Paydown	06/25/2021	3137BM6P6	4,453.48	FHLMC K721 A2Due 8/25/2022	100.000		4,453.48	7,119.40	11,572.88	0.00
Paydown	06/25/2021	3137BYPQ7	1,364.16	FHLMC K726 A2 2.905% Due 4/25/2024	100.000		1,364.16	3,267.20	4,631.36	0.00
Paydown	06/28/2021	3137BFDQ1	85,203.46	FHLMC K717 A2 2.991% Due 9/25/2021	100.000		85,203.46	2,184.96	87,388.42	0.00
Subtotal			497,850.30				497,850.30	41,845.38	539,695.68	0.00
Maturity	06/11/2021	313373ZY1	2,000,000.00	FHLB Note 3.625% Due 6/11/2021	100.000		2,000,000.00	0.00	2,000,000.00	0.00
Maturity	06/11/2021	313379RB7	1,000,000.00	FHLB Note 1.875% Due 6/11/2021	100.000		1,000,000.00	0.00	1,000,000.00	0.00
Subtotal			3,000,000.00				3,000,000.00	0.00	3,000,000.00	0.00
Security Withdrawal	06/04/2021	60934N104	625.00	Federated Investors Government Obligations Fund	1.000		625.00	0.00	625.00	0.00

Attachment: 2021-06 report (5493 : RECEIPT OF QUARTERLY INVESTMENT REPORT - QUARTER ENDED

Transaction Ledger

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Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
DISPOSITIONS										
Security Withdrawal	06/30/2021	60934N104	625.00	Federated Investors Government Obligations Fund	1.000		625.00	0.00	625.00	0.00
Subtotal			1,250.00				1,250.00	0.00	1,250.00	0.00
TOTAL DISPOSITIONS			9,258,442.06				9,277,974.65	57,561.68	9,335,536.33	24,011.00
OTHER TRANSACTIONS										
Interest	06/08/2021	3130A0F70	1,700,000.00	FHLB Note 3.375% Due 12/8/2023	0.000		28,687.50	0.00	28,687.50	0.00
Interest	06/11/2021	313373ZY1	2,000,000.00	FHLB Note 3.625% Due 6/11/2021	0.000		36,250.00	0.00	36,250.00	0.00
Interest	06/11/2021	313379RB7	1,000,000.00	FHLB Note 1.875% Due 6/11/2021	0.000		9,375.00	0.00	9,375.00	0.00
Interest	06/14/2021	3130A1XJ2	3,000,000.00	FHLB Note 2.875% Due 6/14/2024	0.000		43,125.00	0.00	43,125.00	0.00
Interest	06/17/2021	3135G04Z3	3,400,000.00	FNMA Note 0.5% Due 6/17/2025	0.000		8,500.00	0.00	8,500.00	0.00
Interest	06/19/2021	3137EAEN5	3,000,000.00	FHLMC Note 2.75% Due 6/19/2023	0.000		41,250.00	0.00	41,250.00	0.00
Interest	06/30/2021	912828N30	1,750,000.00	US Treasury Note 2.125% Due 12/31/2022	0.000		18,593.75	0.00	18,593.75	0.00
Interest	06/30/2021	912828V23	3,150,000.00	US Treasury Note 2.25% Due 12/31/2023	0.000		35,437.50	0.00	35,437.50	0.00
Interest	06/30/2021	912828XG0	1,700,000.00	US Treasury Note 2.125% Due 6/30/2022	0.000		18,062.50	0.00	18,062.50	0.00
Interest	06/30/2021	912828XX3	3,000,000.00	US Treasury Note 2% Due 6/30/2024	0.000		30,000.00	0.00	30,000.00	0.00
Subtotal			23,700,000.00				269,281.25	0.00	269,281.25	0.00

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Transaction Ledger

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Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
OTHER TRANSACTIONS										
Dividend	06/01/2021	60934N104	316,294.81	Federated Investors Government Obligations Fund	0.000		15.23	0.00	15.23	0.00
Subtotal			316,294.81				15.23	0.00	15.23	0.00
TOTAL OTHER TRANSACTIONS			24,016,294.81				269,296.48	0.00	269,296.48	0.00

Attachment: 2021-06 report (5493 : RECEIPT OF QUARTERLY INVESTMENT REPORT - QUARTER ENDED

Income Earned

As of June 30, 2021



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
FIXED INCOME						
009158AV8	Air Products & Chemicals Callable Note Cont 4/30/2024 3.35% Due 07/31/2024	08/07/2019 08/09/2019 500,000.00	517,106.60 0.00 0.00 516,624.28	5,629.86 0.00 7,025.69 1,395.83	0.00 482.32 (482.32) 913.51	913.
023135BX3	Amazon.com Inc Callable Note Cont 4/12/2026 1% Due 05/12/2026	05/10/2021 05/12/2021 2,615,000.00	2,603,826.93 0.00 0.00 2,604,012.53	1,380.14 0.00 3,559.31 2,179.17	185.60 0.00 185.60 2,364.77	2,364.
02665WCJ8	American Honda Finance Note 3.45% Due 07/14/2023	07/11/2018 07/16/2018 335,000.00	334,754.39 0.00 0.00 334,763.92	4,398.27 0.00 5,361.40 963.13	9.53 0.00 9.53 972.66	972.
02665WCQ2	American Honda Finance Note 3.625% Due 10/10/2023	Various Various 1,635,000.00	1,656,743.93 0.00 0.00 1,655,986.30	8,396.40 0.00 13,335.47 4,939.07	11.25 768.88 (757.63) 4,181.44	4,181.
037833AK6	Apple Inc Note 2.4% Due 05/03/2023	11/28/2018 11/30/2018 715,000.00	700,658.73 0.00 0.00 701,272.48	1,334.67 0.00 2,764.67 1,430.00	613.75 0.00 613.75 2,043.75	2,043.
06051GHF9	Bank of America Corp Callable Note 1X 3/5/2023 3.55% Due 03/05/2024	Various Various 1,900,000.00	1,917,820.60 0.00 0.00 1,917,290.23	16,113.05 0.00 21,733.89 5,620.84	0.00 530.37 (530.37) 5,090.47	5,090.
06051GJD2	Bank of America Corp Callable Note Cont 6/19/2025 1.319% Due 06/19/2026	06/17/2021 06/21/2021 800,000.00	0.00 802,768.00 0.00 802,752.82	0.00 (58.62) 351.73 293.11	0.00 15.18 (15.18) 277.93	277.
06406RAJ6	Bank of NY Mellon Corp Note 3.45% Due 08/11/2023	Various Various 1,900,000.00	1,931,854.72 0.00 0.00 1,930,661.66	20,029.16 0.00 25,491.66 5,462.50	0.00 1,193.06 (1,193.06) 4,269.44	4,269.
13063DRK6	California State Taxable GO 2.4% Due 10/01/2024	10/16/2019 10/24/2019 1,915,000.00	1,944,698.91 0.00 0.00 1,943,967.41	7,660.00 0.00 11,490.00 3,830.00	0.00 731.50 (731.50) 3,098.50	3,098.

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Income Earned

As of June 30, 2021



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
14913Q3B3	Caterpillar Finl Service Note 2.15% Due 11/08/2024	Various Various 2,020,000.00	2,037,710.43 0.00 0.00 2,037,287.40	2,774.70 0.00 6,393.86 3,619.16	0.00 423.03 (423.03) 3,196.13	3,196.
17275RBJ0	Cisco Systems Callable Note Cont 8/20/2021 1.85% Due 09/20/2021	02/26/2019 03/01/2019 1,250,000.00	1,246,887.78 0.00 0.00 1,247,728.92	4,560.76 0.00 6,487.85 1,927.09	841.14 0.00 841.14 2,768.23	2,768.
24422ETG4	John Deere Capital Corp Note 2.8% Due 03/06/2023	Various Various 780,000.00	784,012.44 0.00 0.00 783,825.23	5,156.67 0.00 6,976.66 1,819.99	135.42 322.63 (187.21) 1,632.78	1,632.
24422EVN6	John Deere Capital Corp Note 0.45% Due 01/17/2024	03/01/2021 03/04/2021 2,300,000.00	2,298,505.55 0.00 0.00 2,298,552.25	2,501.25 0.00 3,363.75 862.50	46.70 0.00 46.70 909.20	909.
3130A0F70	FHLB Note 3.375% Due 12/08/2023	01/16/2019 01/17/2019 1,700,000.00	1,725,561.68 0.00 0.00 1,724,728.15	27,571.88 28,687.50 3,665.63 4,781.25	0.00 833.53 (833.53) 3,947.72	3,947.
3130A1XJ2	FHLB Note 2.875% Due 06/14/2024	Various Various 3,000,000.00	3,080,474.50 0.00 0.00 3,078,297.56	40,010.42 43,125.00 4,072.92 7,187.50	0.00 2,176.94 (2,176.94) 5,010.56	5,010.
3130A2UW4	FHLB Note 2.875% Due 09/13/2024	09/13/2019 09/16/2019 3,000,000.00	3,102,019.74 0.00 0.00 3,099,469.24	18,687.50 0.00 25,875.00 7,187.50	0.00 2,550.50 (2,550.50) 4,637.00	4,637.
3130A4CH3	FHLB Note 2.375% Due 03/14/2025	03/19/2020 03/20/2020 2,750,000.00	2,870,634.55 0.00 0.00 2,868,015.86	13,969.62 0.00 19,412.33 5,442.71	0.00 2,618.69 (2,618.69) 2,824.02	2,824.
3130A8QS5	FHLB Note 1.125% Due 07/14/2021	10/04/2016 10/06/2016 1,100,000.00	1,099,749.11 0.00 0.00 1,099,924.15	4,709.38 0.00 5,740.63 1,031.25	175.04 0.00 175.04 1,206.29	1,206.

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Income Earned

As of June 30, 2021



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
3130AB3H7	FHLB Note 2.375% Due 03/08/2024	04/29/2019 04/30/2019 1,400,000.00	1,400,055.85 0.00 0.00 1,400,054.19	7,665.97 0.00 10,436.81 2,770.84	0.00 1.66 (1.66) 2,769.18	2,769.18
3130AF5B9	FHLB Note 3% Due 10/12/2021	11/29/2018 11/30/2018 1,400,000.00	1,400,448.16 0.00 0.00 1,400,347.07	5,716.67 0.00 9,216.67 3,500.00	0.00 101.09 (101.09) 3,398.91	3,398.91
313373ZY1	FHLB Note Due 06/11/2021	02/11/2019 02/12/2019 0.00	2,000,587.06 0.00 2,000,000.00 0.00	34,236.11 36,250.00 0.00 2,013.89	0.00 587.06 (587.06) 1,426.83	1,426.83
313379RB7	FHLB Note Due 06/11/2021	08/30/2017 08/31/2017 0.00	1,000,054.64 0.00 1,000,000.00 0.00	8,854.17 9,375.00 0.00 520.83	0.00 54.64 (54.64) 466.19	466.19
3135G03U5	FNMA Note 0.625% Due 04/22/2025	04/22/2020 04/24/2020 2,830,000.00	2,825,458.25 0.00 0.00 2,825,554.14	1,916.15 0.00 3,390.10 1,473.95	95.89 0.00 95.89 1,569.84	1,569.84
3135G04Z3	FNMA Note 0.5% Due 06/17/2025	Various Various 3,400,000.00	3,398,851.24 0.00 0.00 3,398,874.57	7,744.44 8,500.00 661.11 1,416.67	60.60 37.27 23.33 1,440.00	1,440.00
3135G05X7	FNMA Note 0.375% Due 08/25/2025	12/16/2020 12/17/2020 3,150,000.00	3,142,689.46 0.00 0.00 3,142,831.32	3,150.00 0.00 4,134.38 984.38	141.86 0.00 141.86 1,126.24	1,126.24
3135G06G3	FNMA Note 0.5% Due 11/07/2025	Various Various 3,400,000.00	3,390,374.78 0.00 0.00 3,390,553.02	1,133.33 0.00 2,550.00 1,416.67	178.24 0.00 178.24 1,594.91	1,594.91
3135G0V75	FNMA Note 1.75% Due 07/02/2024	07/16/2019 07/17/2019 3,000,000.00	2,981,210.45 0.00 0.00 2,981,710.61	21,729.17 0.00 26,104.17 4,375.00	500.16 0.00 500.16 4,875.16	4,875.16

Attachment: 2021-06 report (5493 : RECEIPT OF QUARTERLY INVESTMENT REPORT - QUARTER ENDED

JULY 2021



Market Data

World Stock Market Indices
data as of 6/30/2021

	Change (5/31/21)	%CHG
S&P 500	4,297.50	93.39 2.22%
NASDAQ	14,503.95	755.21 5.49%
DOW JONES	34,502.51	-26.94 -0.08%
FTSE (UK)	7,037.47	14.86 0.21%
DAX (Germany)	15,531.04	109.91 0.71%
Hang Seng (Hong Kong)	28,827.95	-323.85 -1.11%
Nikkei (Japan)	28,791.53	-68.55 -0.24%

Source: Bloomberg. Please see descriptions of indices on Page 2.



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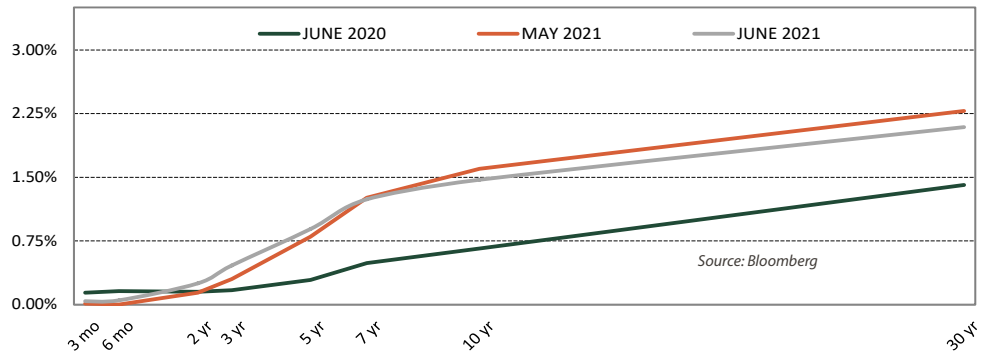
Market Summary

We believe the outlook for US economic growth in the second half of the year is strong, fueled by ongoing fiscal support, accommodative monetary policy, widespread vaccinations, and the continued reopening of the economy. Although some of these factors have begun to moderate, we expect they will continue to provide tailwinds for the economy through year-end. Vaccination rates in the US have slowed, and infection rates have recently increased but remain well below their peak. Thus far, US-approved vaccines have shown to be effective against COVID-19 as well as more aggressive variants. As such, we remain optimistic about the continued reopening of the US economy. Meanwhile, although some pandemic-related fiscal relief is starting to phase out, President Biden and a group of bipartisan senators have agreed to an overall framework for an infrastructure plan. Though the details haven't been finalized or approved by Congress, the negotiations signal that more fiscal stimulus is likely on the horizon. Meanwhile, the Federal Reserve continues to signal that it will look past the near-term uptick in inflation to facilitate continued improvement in the labor market. While we believe financial market volatility is likely to increase in the second half of the year, we anticipate that gross domestic product (GDP) will continue to grow at an above-trend pace.

The Federal Open Market Committee (FOMC) kept monetary policy unchanged in June. The Fed has started to discuss the idea of reducing its asset purchases at some point, but that decision remains uncertain. FOMC members' updated economic projections also suggest that the Fed may start to raise interest rates in 2023. Overall, monetary policy remains highly accommodative for now, but the Fed seems to be inching toward a path of policy normalization. We believe the Fed will proceed with caution, particularly given the high number of people who remain unemployed and continue to experience uncertainty about the pandemic. Should the U.S. economy remain on its current trajectory, and global vaccination rates improve meaningfully, we believe there is a high probability that the Fed will begin tapering its asset purchases during the first half of next year.

The yield curve flattened in June. We believe multiple factors influenced Treasury rates in June, including market technicals, dollar strengthening, uneven global vaccination rates, and a more modest forecast for U.S. infrastructure spending than initially expected. Nevertheless, we believe longer-term rates have room to move higher this year and we believe the Treasury yield curve is poised to steepen in the second half of the year.

TREASURY YIELD CURVE POISED TO STEEPEN



The Treasury yield curve is steeper on a year-over-year basis. The 3-month T-bill yield was about nine basis points lower, while the 2-year Treasury yield was about ten basis points higher, and the 10-Year Treasury yield was about 81 basis points higher, year-over-year, as of June month-end. The Fed has signaled plans to keep the front end of the Treasury yield curve anchored near zero until 2023. We believe longer-term rates still have room to move higher this year.

TREASURY YIELDS	Trend (▲/▼)	6/30/2021	5/31/2021	Change
3-Month	▲	0.04	0.01	0.03
2-Year	▲	0.25	0.14	0.11
3-Year	▲	0.46	0.30	0.16
5-Year	▲	0.89	0.80	0.09
7-Year	▼	1.24	1.26	-0.02
10-Year	▼	1.47	1.60	-0.13
30-Year	▼	2.09	2.28	-0.20

Source: Bloomberg

Attachment: CAM-Newsletter-July-2021 (5493 : RECEIPT OF QUARTERLY INVESTMENT REPORT - QUARTER ENDED JUNE 30, 2021)

Since 1988, Chandler Asset Management has specialized in providing fixed income investment solutions to risk-averse public agencies and institutions. Chandler's mission is to provide fully customizable, client-centered portfolio management that preserves principal, mitigates risk and generates income in our clients' portfolios.

Credit Spreads Tightened in June

CREDIT SPREADS	Spread to Treasuries (%)	One Month Ago (%)	Change
3-month top rated commercial paper	0.12	0.04	0.08
2-year A corporate note	0.14	0.15	(0.01)
5-year A corporate note	0.31	0.36	(0.05)
5-year Agency note	0.00	0.01	(0.01)

Source: Bloomberg

Data as of 6/30/2021

Economy Is Poised for Continued Above-Trend Growth

ECONOMIC INDICATOR	Current Release	Prior Release	One Year Ago
Trade Balance	(71.24) \$Bln MAY 21	(69.07) \$Bln APR 21	(54.92) \$Bln MAY 20
Gross Domestic Product	6.40% MAR 21	4.30% DEC 20	(5.00%) MAR 20
Unemployment Rate	5.90% JUN 21	5.80% MAY 21	11.10% JUN 20
Prime Rate	3.25% JUN 21	3.25% MAY 21	3.25% JUN 20
Commodity Research Bureau Index	213.39 JUN 21	205.70 MAY 21	137.97 JUN 20
Oil (West Texas Int.)	\$73.47 JUN 21	\$66.32 MAY 21	\$39.27 JUN 20
Consumer Price Index (y/o/y)	5.00% MAY 21	4.20% APR 21	0.10% MAY 20
Producer Price Index (y/o/y)	8.70% MAY 21	9.50% APR 21	(3.20%) MAY 20
Dollar/Euro	1.19 JUN 21	1.22 MAY 21	1.12 JUN 20

Source: Bloomberg

Economic Roundup

Consumer Prices

The Consumer Price Index (CPI) was up 5.0% year-over-year in May versus up 4.2% in April. Core CPI (CPI less food and energy) was up 3.8% year-over-year in May, versus up 3.0% in April. The Personal Consumption Expenditures (PCE) index was up 3.9% year-over-year in May, versus up 3.6% year-over-year in April. Core PCE was up 3.4% year-over-year in May, versus up 3.1% year-over-year in April. Current inflation readings are running well above the Fed longer-run target of around 2.0%, though many of the factors are expected to be temporary.

Retail Sales

On a year-over-year basis, retail sales were up 28.1% in May versus up 53.4% in April. The year-over-year gains are distorted by the drop-off in spending an activity at the early stage of the pandemic last year. On a month-over-month basis, retail sales declined 1.3% in May, following a 0.9% increase in April. Retail sales have been somewhat uneven due to the timing of fiscal stimulus and economic reopening. Overall, we believe consumer spending remains healthy and consistent with an ongoing recovery in economic activity.

Labor Market

Job growth was stronger than expected in June. U.S. nonfarm payrolls increased by 850,000, versus the consensus forecast of 720,000. May payrolls were also revised up by 24,000 to 583,000. On a trailing 3-month and 6-month basis, payrolls increased by an average of 567,000 and 543,000 per month respectively, which is indicative of a steady recovery in the labor market. The leisure and hospitality sectors continue to drive the job gains in June and increased by 343,000. Government payrolls also posted a solid increase of 188,000 in June. The labor participation rate was unchanged at 61.6% in June. The unemployment rate ticked higher to 5.9% in June from 5.8% in May. The U-6 underemployment rate, which includes those who are marginally attached to the labor force and employed part time for economic reasons, declined to 9.8% in June from 10.2% in May. The index of aggregate private weekly payrolls was up 2.8% in June from February 2020, suggesting a solid increase in aggregate wages.

Housing Starts

Total housing starts rose 3.6% in May to an annual pace of 1,572,000. Single-family starts rose 4.2% in May while multi-family starts were up 2.4%. On a year-over-year basis, housing starts were up 50.3% in May, due in part to the steep decline in activity during the early stage of the pandemic last year.

World Stock Market Index Descriptions

S&P 500—The S&P 500 is a market value weighted index of 500 large-capitalization stocks. The 500 companies included in the index capture approximately 80% of available US market capitalization. NASDAQ—The NASDAQ Composite Index is the market capitalization-weighted index of over 3,300 common stocks listed on the NASDAQ stock exchange. Dow Jones—The Dow Jones Industrial Average is an index that tracks 30 large, publicly-owned companies trading on the New York Stock Exchange and the NASDAQ. The Financial Times Stock Exchange Group (FTSE)—The FTSE is a share index of the 100 companies listed on the London Stock Exchange with the highest market capitalization. DAX—The Deutscher Aktienindex (DAX) is a blue chip stock market index consisting of the 30 major German companies trading on the Frankfurt Stock Exchange. Hang Seng—The Hang Seng Index is a freefloat-adjusted market-capitalization weighted stock market index in Hong Kong. It is used to record and monitor daily changes of the largest companies of the Hong Kong stock market and is the main indicator of overall market performance in Hong Kong. Nikkei—Japan Nikkei 225 Stock Average is a price-weighted index composed of Japan's top 225 blue-chip companies traded on the Tokyo Stock Exchange.

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Data source: Bloomberg and the U.S. Department of Labor. This report is provided for informational purposes only and should not be construed as specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable of the date of publication, but may become outdated or superseded at any time without notice. Any opinions or views expressed are based on current market conditions and are subject to change. This report may contain forecasts and forward-looking statements which are inherently limited and should not be relied upon as an indicator of future results. Past performance is not indicative of future results. This report is not intended to constitute an offer, solicitation, recommendation or advice regarding any securities or investment strategy and should not be regarded by recipients as a substitute for the exercise of their own judgment. Fixed income investments are subject to interest, credit, and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

Attachment: CAM-Newsletter-July-2021 (5493 : RECEIPT OF QUARTERLY INVESTMENT REPORT - QUARTER ENDED JUNE 30, 2021)



Report to City Council

TO: Mayor and City Council

FROM: Brian Mohan, Assistant City Manager
Steve Quintanilla, Interim City Attorney

AGENDA DATE: September 7, 2021

TITLE: COVID-19 PANDEMIC RESOLUTIONS EXTENDING THE LOCAL STATE OF EMERGENCY AND CERTAIN EMERGENCY MEASURES (RESO. NO. 2021-XX)

RECOMMENDED ACTION

Recommendations:

That the City Council adopt Resolution No. 2021-XX Extending the Local State of Emergency and Certain Emergency Measures related to the Local, State and National Declarations of a State of Emergency related to the COVID-19 Pandemic.

SUMMARY

The Disaster Council recommends that the City Council adopt the attached Resolution Extending the Local State of Emergency and Certain Emergency Measures related to the Local, State and National Declarations of a State of Emergency related to the COVID-19 Pandemic.

The City Council initially declared a Local State of Emergency at its March 17, 2020 meeting and closed all City facilities to the public to minimize and mitigate the spread of the COVID-19 coronavirus.

DISCUSSION

On March 17, 2020, the City Council declared a Local State of Emergency in response to the COVID-19 Pandemic, which prompted the Disaster Council to convene. The Disaster Council consists of the Mayor, City Manager/Director of Emergency Services and the Fire Chief. The Disaster Council's purpose is to develop and recommend for adoption by the City Council emergency plans, mutual aid plans, agreements,

ordinances, resolutions and any necessary rules and regulations to implement the aforementioned.

Since the commencement of the Local State of Emergency, the City Council adopted via various resolutions and/or orders certain “Emergency Measures” related to the following:

- Declaring and Subsequently Extending the Existence of a Local State of Emergency due to the COVID-19 Pandemic;
- Approving the Pandemic Influenza Preparedness Plan;
- Ratifying, Adopting and Approving the Amended Closure Plan Regarding its Termination Date;
- Directing the City Disaster Council and/or City Manager/Emergency Services Director to Seek, Apply for and Accept any Financial Assistance, Grants, Reimbursements the City is Eligible to Receive Under any State or Federal Programs, Agencies or Offices including but not limited to the Governor’s Office of Emergency Services, the United States Department of Health and Human Services; Centers for Disease Control and Prevention and/or the Federal Emergency Management Agency;
- Authorizing the City Manager/Emergency Services Director to Obtain Vital Supplies, Equipment and Property Found Lacking and Needed for the Protection of Life and Property During the Local State of Emergency;
- Waiving the City Manager’s/Emergency Services Director’s Level of Procurement Signature Authority to Mitigate or Prevent the Spread and Transmission of COVID-19;
- Authorizing the City Manager/Emergency Services Director to Suspend the Purchasing Procedures Set Forth in Chapter 3.12 of the Municipal Code Related to the COVID-19 Virus Pandemic Emergency;
- Authorizing the City Manager/Emergency Director to Take any Directly Related and Immediate Action Required by the COVID-19 Virus Pandemic Emergency and Procure the Necessary Public Works Construction Contracts for those Purposes, Without Giving Notice for Bids to Let Contracts;
- Granting Qualified Immunity to Certain Medical Professionals and Veterinarians or Registered Veterinary Technicians Who Render Services During the City’s Local State of Emergency at the Express or Implied Request of the City Disaster Council, City Manager/Emergency Services Director and/or City Council;
- Imposing a Moratorium on Late Fees Related to the Nonpayment of Rent Due to Inability to Pay Related to COVID-19;
- Approving Provisions to Permit Expanded Outdoor Dining for Local Restaurants and Streamlining the Temporary Use Permit (TUP) Process and Instituting a Fee Waiver to Temporarily Allow Existing Restaurants to Expand Outdoor Seating Capacity on Private Property in Order to Implement Proper Social Distancing Measures;

- Authorizing the Operation of the State of California's Great Plates Delivered Program, Locally Known as Senior Eats, Reimbursing Local Restaurants for the Delivery of Hot Meals to Seniors;
- Approving Provisions to Allow for Temporary Outdoor Business Operations and Streamlining the Temporary Use Permit (TUP) process and Instituting a Fee Waiver to Temporarily Allow Existing Businesses to Conduct Outdoor Business Operations on Private Property in Order to Implement Proper Social Distancing Measures; and
- Adopting a Declaration of a Fiscal Emergency.

It is important to note that all of the above Emergency Measures are temporary. Each are set to terminate at such time that the Governor's State of Emergency is terminated by a subsequent proclamation of the Governor, a concurrent resolution of the State Legislature, or adoption of or change in previous State legislation, State Commission, CPUC, or other State Board that conflicts with any local Council approved resolutions, and the emergency measures are terminated by the City Council. Notwithstanding the foregoing, and in order to prevent inconsistencies, the Disaster Council or the City Council may suspend the effectiveness of any of the Emergency Measures in the event the President of the United States, the United States Congress, the Governor of the State of California, the California State Legislature or the Public Health Officer of the County of Riverside adopts legislation, a law, a regulation or order that supersedes any given Emergency Measure.

Notwithstanding the above, under the California Emergency Services Act, the City Council must review the need for continuing the existence of the Local State of Emergency at least once every 60 days until the City Council terminates the Local State of Emergency. Pursuant to the California Emergency Services Act, the City Council must terminate the Local State of Emergency at the earliest possible day that the conditions warrant.

RESOLUTION EXTENDING LOCAL EMERGENCY AND EMERGENCY MEASURES

In light of the foregoing, the Disaster Council recommends that the City Council adopt the attached Resolution that:

- Extends Declaration of the Existence of a Local State of Emergency due to the COVID-19 Pandemic;
- Reaffirms the Approval the Pandemic Influenza Preparedness Plan;
- Continues Directing the City Disaster Council and/or City Manager/Emergency Services Director to Seek, Apply for and Accept any Financial Assistance, Grants, Reimbursements the City is Eligible to Receive Under any State or Federal Programs, Agencies or Offices including but not limited to the Governor's Office of Emergency Services, the United States Department of Health and Human Services; Centers for Disease Control and Prevention and/or the Federal Emergency Management Agency;

- Continues to Authorize the City Manager/Emergency Services Director to Obtain Vital Supplies, Equipment and Property Found Lacking and Needed for the Protection of Life and Property During the Local State of Emergency;
- Continues to Waive the City Manager's/Emergency Services Director's Level of Procurement Signature Authority to Mitigate or Prevent the Spread and Transmission of COVID-19;
- Extends the Authorization of the City Manager/Emergency Services Director to Suspend the Purchasing Procedures Set Forth in Chapter 3.12 of the Municipal Code Related to the COVID-19 Virus Pandemic Emergency;
- Extends the Authorization of the City Manager/Emergency Director to Take any Directly Related and Immediate Action Required by the COVID-19 Virus Pandemic Emergency and Procure the Necessary Public Works Construction Contracts for those Purposes, Without Giving Notice for Bids to Let Contracts;
- Extends Granting Qualified Immunity to Certain Medical Professionals and Veterinarians or Registered Veterinary Technicians Who Render Services During the City's Local State of Emergency at the Express or Implied Request of the City Disaster Council, City Manager/Emergency Services Director and/or City Council;
- Continues Imposing a Moratorium on Late Fees Related to the Nonpayment of Rent Due to Inability to Pay Related to COVID-19;
- Extending the Provisions to Permit Expanded Outdoor Dining for Local Restaurants and Streamlining the Temporary Use Permit (TUP) Process and Instituting a Fee Waiver to Temporarily Allow Existing Restaurants to Expand Outdoor Seating Capacity on Private Property in Order to Implement Proper Social Distancing Measures;
- Continues Authorizing the Operation of the State of California's Great Plates Delivered Program, Locally Known as Senior Eats, Reimbursing Local Restaurants for the Delivery of Hot Meals to Seniors;
- Extending the Provisions to Allow for Temporary Outdoor Business Operations and Streamlining the Temporary Use Permit (TUP) process and Instituting a Fee Waiver to Temporarily Allow Existing Businesses to Conduct Outdoor Business Operations on Private Property in Order to Implement Proper Social Distancing Measures; and
- Extending and Reaffirming the Declaration of a Fiscal Emergency.

Upon adoption of the attached Resolution, all of the above Emergency Measures will remain in full force and effect until such time that the Governor's State of Emergency is lifted either by the Governor, a joint resolution of the State Legislature, or adoption of or change in previous State legislation, State Commission, CPUC, or other State Board that conflicts with any local Council approved resolutions, and terminated by the City Council, which pursuant to the California Services Act, the City Council is obligated to terminate at the earliest possible day that the conditions warrant.

Extending the Existence of a Local Emergency due to the COVID-19 Pandemic

Under a prior order of the City Council, the City Manager/Emergency Services Director was directed to provide an update to the City Council every 60 days to determine whether the Local State of Emergency needs to remain in effect.

The Disaster Council has determined there remains a need to continue (extend) the City Council's declaration of the existence of a Local State of Emergency due to the ongoing nature of the COVID-19 Pandemic, which continues to endanger the health and welfare of the residents and visitors of the City of Moreno Valley, as reflected in the guidance and related findings published by Riverside County Public Health Officer, the Governor's Office, the California Department of Public Health, the Centers of Disease Control and Prevention and the World Health Organization.

Pandemic Influenza Preparedness Plan

The Pandemic Influenza Preparedness Plan which was prepared under the direction and oversight of the Disaster Council, serves as the City's "Emergency Operations Plan." Pursuant to the Municipal Code, the Disaster Council is responsible for the development and maintenance of the City's Emergency Operations Plan, which must provide for the effective mobilization of all of the resources of the City, both public and private, to meet any conditions which may arise during the Local State of Emergency. It also provides for the organization, powers and duties and services of certain City employees, who all became "Disaster Workers" upon the adoption the Declaration of the Local State of Emergency. As Disaster Workers, some City employees may be assigned duties outside the scope of their regular job duties. The Plan also addresses issues such as telecommuting and financial tracking of emergency expenditures for purposes of qualifying for emergency assistance from Governor's Operations of Emergency Services and/or FEMA.

Closure Plan

Under the direction and oversight of the Disaster Council, a "Closure Plan" was developed which identifies which City facilities would either be closed during certain times and on certain days. The Closure Plan also identifies any adjustment in the hours of operation related to providing certain services to the public, such as those provided through the City's Libraries, Parks & Community Services, Employment Resource Center, Animal Services, etc.

Waiving Limitation on City Manager's Purchasing Authority

Currently, the City Manager/Emergency Services Director has the discretion to purchase and procure certain materials, equipment, supplies and services, provided that no single transaction exceeds \$50,000 or \$75,000 for public works contracts. This emergency measure waives these dollar limitations only for those purchases and procurement of materials, equipment, supplies and services which are related to mitigating or preventing the spread and transmission of COVID-19. This emergency measure also ratified any and all purchases of equipment, supplies and other materials in response to the arrival of 195 individuals who may have been exposed to COVID-19

at March Air Reserve Base on or about January 29, 2020, and who were subjected to a mandatory 14-Day federal COVID-19 quarantine at the Base, without prior sufficient notice being provided to the City first

Suspending Purchasing Procedures

This Emergency Measure authorizes the City Manager/Emergency Services Director to suspend the purchasing procedures set forth in Chapter 3.12 "Purchasing" of the Municipal Code to procure the necessary equipment, services, and supplies in order to respond immediately and effectively to the COVID-19 Virus Pandemic Emergency. Suspension of the purchasing procedures essentially authorizes the City Manager/Emergency Services Director to approve the direct purchase of any supplies, materials, equipment or contractual services where immediate procurement is essential to prevent delays which may otherwise hinder the City's efforts to implement programs and provide services intended to prevent or mitigate the risk of spreading and transmitting COVID-19. This also allows the City Manager/Emergency Services Director to suspend any requirements for preparing and publishing "Notices Inviting Bids," soliciting prospective vendors and consultants via "Requests for Proposals" (RFPs) or "Request for Quotes," awarding a contract or purchase to the "Lowest Responsible Bidder," requiring "Bidder's Security," and implementing "Protest Procedures."

Suspending Public Contract Bidding Requirements

This Emergency Measure allows for a temporary suspension of the competitive bidding process associated with public works contracts. Under the State's Public Contract Code, such a temporary suspension is permitted during a State of Emergency. Basically, this authorizes the City Manager/Emergency Services Director to cause the repair or replacement of any public facility directly related to the COVID-19 Virus Pandemic Emergency, which requires immediate action without having to give notice for bids to let contracts as otherwise required under the Public Contract Code.

Obtaining Vital Supplies, Equipment and Property

This Emergency Measure authorizes the City Manager/Emergency Services Director or designee, for the duration of the Local State Emergency, to obtain vital supplies, equipment and property identified as lacking and necessary for the protection of life and property and to bind the City for the fair value thereof.

Application & Acceptance of State & Federal Emergency Aid

FEMA has announced that certain emergency protective measures taken by cities to respond to the COVID-19 emergency may be eligible for reimbursement. In addition, there may also be some emergency funding made available by the Health and Human Services or the Centers for Disease Control and Prevention for certain emergency protective measures, the City may implement. Such funding may be made available for costs associated with management, control and reduction of immediate threats to public health and safety, such as Emergency Operation Center costs, training specific to the

declared event and disinfection of eligible public facilities, medical facility services and supplies, temporary medical facilities and/or enhanced medical/hospital capacity, use of specialized medical equipment, medical waste disposal, emergency medical transport, medical sheltering, etc. Moreover, it is expected that under the California Disaster Assistance Act, the State may be providing financial assistance for local costs such as, but not limited to, personnel costs, equipment costs, and the cost of supplies and materials used during disaster response activities; matching fund assistance for cost sharing required under federal disaster assistance programs; and indirect administrative costs and any other assistance deemed necessary by the Director of the Office of Emergency Services.

Moratorium on Late Fees Related to the Nonpayment of Rent

This Emergency Measure prevents a landlord from evicting a 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. In addition, a landlord may not charge or collect any interest or any late fee for rent that is delayed due to the nonpayment of rent caused by the COVID-19 Pandemic. This shall not, however, relieve a tenant of liability for the unpaid rent, and no other legal remedies available to the landlord are affected by this Emergency Measure. This Emergency Measure also does not prevent a landlord from evicting a tenant who failed to pay rent when due prior to the Governor's Proclamation of a State of Emergency on March 4, 2020 or for any other lease violation not related or caused by the COVID-19 Pandemic.

Granting Qualified Immunity to Medical Professionals and Veterinarians

This Emergency Measure authorizes the City Manager/Emergency Services Director, for the duration of the Local State of Emergency, to request, expressly or impliedly, the services of certain medical professionals and facilities for purposes related to the Local State of Emergency. This applies to the services provided by any physician or surgeon (whether licensed in California or any other state), hospital, pharmacist, respiratory care practitioner, nurse, or dentist for purposes related to the COVID-19. Pursuant to the California Emergency Services Act, any physician or surgeon (whether licensed in California or any other state), hospital, pharmacist, respiratory care practitioner, nurse, or dentist who renders services during the Local State of Emergency at the express or implied request of the City Disaster Council, City Manager/Emergency Services Director and/or City Council shall have no liability for any injury sustained by any person by reason of such services, regardless of how or under what circumstances or by what cause those injuries are sustained; provided, however, that the immunity herein granted shall not apply in the event of a willful act or omission.

This Emergency Measure also applies to any veterinarian or registered veterinary technician who renders services during the Local State of Emergency at the express or implied request of the City Disaster Council, City Manager/Emergency Services Director and/or City Council. They too shall have no liability for any injury sustained by any animal by reason of those services, regardless of how or under what circumstances or

by what cause those injuries are sustained; provided, however, that the immunity herein granted shall not apply in the event of a willful act or omission.

Providing For Expanded Restaurant Outdoor Seating

This Resolution continues to authorize the City Manager or designee to maintain the streamlined Temporary Use Permit (TUP) process and fee waiver to temporarily allow existing restaurants within the City to expand outdoor seating capacity on private property in order to implement proper social distancing measures. In association with this plan to facilitate operations for existing City restaurant businesses, staff has developed a checklist that provides applicants with a clear and simple understanding of the associated requirements. An over-the-counter approval process has also been made available.

Providing For Temporary Outdoor Business Operations

This Resolution also continues to authorize the City Manager to maintain the streamlined Temporary Use Permit (TUP) process and fee waiver to temporarily allow existing businesses to conduct outdoor operations within the City on private property in order to implement proper social distancing measures in accordance with applicable State guidelines. In association with this plan to facilitate operations for existing City businesses, staff developed a checklist that provides applicants a clear and simple understanding of the associated requirements. An over-the-counter approval process is also available.

Continuing the Declaration of a Fiscal Emergency

It is difficult to predict with certainty the ultimate reduction in General Fund revenues caused by the COVID-19 Pandemic but the impact has been and likely will continue to be significant. Although the City has taken immediate actions to balance the budget for the best case scenario of a \$9.9 million shortfall in FY 2020/21, due to the ongoing impacts of the Governor's Executive Orders and the potential for additional State takeaways from local government in future State budget revisions or other actions, along with not receiving any financial support from either the State or the Federal Government, this situation may continue to create a severe economic crisis at the federal, state and local levels.

Continuing the Declaration of a Fiscal Emergency as a result of COVID-19 provides, in part, for the City Manager/Emergency Services Director to investigate and recommend further actions to mitigate the fiscal impact to the City's 2020/21 and 2021/22 Fiscal Year Budgets, including such measures relating to personnel costs, operations, reduction in service levels, or other measures deemed necessary and reasonable to minimize the accelerated and significant reduction to the General Fund budget and reserves.

The decision to declare a Fiscal Emergency was not made lightly. The City's immediate and significant loss of revenue due to COVID-19 is unprecedented and represents a

sudden change of circumstances beyond the City's control and will ultimately draw down its General Fund reserves beyond a traditionally recommended level. Unlike the Great Recession of 2008-2011, where the City had an opportunity to implement cost saving measures over a longer period of time, the COVID-19 Local State of Emergency is immediate, severe and is highly likely going to extend through the next few fiscal years.

ALTERNATIVES

1. Adopt the recommended actions set forth within the staff report. This would allow the City Manager/Emergency Services Director to respond in a timely manner in time sensitive situations where delays may frustrate or impede the City's emergency efforts to abate or mitigate the spread and transmission of COVID-19.
2. Reject the recommended actions set forth within the staff report, which would impact the City's ability to respond in a timely manner in time sensitive situations where delays may frustrate or impede on the City's emergency efforts to abate or mitigate the spread and transmission of COVID-19 in a timely manner.

FISCAL IMPACT

See above discussion regarding Resolution Declaring Fiscal Emergency.

PREPARATION OF STAFF REPORT

Prepared By:
Brian Mohan
Assistant City Manager/Chief Financial Officer

Department Head Approval:
Mike Lee
City Manager

Concurred By:
Steve Quintanilla
Interim City Attorney

CITY COUNCIL GOALS

None

CITY COUNCIL STRATEGIC PRIORITIES

1. Economic Development
2. Public Safety
3. Library
4. Infrastructure
5. Beautification, Community Engagement, and Quality of Life
6. Youth Programs

ATTACHMENTS

1. Pandemic Resolution 09.07.21

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	8/30/21 1:18 PM
City Attorney Approval	<u>✓ Approved</u>	
City Manager Approval	<u>✓ Approved</u>	8/31/21 2:56 PM

RESOLUTION NO. 2021-___

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORENO VALLEY, CALIFORNIA,
EXTENDING THE LOCAL STATE OF EMERGENCY AND CERTAIN EMERGENCY
MEASURES RELATED TO THE LOCAL, STATE AND NATIONAL DECLARATIONS
OF A STATE OF EMERGENCY RELATED TO THE COVID-19 PANDEMIC
AND EXTENDING THE DECLARATION OF A FISCAL EMERGENCY**

WHEREAS, on March 4, 2020, the Governor of the State of California proclaimed 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 7, 2020, Riverside County Public Health Officer Dr. Cameron Kaiser declared a Local Health Emergency; and

WHEREAS, on March 10, 2020, the Riverside County Board of Supervisors ratified the Local Health Emergency and activated the Medical Health Department Operations Center to better coordinate public messaging and planning among community partners as Riverside County officials prepare for the spread of COVID-19; and

WHEREAS, on March 11, 2020, the California Department of Public Health issued guidance that in order to protect public health and slow the rate of transmission of COVID-19, by recommending placing restrictions on gatherings of people and minimum social distancing of six feet; and

WHEREAS, on March 12, 2020, the Governor of the State of California issued Executive Order N-25-20 providing that all residents are to heed any orders and guidance of state and local public health officials, including but not limited to the imposition of social distancing measures, to control the spread of COVID-19 and that authorized local legislative bodies to hold public meetings via teleconferencing and to make public meetings accessible telephonically or otherwise electronically to all members of the public seeking to attend and to address the local legislative body, during the period in which local public officials impose or recommend measures to promote social distancing, including but not limited to limitations on public events; and

WHEREAS, on March 13, 2020, the President of the United States of America proclaimed and declared a National Emergency Concerning the Novel Coronavirus Disease (COVID-19) Outbreak 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 17, 2020, the Governor issued Executive Order N-33-20 ordering that to protect public health, that all individuals living in the State of California stay home or at their place of residence (“Shelter in Place”) except as needed to maintain continuity of operations of the federal critical infrastructure sectors, as outlined at

Attachment: Pandemic Resolution 09.07.21 (5523 : COVID-19 PANDEMIC RESOLUTIONS EXTENDING THE LOCAL STATE OF EMERGENCY

<https://www.cisa.gov/critical-infrastructure-sectors>; and

WHEREAS, on March 17, 2020, the City Council declared a Local State of Emergency in response to the COVID-19 Pandemic, which prompted the Disaster Council to convene; and

WHEREAS, the Disaster Council consists of the Mayor, City Manager/Director of Emergency Services and the Fire Chief; and

WHEREAS, the Disaster Council's purpose is to develop and recommend for adoption by the City Council emergency plans, mutual aid plans, agreements, ordinances, resolutions and any necessary rules and regulations to implement the aforementioned; and

WHEREAS, since the commencement of the Local State of Emergency, the City Council adopted various temporary emergency measures related to the Local State of Emergency; and

WHEREAS, each of the temporary emergency measures were set to terminate at such time that the Governor's State of Emergency is terminated by a subsequent proclamation of the Governor or a concurrent resolution of the State Legislature, unless the emergency measures are terminated earlier by the City Council, but notwithstanding the foregoing, and in order to prevent inconsistencies, the Disaster Council or the City Council may suspend the effectiveness of any of the emergency measures in the event that the President of the United States, the United States Congress, the Governor of the State of California, the California State Legislature or the Public Health Officer of the County of Riverside adopts legislation, a law, a regulation or order that supersedes any given emergency measure; and

WHEREAS, notwithstanding the above, under the California Emergency Services Act, the City Council must review the need for continuing the existence of the Local State of Emergency at least once every 60 days until the City Council terminates the Local State of Emergency, and pursuant to the California Emergency Services Act, the City Council must terminate the Local State of Emergency at the earliest possible day that the conditions warrant; and

WHEREAS, the Disaster Council has determined there remains a need to continue (extend) the City Council's declaration of the existence of a Local State of Emergency due to the COVID-19 Virus Pandemic, which continues to endanger the health and welfare of the residents and visitors of the City of Moreno Valley, as reflected in the guidance and related findings published by Riverside County Public Health Officer, the Governor's Office, the California Department of Public Health, the Centers of Disease Control and Prevention and the World Health Organization; and

WHEREAS, on June 2, 2020, at a duly noticed regular meeting of the City Council, the City Council adopted Resolution No. 2020-41 extending certain g emergency

measures, as described in their respective adopting resolutions, until such time that the Governor's State of Emergency is lifted either by the Governor or a joint resolution of the State Legislature, unless terminated earlier by the City Council, which pursuant to the California Services Act, the City Council is obligated to terminate at the earliest possible day that the conditions warrant; and

WHEREAS, on June 2, 2020, at a duly noticed regular meeting of the City Council, the City Council adopted Resolution No. 2020-42, an emergency measure authorizing the City Manager/Emergency Director to set forth a streamlined Temporary Use Permit Process and fee waiver to temporarily allow existing restaurants to expand outdoor seating capacity in order to provide social distancing measures during the COVID-19 Pandemic; and

WHEREAS, on June 2, 2020, at a duly noticed regular meeting of the City Council, the City Council adopted Resolution No. 2020-43, unanimously determining and declaring the existence of a Fiscal Emergency within the City of Moreno Valley for the purpose of providing the City with the rights and authorities granted to the City Council, without limitation, under Article XIII C, section 2(b) of the California Constitution and Government Code section 3504.5, to ensure that the City has the resources and opportunities available to it that are necessary to preserve and protect public health, safety and welfare for the benefit of the City's residents, business owners, and visiting public; and

WHEREAS, on September 1, 2020, at a duly noticed regular meeting of the City Council, the City Council adopted Resolution No. 2020-61, an emergency measure authorizing the City Manager/Emergency Director to set forth a streamlined Temporary Use Permit Process and fee waiver to temporarily allow existing business operations to conduct outdoor use on private property in order to implement social distancing measures during the COVID-19 Pandemic; and

WHEREAS, on January 31, 2021, the Governor of the State of California signed Senate Bill 91, which extends the moratorium against evictions to June 30, 2021, extends the protections of "no cause" evictions, and makes financial assistance available to financially distressed qualifying landlords and tenants; and

WHEREAS, on February 11, 2021, the California Public Utilities Commission extended the customer protections that had been previously adopted, and directed energy, water and communications under CPUC jurisdiction to suspend customer disconnections for non-payments to June 30, 2021; and

WHEREAS in light of the foregoing, the Disaster Council recommends that the City Council adopt the another Resolution that extends the existence of a Local State of Emergency due to the COVID-19 Pandemic and extends certain emergency measures, and affirms the need to maintain the state of a Fiscal Emergency, previously adopted by the City Council pursuant to the findings set forth in the recitals contained and set forth in the resolutions adopting said emergency measures.

WHEREAS, the County of Riverside now aligns itself with the State's Orders as they now exist or may be issued or amended in the future.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY HERBY FINDS, ORDERS AND RESOLVES:

1. THAT the following Emergency Measures shall be extended and remain in full force and effect, as set forth below and described in their respective adopting resolutions, until such time that the Governor's State of Emergency is lifted either by the Governor, a joint resolution of the State Legislature, or adoption of or change in previous State legislation, State Commission, CPUC, or other State Board that conflicts with any local Council approved resolutions, and terminated by the City Council, which pursuant to the California Services Act, the City Council is obligated to terminate at the earliest possible day that the conditions warrant.
 - a. Declaration of the Existence of a Local State of Emergency due to the COVID-19 Pandemic;
 - b. Approval of the Pandemic Influenza Preparedness Plan;
 - c. Terminate Council approved Resolution 2020-17 Ratification, Adoption and Approval the Amended Closure Plan Regarding its Termination Date, effective June 1, 2021;
 - d. Directing the City Disaster Council and/or City Manager/Emergency Services Director to Seek, Apply for and Accept any Financial Assistance, Grants, Reimbursements the City is Eligible to Receive Under any State or Federal Programs, Agencies or Offices including but not limited to the Governor's Office of Emergency Services, the United States Department of Health and Human Services; Centers for Disease Control and Prevention and/or the Federal Emergency Management Agency;
 - e. Authorizing the City Manager/Emergency Services Director to Obtain Vital Supplies, Equipment and Property Found Lacking and Needed for the Protection of Life and Property During the Local State of Emergency;
 - f. Waiving the City Manager's/Emergency Services Director's Level of Procurement Signature Authority to Mitigate or Prevent the Spread and Transmission of COVID-19;
 - g. Authorizing the City Manager/Emergency Services Director to Suspend the Purchasing Procedures Set Forth in Chapter 3.12 of the Municipal Code Related to the COVID-19 Virus Pandemic Emergency;
 - h. Authorizing the City Manager/Emergency Director to Take any Directly Related and Immediate Action Required by the COVID-19 Virus Pandemic Emergency and Procure the Necessary Public Works Construction Contracts for those Purposes, Without Giving Notice for Bids to Let Contracts;

- i. Granting Qualified Immunity to Certain Medical Professionals and Veterinarians or Registered Veterinary Technicians Who Render Services During the City's Local State of Emergency at the Express or Implied Request of the City Disaster Council, City Manager/Emergency Services Director and/or City Council;
 - j. Imposing a Moratorium on Late Fees Related to the Nonpayment of Rent Due to Inability to Pay Related to COVID-19;
 - k. Maintaining Provisions to Permit Expanded Outdoor Dining for Local Restaurants and Streamlining the Temporary Use Permit (TUP) Process and Instituting a Fee Waiver to Temporarily Allow Existing Restaurants to Expand Outdoor Seating Capacity on Private Property in Order to Implement Proper Social Distancing Measures;
 - l. Authorizing the Operation of the State of California's Great Plates Delivered Program, Locally Known as Senior Eats, Reimbursing Local Restaurants for the Delivery of Hot Meals to Seniors;
 - m. Maintaining Provisions to Permit Temporary Outdoor Business Operations and Streamlining the Temporary Use Permit (TUP) process and Instituting a Fee Waiver to Temporarily Allow Existing Businesses to Conduct Outdoor Business Operations on Private Property in Order to Implement Proper Social Distancing Measures; and
 - n. Reaffirming the Declaration of a Fiscal Emergency.
2. THAT the economic downturn due to the impact of COVID-19 continues to create an unforeseen situation that poses a threat to the public health, safety and welfare which continues the need for immediate action since there continues to be substantial uncertainty as to whether the City's revenues in the next two years will be sufficient to cover the expenditures necessary to provide a service level consistent with public health and safety demands and expectations of the residents and businesses of the City of Moreno Valley, for the reasons set forth in Resolution No. 2020 - 43; and
 3. THAT in light of the foregoing and the fact that the City's need for additional revenue is immediate and will likely continue for the remainder of this Fiscal Year 2020 and well into Fiscal Year 2021, the extension of the Declaration of Fiscal Emergency is necessary to ensure the City has the resources and opportunities necessary to preserve and protect public health, safety and welfare; and
 4. THAT the City Council has determined that the purpose of adopting and implementing the above Emergency Measures to mitigate and/or abate the transmission of COVID-19, is to prevent harm to those who may violate any of the aforementioned Emergency Measures since any such violations may result in exposure to the COVID-19 which may lead to illness and death to the violator and those in the presence of the violator since there is no effective cure available; and
 5. THAT the City Council has determined that the purpose of adopting and implementing and extending the aforementioned Emergency Measures,

including extending the declaration of Fiscal Emergency, is to mitigate and/or abate the spread and transmission of COVID-19.; and

- 6. THAT a violation of any of the aforementioned Emergency Measures by any member of the public shall be subject to any and all other remedies, civil, equitable or criminal, afforded to the City under any City, County, State and Federal laws or regulations; and
- 7. THAT any section, subdivision, subsection, sentence, clause, or phrase in this Resolution or its application to any person or circumstances, is for any reason held invalid, the validity of the remainder of this Resolution, or the application of such provision contained therein to other persons or circumstances, shall not be affected thereby; and
- 8. THAT the City Council hereby declares that it would have adopted this Resolution and each section, subdivision, subsection, sentence, clause, or phrase thereof, irrespective of the fact that one or more sections, subdivisions, subsections, sentences, clauses, or phrases, or the application thereof to any person or circumstance, be held invalid; and
- 9. THAT notwithstanding the foregoing, and in order to prevent inconsistencies, the City Council, Disaster Council or City Manager/Emergency Services Director may suspend the effectiveness of this Resolution in the event that the President of the United States, the United States Congress, the Governor of the State of California, the California State Legislature or the Public Health Officer of the County of Riverside adopts legislation, a law, a regulation or order that supersedes this Resolution.

APPROVED AND ADOPTED this 7th day of September, 2021

Mayor of the City of Moreno Valley

ATTEST

APPROVED AS TO FORM

City Clerk

Interim City Attorney

Resolution No. 2021-
Date Adopted: September 7, 2021

Attachment: Pandemic Resolution 09.07.21 (5523 : COVID-19 PANDEMIC RESOLUTIONS EXTENDING THE LOCAL STATE OF EMERGENCY



Report to City Council

TO: Mayor and City Council

FROM: Brian Mohan, Assistant City Manager

AGENDA DATE: September 7, 2021

TITLE: AUTHORIZATION TO AWARD AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES TO RSG, INC. ("RSG") FOR AFFORDABLE COMPLIANCE MONITORING INCLUDING SB341 REPORTING REQUIREMENTS

RECOMMENDED ACTION

Recommendations:

1. Approve the Agreement for Professional Consultant Services with RSG, Inc. ("RSG") to provide Affordable Housing Compliance Monitoring including SB341 Reporting Requirement for 3 years, with an option to extend the agreement for an additional 2-year term.
2. Authorize the City Manager to execute the Agreement for Professional Consultant Services with RSG, Inc. ("RSG").
3. Authorize the issuance of purchase orders for service beginning once the Agreement has been fully executed in the not-to-exceed (NTE) amount of \$236,625.
4. Authorize the City Manager to execute any subsequent related Amendments to the Agreement, including the authority to authorize associated Purchase Orders in accordance with the terms of the Agreement, subject to the approval of the City Attorney.

SUMMARY

This report recommends approval of an agreement with RSG, Inc. ("RSG") for Professional Consultant Services to provide Affordable Housing Compliance Monitoring Including SB341 Reporting Requirement Services for the City of Moreno Valley's affordable housing portfolio. The proposed services to be rendered by RSG, Inc.

("RSG") include verifying regulatory requirements, income limits, rent limits, and property standards during the applicable affordability period for all developments containing City, former Redevelopment Agency, and/or Housing Authority affordable housing covenants. The proposed annual re-certification processes and reporting will be fully funded by the Housing Authority.

DISCUSSION

The City of Moreno Valley (City), the Moreno Valley Housing Authority (Housing Authority), and the former Community Redevelopment Agency of the City of Moreno Valley (Agency) have previously funded the rehabilitation and new construction of approximately 1,335 rent-restricted affordable units within 27 developments located throughout the City. A combination of funding sources including conventional financing, Low and Moderate Housing Set-aside Funds, Low Income Housing Tax Credits (LIHTC), HOME Investment Partnerships Program (HOME) funds, and Neighborhood Stabilization Program (NSP) funds were utilized to rehabilitate and/or construct these developments. As such, the affordability covenants that govern the restricted units require annual re-certifications and monitoring to ensure compliance with regulatory requirements, income limits, rent limits, and property standards during the applicable affordability period.

Since 1995, the City has been responsible for conducting the required annual re-certifications. However, as the number of restricted affordable units in the City's Multi-Family Property Portfolio (Portfolio) increases, the City, Agency and Housing Authority are faced with the opportunity to streamline program delivery and implementation to adapt to emerging needs. The City aims to improve the monitoring activities by revising the existing guidelines to streamline processes and by continuing to enlist the services of a consultant to conduct annual compliance duties to more efficiently meet compliance and reporting requirement obligations.

On May 3, 2021 the City issued a Request for Proposal (RFP) for Professional Services to Conduct Affordable Housing Compliance Monitoring Including SB341 Reporting Requirements for the affordable housing portfolio.

Staff also conducted outreach to local companies which offer relevant services. Staff recommends awarding the agreement for compliance and monitoring services to RSG, Inc. for \$141,975 for 3 years with an option to extend the contract an additional 2 years for \$94,650, for a total amount not to exceed \$236,625 for 5 years.

Pursuant to City Council Resolution No. 2008-115, the City Council shall provide approval of procurements greater than \$100,000. Since the current procurement policy (Policy #3.18, Section V.B.3) allows the original agreement of three years to be extended by one additional two-year terms, the total potential value of the Agreement is taken into consideration when determining signature authority. The following table shows a cumulative overview of the proposed costs for the agreement that are allowed per the terms of this agreement:

	Year 1 Original Agreement	Year 2 Original Agreement	Year 3 Original Agreement	Year 4 Optional Amendment Agreement	Year 5 Optional Amendment Agreement	Cumulative Total
Monitoring	\$ 41,565	\$ 41,565	\$ 41,565	\$ 41,565	\$ 41,565	\$ 207,825
SB341 Report	\$ 5,760	\$ 5,760	\$ 5,760	\$ 5,760	\$ 5,760	\$ 28,800
Total	\$ 47,325	\$ 47,325	\$ 47,325	\$ 47,325	\$ 47,325	\$ 236,625

Extension to the agreement will be made at the City’s discretion and contingent upon the availability of funds, and the Consultants’ continued compliance with Federal, State, and local regulations and per a successful evaluation of the Consultant’s performance. Staff is requesting that the City Council authorize the City Manager to approve the agreement and any future amendments and all associated purchase orders required to extend the agreement as noted above.

ALTERNATIVES

Alternative 1: Approve and authorize the recommended actions as presented in this staff report. This alternative will provide for the timely completion of initial and annual compliance re-certifications, and reporting requirements, thus ensuring compliance with regulatory requirements contained within Affordable Housing Agreements. Staff recommends this alternative as it will allow the City and the Housing Authority to remain in continued compliance with Federal, State, and local regulations.

Alternative 2: Do not approve and authorize the recommended actions as presented in this staff report. This alternative will delay the completion of the initial and annual compliance re-certifications, and reporting requirements and not permit the City to take the necessary measures to ensure covenants contained within the subject Affordable Housing Agreements are upheld. **Staff does not recommend this alternative as it will not allow the City and the Housing Authority to remain in continued compliance with Federal, State, and local regulations.**

FISCAL IMPACT

This Agreement is to be funded by Housing Authority funds. Ongoing annual compliance services will be funded through the receipt of annual loan re-payments and residual receipts received in connection with the subject Affordable Housing Agreements. There is no impact to the General Fund.

NOTIFICATION

The public has been notified through the publication of the agenda.

PREPARATION OF STAFF REPORT

Prepared By:
Dena Heald

Department Head Approval:
Brian Mohan

Deputy Finance Director

Assistant City Manager/
Chief Financial Officer/City Treasurer

CITY COUNCIL GOALS

None

CITY COUNCIL STRATEGIC PRIORITIES

- 1. Economic Development
- 2. Public Safety
- 3. Library
- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs

ATTACHMENTS

- 1. RSG Proposal to Request For Professional Services

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	8/29/21 7:33 PM
City Attorney Approval	<u>✓ Approved</u>	
City Manager Approval	<u>✓ Approved</u>	8/30/21 9:06 AM



PROPOSAL

Affordable Housing Compliance Monitoring Including SB341 Reporting Requirements Services



RSG

BETTER COMMUNITIES.
BOLDER FUTURES.

17872 GILLETTE AVE STE 350
IRVINE, CA 92614
WWW.WEBRSG.COM

Tara Matthews
714-316-2111 / tmatthews@webrsg.com

Attachment: RSG Proposal to Request For Professional Services (5489 : AUTHORIZATION TO AWARD AGREEMENT FOR PROFESSIONAL

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SECTION 1: EXECUTIVE SUMMARY

Please see the following cover letter page for company information including:

- a) Company's full legal name, address, phone, fax, email, website;
- b) Prior company name;
- c) Organizational structure;
- d) Names and titles of the principal owners;
- e) Person authorized to make commitments for our company;
- f) Company history, experience (brief), and years in business;
- g) Current number of employees, key personnel;
- h) No exceptions to be made to any part of City's scope, specifications, terms or conditions.



17872 GILLETTE AVE.
SUITE 350
IRVINE, CA 92614

714 541 4585
INFO@WEBRSG.COM
WEBRSG.COM

June 17, 2021

Via PlanetBids

Dena Heald, Deputy Finance Director
CITY OF MORENO VALLEY
14177 Frederick St.
Moreno Valley, CA 92553

PROPOSAL FOR AFFORDABLE HOUSING COMPLIANCE MONITORING INCLUDING SB341 REPORTING REQUIREMENTS

RSG, Inc. ("RSG") is pleased to present this proposal to the City of Moreno Valley ("City") in response to the Request for Proposals for Professional Services for Affordable Housing Compliance Monitoring Including SB341 Reporting Requirements released on May 3, 2021 ("RFP").

RSG is a State-based, Subchapter "S" corporation and previously conducted business under the name Rosenow Spevacek Group, Inc. The firm is owned by principals Jim Simon, President, and Tara Matthews, Vice President, and currently employs 19 staff members. Key personnel for this project are Ms. Matthews, Rosa Romero, Associate, Alan Alé and Maggie Stanko, Analysts, and Alejandra Martinez, Research Assistant. Ms. Matthews is authorized to make commitments for RSG. RSG is also a California State certified Small Business Enterprise (SBE - 2006876 DGS).

Founded in 1979, RSG's services have spanned real estate, economic development, fiscal health, and housing initiatives to assist public agencies and private investors in the community development process. RSG's housing clients have included cities, counties, housing successor agencies, housing authorities, and developers. We are adept at brainstorming and developing strategies and programs, implementing and overseeing affordable housing programs and developments, performing complex affordable housing underwriting, identifying gap financing resources, and ensuring compliance with State and Federal guidelines.

RSG, Inc.

17872 Gillette Ave., Suite 350, Irvine, CA, 92614
Phone: (714) 541-4585 / Fax: (714) 316-2199
Email: info@webrsg.com / Website: webrsg.com

RSG has worked with the City since 2012 to conduct various affordable housing services including compliance monitoring and annual reporting services. We believe that our previous experience makes us well positioned to assist the City. RSG has no exceptions to any part of City's scope, specifications, terms or conditions in the RFP. Should you wish to discuss the information presented, please feel free to contact Ms. Matthews at (714) 316-2111 or tmatthews@webrsg.com.

Sincerely,

Tara Matthews, Principal

SECTION 2: SUPPLEMENTAL COMPANY INFORMATION

For RSG's housing qualifications, please reference Attachment A Section I through IV of the Required Response Template.

RSG has successfully conducted multiple affordable housing compliance monitoring workshops lead by Principal Tara Matthews and Associate Rosa Romero. These workshops have covered a multitude of housing topics. The workshops have been attended by various cities and municipalities across California, including clients from nearby cities in San Bernardino County.

RSG conducted the housing workshops in a series that focused on different topics related to compliance monitoring. RSG created flyers that were sent via email, posted via our social media feeds, and sent to clients we felt would find the workshops informative. These flyers invited all property and regional managers, compliance staff, property owners, and anyone with a general interest in the topics taught.

The first workshop of the series was File Compliance. RSG went through all the required documentation needed in a tenant's file, which includes the tenant's lease agreement, accompanying disclosures and addendums, application, tenant income certification (TIC), applicable notices, and identification, among other documents. Each of these documents have requirements that need to be met for compliance. The most in depth requirement we went over was tenant income and assets.

The second workshop of the series was an in depth look at Income and Rent Requirements. RSG went through the different types of income scenarios and the different methods of calculating income in accordance with the project's controlling agreements and funding source requirements. RSG also went over the Area Median Income (AMI) and how to determine them for each set-aside unit based on the program restrictions.

The final workshop of the series was also a deeper look, but this time into TICs. RSG went through the different types of TIC forms, how to complete both a move-in and recertification TIC, identifying a property's funding source and the correct form for each once, and ensuring each section of the TIC is accurately filled out.

Each workshop series worked in conjunction to one another to provide an overarching, detailed guide to anyone with a general interest or investment in compliance monitoring. RSG prides itself on being a leader in the housing sector. The housing workshop series is one facet of how RSG continues to lead the industry and provide tools for our clients to succeed.

SECTION 3: PROFESSIONAL TEAM ASSIGNMENTS

The staff at RSG strive to be trusted advisors to our clients, providing them with essential data and guidance. At the root of our services is the innate desire of our staff members to seek answers, and in every engagement, our clients' questions become our own. What should we do? How do we get there? What is best for our community? Our staff's problem-solving skills are products of training and experience, but it is also our tenacious desire to unearth practical solutions that pervades our corporate conscience.

RSG dedicates a Principal to each project assignment and creates a core group of project managers and staff who work on the individual assignments on a consistent basis throughout all stages of the contract engagement. Our staff is focused, committed, and passionate about the work we do. We conduct our engagements around our Core Values and are proud of it. We pride ourselves on our ability to appropriately allocate our time and resources to ensure that a project is completed on time and within budget.

RSG has assembled an experienced and efficient Project Team for this solicitation. The engagement will be led by Tara Matthews, Principal-in-Charge. Ms. Matthews would be assisted by RSG staff members Rosa Romero, Associate, Alan Alé and Maggie Stanko, Analysts, and Alejandra Martinez, Research Assistant. All members of the Project Team are expected to remain in service until completion of the project. Brief bios of the consulting staff assigned to this engagement follow. Resumes and an organizational chart are included on the pages below.

Tara Matthews, Principal, will serve as the Principal-in-Charge for this engagement. Ms. Matthews maintains an active role on projects she supervises and can be expected to be fully engaged throughout the term of a contract. Ms. Matthews is a respected housing expert with more than 15 years of experience focused primarily on all aspects of affordable housing. Ms. Matthews is a San Diego Housing Federation Policy Committee member and has been a speaker at the annual San Diego Housing Federation conference. Ms. Matthews has completed similar assignments for numerous communities throughout the state including, but not limited to, Orange Counties, as well as the cities of Fontana, Lake Forest, El Cajon, Merced, Murrieta, Pinole, Pleasant Hill, Victorville and Hemet.

Rosa Romero, Associate, has 19 years of experience in real estate and affordable housing. Before joining RSG, Ms. Romero was a Senior Loan Processor responsible for pre-underwriting loans and monitoring compliance documents for single-family and multi-family transactions. Ms. Romero is a Certified Occupancy Specialist, a Blended Occupancy Specialist, and a Tax Credit Specialist, and oversees the requirements for over 100 City and Agency assisted multi-family projects for the State of California. She translates her training experience into working with the many different aspects of the affordable housing area.

Alan Alé, Analyst, has a background in financial modeling and data analysis. He has performed market analysis research, development and monitoring of KPI's, and has developed best practice assessments to facilitate growth and increase efficiency in the industries in which he

has worked. Mr. Alé also has experience with compliance monitoring, file auditing and inspections for affordable housing developments in multiple cities, including Moreno Valley, Huntington Beach, Chula Vista, Victorville, and Fontana, among others.

Maggie Stanko, Analyst, has a background in economic development, policy analysis, and affordable housing, and she uses this expertise to provide innovative solutions to her clients. She has experience with the City in completing both compliance monitoring and the SB 341 annual reporting. She has built a relationship with both property managers, developers and City staff and can assist with co-managing. Additionally, she's experienced with inclusionary housing ordinances, market analysis and reviewed subsidy programs throughout the state of California to assist the County of San Diego in creating such a program.

Alejandra Martinez, Research Assistant, is a recent UCLA graduate and has a bachelor's degree in Economics with a minor in Urban and Regional Studies. Ms. Martinez has a background in community development and affordable housing research. Her experience includes conducting RHNA affordable housing allocation analyses and reviewing reporting requirements for affordable housing properties.



TARA MATTHEWS

Principal & Vice President

714.316.2111
tmatthews@webrsg.com

PROFILE

"I enjoy problem solving and working with people who make things happen to improve their community. Seeing a project that I worked on come to fruition is very exciting. I can say, "I helped make that happen!"

OUT & ABOUT

San Diego Housing Federation/Policy Committee and Conference Speaker

The Kennedy Commission

California Association for Local Economic Development

California Property Tax Managers Association, Annual Conference Speaker

California State Municipal Finance Officers, Speaker

Non-Profit Housing Association of Northern California

SCANPH

ABOUT TARA

Driven by the passion to improve the lives of all sectors of a community, Tara expertly navigates projects with a comprehensive knowledge of community development, affordable housing, and economic development. The complexity of her projects includes property acquisition and relocation services, development impact fee analyses, and the creation and monitoring of affordable housing projects. Tara is skilled at client collaboration, strategic planning, research and analysis, financial projections, report writing, and outreach.

EDUCATION

Tara joined RSG in 2004. She received a BS in Earth Sciences at the University of California, Santa Cruz, and a Certificate in Urban Planning and Development from the University of California, San Diego. Tara is an active member of the San Diego Housing Federation and serves on its Policy Committee. She shares her knowledge and proficiency in municipal finance, economic development policy analysis, and real estate to advance client and community objectives.

RECENT ENGAGEMENTS

Provided interim staffing services for the City of Carson, acting as the Interim Housing Program Manager for the City's mobilehome rent control program.

Prepare strategies to spend affordable housing funds and leverage properties based on community needs and legal requirements. Including how existing resources could help make progress towards RHNA requirements and Housing Element goals. Implement strategies by issuing Requests for Proposals, Notices of Funding Availability or direct property marketing, most recently in the cities of Lake Forest, Merced, Murrieta, Norco, Pinole and Tulare. Ensure proposals meet legal requirements tied to funding sources and properties, such as Senate Bill 341 and LIHTC. Activities also included presenting findings to decision makers.

Provided multiple affordable housing services to the County of Orange, including underwriting and subsidy layering analyses, annual reporting and compliance, and updates to policies and procedures for the HOME, ESG, CoC and CDBG programs.





ROSA ROMERO

Associate

714.316.2114
rromero@webrsg.com

PROFILE

"I enjoy being a part of the affordable housing services RSG provides and collaborating with the cities and local jurisdictions, as well as the community residents themselves."

OUT & ABOUT

Non-Profit Association of Northern California

SCANPH

San Diego Housing Federation

ABOUT ROSA

Rosa is accountable for the administration and monitoring of over 6,000 affordable housing units. She maintains and ensures compliance with Federal, State and Local requirements established by the loan funding source set forth in the regulatory agreements. She oversees the requirements for 150 City and Agency assisted multi-family projects for the State of California. Rosa is fluent in Spanish and provides Spanish-language translation services. Rosa's primary duties at RSG are to project management, loan program administration, interface with clients, and conduct compliance reporting. Specific tasks include the preparation of reporting requirements, review and summarize controlling documents, analyze tenant income documentation, verification of rent and utility allowance, determine program eligibility, and conducting annual on-site file audit, physical unit inspections and desk audits.

EDUCATION

Rosa joined RSG in 2007. She has 16 years of experience in real estate and affordable housing. Before joining RSG, Rosa was a Senior Loan Processor responsible for pre-underwriting loans and monitoring compliance documents for single-family and multi-family transactions. Rosa is a Certified Occupancy Specialist (COS), Tax Credit Specialist (TCS) and a Blended Occupancy Specialist (BOS). The certifications are specifically in depth knowledge of HUD 4350.3 Rev-1, HOME investment program and Low Income Housing Tax Credit guidelines and regulations.

RECENT ENGAGEMENTS

Prepared housing authority annual reports pursuant to legislation requirements of SB341 for a few cities. This includes financial data review, calculations, and coordination of documents.

Conduct annual reporting for compliance of affordable housing projects assisted by cities. Including analyzing occupancy status reports, rent roll, tenants incomes, certifications, and recertifications to ensure compliance with the property's agreement requirements

Teach and conduct annual compliance monitoring workshops to train and equip property management staff, city staff and new employees at RSG with guidelines and regulations for various topics in affordable housing.





ALAN ALÉ

Analyst

714.316.2195
aale@webrsg.com

PROFILE

“At RSG, I feel as though my work is a contributing part to nuanced solutions for local communities, the programs that affect the communities and the residents that are impacted. This is especially important to me as I am a product of local community programs in the Orange County area. To have an opportunity to give back in some way is humbling, exciting and empowering.”

OUT & ABOUT

Non-profit Housing
Association of Northern
California

SCANPH

ABOUT ALAN

Alan joined RSG in 2018 bringing with him a background financial modeling and data analysis. He has performed market analysis research, development and monitoring of KPI's, and has developed best practice assessments to facilitate growth and increase efficiency in the industries in which he has worked.

EDUCATION

Alan holds a Bachelor's Degree in Economics from the University of California, Davis. His educational background combined with his significant experience in research analysis has provided him with an extensive set of analytical skills that he is able to impart upon each job he assists with.

RECENT ENGAGEMENTS

Conducted compliance monitoring, file auditing and inspections for affordable housing developments in multiple cities, including Huntington Beach, Chula Vista, Victorville, Moreno Valley and Fontana, among others.

Assisted in the analysis and completion of the 2018 Annual Continuing Disclosure Information Statement for the Community Redevelopment Agency of the City of Hawthorne Certificates of Participation 2016 Refinancing Project.

Assisted in implementing the City of Orange Cove's Housing Rehabilitation program, including outreach to applicants and analysis of income documentation and contractor bids.

Assisted in implementing the City Westminster's Emergency Small Business Grant program, including outreach to applicants and analysis and approval of applications.





MAGGIE STANKO

Analyst

714.316.2123
mstanko@webrsg.com

PROFILE

"I grew up in a small, rust belt town in Ohio and would see the impacts of lack of economic mobility. Being able to assist cities on how to better mitigate economic development and affordable housing issues and provide solutions is a reason to get up in the morning. Being able to work on numerous economic development and affordable housing projects simultaneously satisfies my desire to constantly make an impact in a field I care a lot about."

OUT & ABOUT

San Diego Housing Federation

Non-Profit Housing
Association of Northern
California

SCANPH

ABOUT MAGGIE

Maggie joined the RSG team in 2019 bringing a background in economic development, policy analysis and affordable housing and she plans to use this expertise to provide innovative solutions to her clients. She is constantly yearning to expand her knowledge in order to apply best practices to each and every one of her projects.

EDUCATION

Maggie received her B.A. in Economics and Political Science from Youngstown State University in 2018 and her Master of Public Policy, with a concentration in Urban Planning, from UC Irvine in 2020. She has previously worked at the Los Angeles Coalition for the Economy & Jobs, the Los Angeles County Economic Development Corporation and gained consulting experience at the Evaluation and Training Institute. Her education and experience has provided her with strong analytical and writing skills and furthermore, helped cultivate her passion to advocate for sustainable community and economic development for constituents of all backgrounds.

RECENT ENGAGEMENTS

Conducted an analysis on how AB-1482 (Rent Control) would affect South Gate renters.

Reviewed and analyzed Accessory Dwelling Unit loan and subsidy programs throughout the state of California to assist the County of San Diego in creating such a program.

Studied inclusionary housing ordinances in Los Angeles County and evaluated the methodology for in-lieu fees as part of creation of such an ordinance in South Gate.

Assisted in the development of program materials for the CARES Act-funded Small Business Recovery Grant Program for Westminster.

Evaluated the development cost, fiscal impact, and potential community benefit request for several development projects in San Carlos.





ALEJANDRA MARTINEZ

Research Assistant

714.316.2122
amartinez@webrsg.com

PROFILE

“I value the opportunity to support cities in their efforts to promote affordable housing and economic development. Ultimately, my personal mission is centered on helping communities achieve self-determination.”

ABOUT ALEJANDRA

Alejandra is a lifelong Angeleno and has a background in community development and affordable housing research. As a resident of Southeast Los Angeles, a community confronted by magnified social and economic challenges, her lived experience drives her to help strengthen communities like her own through research.

A former undergraduate student researcher for the California Governor’s Office of Planning and Research, Alejandra has experience conducting comprehensive quantitative analyses. In this role, she retroactively applied one RHNA (Regional Housing Needs Allocation) methodology to three regions in California and presented her findings in a report and presentation so as to inform future Housing Element Law Reform.

During her time as a research intern for the Los Angeles Alliance for a New Economy (LAANE), Alejandra analyzed socioeconomic data and developed exploratory maps to understand challenges in their target city. The findings were utilized to inform LAANE’s policy advocacy on community and economic development issues.

EDUCATION

Alejandra joined RSG in 2021 and received a BA in Economics with a minor in Urban and Regional Studies from University of California, Los Angeles.

RECENT ENGAGEMENTS

Assisted with the preparation of desk monitoring notices to ensure clients’ fulfillment of regulatory obligations and annual compliance monitoring for affordable housing projects. This preparation includes delivering occupancy status reports and certifications of continuing program compliance to property managers and coordinating document transfer through cloud computing systems.

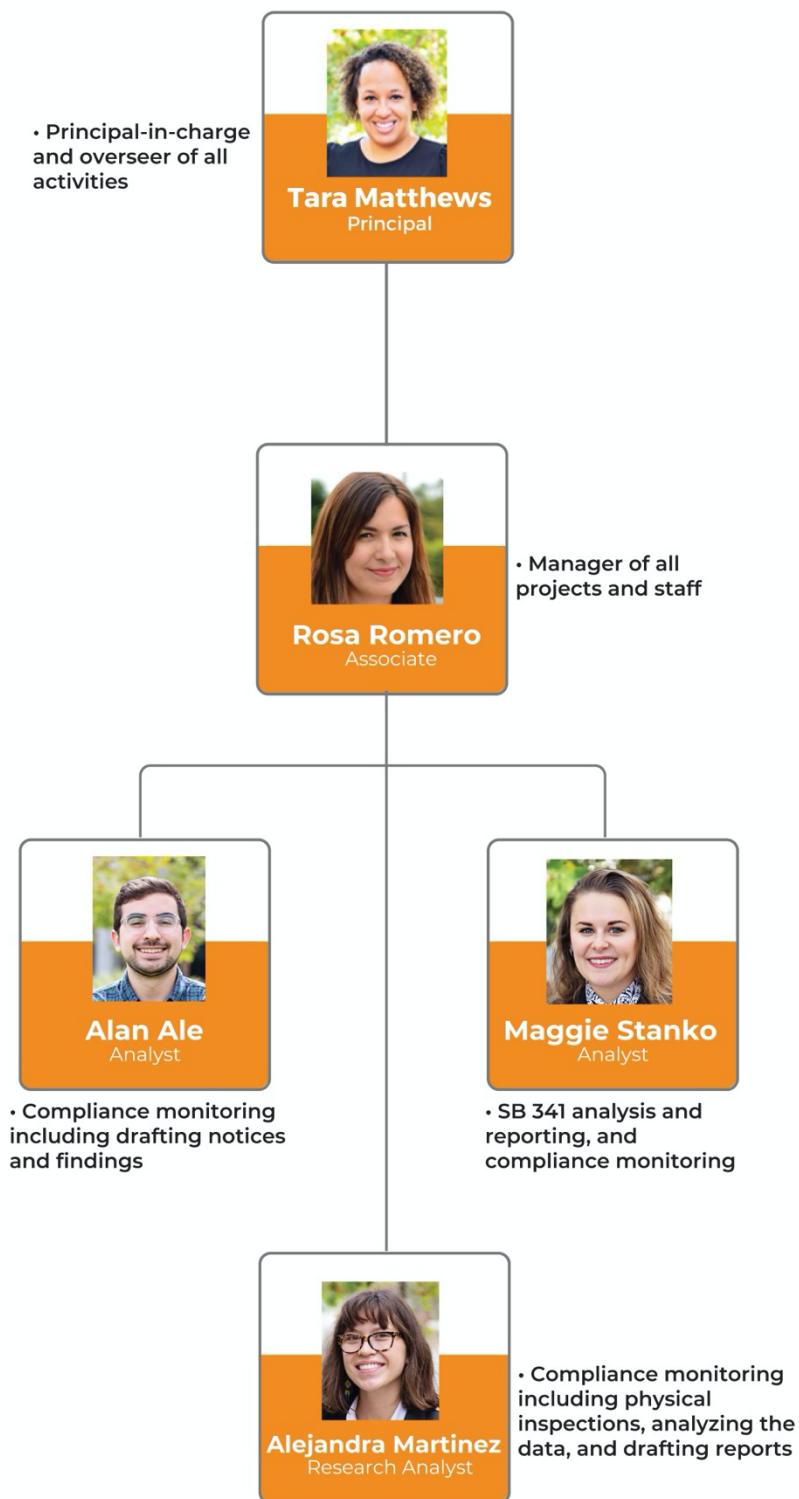
Updated affordable housing project income and rent limits pursuant to annual State and Federal limits. Utilized revised limits to determine new range of affordable rents and to ensure affordability and occupancy compliance at affordable housing projects.



RSG ORGANIZATIONAL CHART

The following is an organizational chart indicating all team members that will be assigned to this engagement, their titles, and a very brief description of their relevant responsibilities.

RSG ORG CHART



SECTION 4: PROPOSAL COSTS

Please see the following pages for all pricing details on the provided Exhibit B form.

Exhibit B: Pricing (EXAMPLES)

I. Task Rates***

- A. Include tasks required by Specifications and other related tasks to provide a complete proposal for the required services.
- B. Propose Total Hours to complete each task and Total Cost for each task.

LN	Task Rates	Total Hours	Total Cost
1	Task 1: Update Monitoring Schedule	5	\$715
2	Task 2: Draft Notification of Monitoring, including forms	35	\$4,825
3	Task 3: Draft Annual Income, Rent and Utility Charts	4	\$640
4	Task 4: Set-up SharePoint for Documentation Upload	5	\$675
5	Task 5: File Audit (Remote)	45	\$5,825
6	Task 6: Analyzed data of occupancy standard report, rent roll and recertifications	40	\$5,500
7	Task 7: Physical Unit Inspection & Onsite File Audit	60	\$7,650
8	Task 8: Draft Findings Report	30	\$4,150
9	Task 9: Final Report	45	\$7,075
10	Task 10: Technical Assistance and City update	12	\$1,850
11	Task 11: Close-out Memo and USB monitoring data download for the City	6	\$1,060
12	Task 12: Agreement Review (2 projects only)- New Development	10	\$1,600
13	First Year Subtotal- Compliance Monitoring	297	\$41,565
14	Task 13: Data Request	5	\$675
15	Task 14: Financial Review	12	\$1,720
16	Task 15: Draft and finalize report	18	\$3,230
17	Task 16: Submittal of Report	1	\$135
18	First Year Subtotal - Annual Report	36	\$5,760
19	Total for First Year Services - Compliance Monitoring and SB341 Annual Report	333	\$47,325
20	SECOND YEAR TOTAL	333	\$47,325
21	THIRD YEAR TOTAL	333	\$47,325
22	Subtotal for services (Three Years)	999	\$141,975
23	FOURTH YEAR TOTAL (optional renewal)	333	\$47,325
24	FIFTH YEAR TOTAL (optional renewal)	333	\$47,325
A	Task Costs	1,665	\$236,625

II. Hourly Rates***

- A. Include titles and rates for all staff that could provide services under the contract.

Attachment: RSG Proposal to Request For Professional Services (5489 : AUTHORIZATION TO AWARD AGREEMENT FOR PROFESSIONAL

LN	Standard Personnel Rates	Title of Person Performing Service	Hourly Rate	Total Hours	Total Cost
1	Director	Principal	\$275	30	\$8,250
2	Project Manager	Associate	\$185	141	\$26,085
3	Analyst	Analyst	\$135	414	\$55,890
4	Assistant	Research Assistant	\$125	414	\$51,750
B	Total Personnel Costs (3 Year Term)			999	\$141,975

*** Attach additional sheets as necessary.

LN	Standard Personnel Rates	Title of Person Performing Service	Hourly Rate	Total Hours	Total Cost
1	Director	Principal	\$275	10	\$2,750
2	Project Manager	Associate	\$185	47	\$8,695
3	Analyst	Analyst	\$135	138	\$18,630
4	Assistant	Research Assistant	\$125	138	\$17,250
B	Total Personnel Costs (4th Year Optional Renewal)			333	\$47,325

LN	Standard Personnel Rates	Title of Person Performing Service	Hourly Rate	Total Hours	Total Cost
1	Director	Principal	\$275	10	\$2,750
2	Project Manager	Associate	\$185	47	\$8,695
3	Analyst	Analyst	\$135	138	\$18,630
4	Assistant	Research Assistant	\$125	138	\$17,250
B	Total Personnel Costs (5th Year Optional Renewal)			333	\$47,325

III. Fees: Per Diem***

- A. Include all relative non-labor fees for all required services.
- B. Note that rates may not exceed the rates below, but may be less.

LN	Fees	Rate
1	Per Diem –Travel (per person, per one-way trip)	\$0
2	Per Diem –Hotel (per person, per day)	\$0
3	Per Diem –Meals (per person, per day)	\$0

IV. Reimbursable Expenses***

Specifically describe all expenses for the required services and any related costs; if no cost, please state “Zero”; if at cost, please state “At Costs.”

LN	Describe Expense and Related Costs	COSTS
1	Zero	\$0
2	Zero	\$0
3	Zero	\$0

*** Attach additional sheets as necessary.

(CONTINUED ON NEXT PAGE)

SECTION 5: RESPONSE TEMPLATE

Please see the following pages for the complete City-provided Response Template with RSG's answers to the City's questions.

Attachment A: Required Response Template

RSG, Inc.

(Bidder's Company Name)

Instructions:

Prospective proposers must provide the information requested below and include it in their proposal. City has provided the form as a separate Word document for bidder's use. Use this form or copy and paste it into your own document; in either case, please provide your responses under each of the number points. Do not omit or renumber any sections. Refer to attached documents sparingly and only as necessary; and ensure that any documents referred to are numbered according to the outline below.

I. Company Information: Name, Contacts, History, Scope of Services

Please provide the following information about your company:

- A. Your company's full legal name, address, phone, fax, email, website.

RSG, Inc.

17872 Gillette Ave., Suite 350, Irvine, CA, 92614

Phone: (714) 541-4585

Fax: (714) 316-2199

Email: Info@webrsg.com

Website: webrsg.com

- B. Prior company names (if any) and years in business; mergers, buyouts, etc.

RSG was founded in 1979, and previously conducted business under the name Rosenow Spevacek Group, Inc.

- C. Organizational structure (i.e. corp., LLC, sole proprietorship, etc.).

State-based, Subchapter "S" corporation

- D. Names and titles of the principal owner(s).

Jim Simon, President, and Tara Matthews, Vice President

- E. Person(s) authorized to make commitments for your company.

Tara Matthews is authorized to make commitments for RSG.

- F. Company history, experience, years in business for current company name.

RSG has been in business for five years under the current company name. RSG's services have spanned real estate, economic development, fiscal health, and housing initiatives to assist public agencies and private investors in the community development process. RSG's housing clients have included cities, counties, housing successor agencies, housing authorities, and developers. We are adept at brainstorming and developing strategies and programs, implementing and overseeing affordable housing programs and developments, performing complex affordable housing underwriting, identifying gap financing resources, and ensuring compliance with State and Federal guidelines.

- G. Annual company revenues for the last three fiscal years.

2020: \$2,775,277.35

2019: \$2,867,257.56

2018: \$2,875,726.20

H. Tax ID number.

95-3435849

I. The complete scope of services offered by your company.

RSG has comprehensive knowledge of guidelines and regulations of multiple affordable programs beneficial to the City's monitoring activities including HUD's HOME program requirements, Low Income Housing Tax Credit regulations, Redevelopment housing restrictions and applicable funding sources dictated in the project's regulatory agreement. Our compliance monitoring team is skilled at evaluating and analyzing multiple Federal and State funding sources. RSG adds value in the area since we are already familiar with most of the regulatory agreements. Our key steps for the scope of services are as follows:

1. Set up project schedule for the City's 28 completed affordable housing projects. The 2 planned projects (once completed and developed) would be added into the schedule.
2. Draft applicable income and rent limit charts (including utility allowance) to be incorporated into the occupancy status report, along with existing forms unit set-aside designation certificate corresponding to the controlling agreement requirements.
3. Provide notification to all parties of monitoring (property managers, developers, and owners). A courtesy copy would be provided to the City.
4. Analyze all data pertaining to the files through the occupancy report and incorporate the project agreement requirements, including any funding source regulations. All final reporting would have sections that were monitored. Such as income and rent analysis, tenant file review, inspection results, findings (if applicable) and conclusion of compliance status.

RSG has assisted the City since 2012 with the Annual Housing Authority Report (SB 341). Pursuant to redevelopment agency dissolution, SB 341 created a new requirement that successor housing entities provide an annual report that details compliance with the expenditure limitations specified in SB 341 during each five-year compliance period ("SB 341 Report"). Successor Housing Entities are required to annually provide the SB 341 Report. The SB 341 Report provides information regarding the Low- and Moderate-Income Housing Asset Fund encumbrances reported on the Housing Asset Transfer form and is submitted to the State's Department of Housing and Community Development ("HCD") by December 31.

J. The number of clients (including governmental) served in past and present.

397 clients

K. Special qualifications, training, credentials, recognition, or awards.

Rosa Romero, Associate, is a certified Blended Occupancy Specialist. She applies this knowledge to understand comprehensive compliance of blended or multi-layer funding for affordable housing properties, including HOME, HUD and LIHTC. Additionally, she is a Certified

Occupancy Specialist, which is in depth knowledge of guideline regulations set forth in the HUD Handbook Rev- 4350.3 Rev-1, including subsidy rent calculation and adjusted gross income eligibility. She's also obtained the Tax Credit Specialist certificate to further understand the IRS regulations and compliance overlap with the eligibility requirements.

Alan Alé, Analyst, is a certified HOME Compliance Specialist, which positions him to assure compliance with the Participating Jurisdiction's reporting policies as it relates to HOME rules and regulations, the ability to calculate a household's annual gross income, balance multiple layers of compliance (including properties blended with HUD's Section 8 and/or LIHTC program), and knowledge of how to maintain a fiscally and operationally viable property over the long-term while staying in compliance with HOME's objectives and requirements.

L. Contracts terminated for cause, pending litigation or legal issues.

In October 2019, RSG's professional services agreement with the City of Hawthorne was terminated by the City as a result of former RSG employees who serviced the contract moving onto a different firm.

II. Resources: Staffing, Facilities, Equipment

Provide the following information relative to required services:

A. Names and titles of key management personnel.

Tara Matthews, Principal, and Rosa Romero, Associate

B. Team to be assigned for these services.

Tara Matthews, Principal-in-Charge, Rosa Romero, Associate, Alan Alé and Maggie Stanko, Analysts, and Alejandra Martinez, Research Assistant

C. Qualifications of specific individuals who will work on the project.

Tara Matthews, Principal, will serve as the Principal-in-Charge for this engagement. Ms. Matthews maintains an active role on projects she supervises and can be expected to be fully engaged throughout the term of a contract. Ms. Matthews is a respected housing expert with more than 15 years of experience focused primarily on all aspects of affordable housing. Ms. Matthews is a San Diego Housing Federation Policy Committee member and has been a speaker at the annual San Diego Housing Federation conference. Ms. Matthews has completed similar assignments for numerous communities throughout the state including, but not limited to, Orange Counties, as well as the cities of Fontana, Lake Forest, El Cajon, Merced, Murrieta, Pinole, Pleasant Hill, Victorville and Hemet.

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Alejandra Martinez, Research Assistant, is a recent UCLA graduate and has a bachelor's degree in Economics with a minor in Urban and Regional Studies. Ms. Martinez has a background in community development and affordable housing research. Her experience includes conducting RHNA affordable housing allocation analyses and reviewing reporting requirements for affordable housing properties.

D. Amount of time and involvement of key personnel who will be involved in respective portions of the project.

Tara Matthews would oversee both the compliance monitoring and SB 341 annual reporting.

Rosa Romero will be managing all the affordable housing projects, staff, and assist with 25% of the work.

Alejandra Martinez will be involved with 60% of the compliance monitoring work, including the physical inspections, analyzing the data, and drafting reports.

Alan Ale will assist with 10% of the compliance monitoring work, drafting notices and findings.

Maggie Stanko will assist 5% of the compliance monitoring work to fill in for staff as needed. Maggie would also complete 95% of the SB 341 analysis and reporting.

E. Resumes of all team members; provide only names and titles only; attach current resumes to proposal.

Tara Matthews, Principal-in-Charge, Rosa Romero, Associate, Alan Alé and Maggie Stanko, Analysts, and Alejandra Martinez, Research Assistant.

As requested, current resumes of all team members are attached to the proposal, under Section 3: Professional Team Assignments.

F. Current number of employees: full-time and part-time employees.

17 full-time employees and 2 part time employees

G. Annual turnover rate of staff.

18%

H. Names of any subcontractor's you propose to use for our contract. Provide only names here; fill in the details on City-provided Subcontractors List.

N/A

I. Facilities that would be utilized to perform the required work.

The physical inspections and file audit would be conducted on property site and desk audits, and analysis and annual reporting would be completed at the RSG office.

J. Equipment that would be utilized to perform the required work.

RSG staff is equipped with laptops for reporting and clipboard for onsite inspections.

III. Required Services: Meeting or Bettering these Requirements

Provide the following information relative to required services:

A. Ability to perform specific tasks as outlined in the RFP.

RSG can assist the City with the scope of services and specific tasks for the compliance monitoring as follows:

1. Conduct an audit of each affordable housing project to include:
 - A sample size review of tenant file based on the number of affordable units and HOME regulations.
 - Provide to the property managers with a list of the required documents that will be reviewed and set-up a secured SharePoint link to upload the requested data.
 - Accurately review all data provided including income source documentation for new and recertifying tenants of the restricted unit.
 - Identify any findings such as over-income tenants', gross rents exceeding the affordable rent limit, missing documentation, incomplete form(s) and other related items corresponding to the review of the files.
 - Conduct a physical inspection of 10% - 20% sample size of units, including physical exterior and common areas for each project. The sample size would match the onsite file audit.
 - Accurately complete a form for each unit inspected indicating whether the unit passed or failed based on the Housing Quality Standards.
2. Review and ensure the annual compliance report is accurately demonstrating the alignment of the tenant file data/contents.
3. Provide the City with a progress workbook of the City's entire portfolio of affordable projects that includes milestones and status of the projects.
4. Analyze tenant's income eligibility and gross rents are complying with the State or Federal published income and rent limits, along with the requirements of the corresponding project agreement. RSG would provide annually to all corresponding parties a chart with the applicable published limits pursuant to the affordable project.
5. Review for accuracy and completeness of corresponding forms as required by the controlling agreement such as:
 - Tenant application, recertifications, lease, addendums, rent documentation and certificate of program compliance.

6. Report to the City and property management/owners on the status of each project monitored. The report identifies all key areas monitored such as:
 - Project overview, unit set-aside designation by area median income, program compliance, tenant documentation, income and rent analysis.
 - Follow-up with any corrections and recommendations noted in the report findings, by working with the property managers/owners to bring project into full compliance with the City's project agreement.
7. Conduct a close-out meeting to the City and recap the annual monitoring, this includes providing the City with a brief memo and all monitoring data collected in a USB drive.

RSG can develop project agreement forms to help identify key components in a summary style document of the required monitoring for the newly developed affordable housing projects. The summary forms are ideal to quickly access the information of the upcoming schedule of monitoring and easily prepare the necessary documents. Information in the summary forms would be:

- Agreement milestone dates
- Financial reporting requirements
- Annual reporting information
- Required owner obligations

We understand that regulatory reporting is a critical aspect of a local government's housing responsibilities. Our redevelopment agency roots have positioned our team well to address regulatory compliance and reporting needs. As such and required by SB 341, the SB 341 Report would include the following information each reporting year:

- The amount deposited into the Housing Fund
- A statement of the balance of the Housing Fund
- A description of expenditures by category
- The statutory value of real property
- A description of transfers
- A description of projects that receive funding through ROPS
- The status of properties pursuant to the five-year disposition period
- An update on the inclusionary and replacement housing obligation
- Compliance with expenditures in the five-year period
- The percentage of senior deed-restricted units
- The amount of excess surplus

B. Reasonableness of your fee to do the work.

RSG is experienced with the City's Affordable Housing portfolio for compliance monitoring and has helped the City to ensure compliance pursuant to related Federal and State regulations. RSG understands the annual compliance reporting requirements, as well as other project's funding sources. Over the years, RSG has established relationships with property managers, developers, and owners of the City's projects. With the compliance monitoring services, RSG would continue working with the requirements in each agreement as it relates

to each of the projects. RSG has also worked with the City in completing the annual housing authority report for SB 341. We believe that our experience working with not only the City but the other entities will serve to ensure that costs are maintained and we will not need any time to get familiar with the engagement.

C. Current resources to meet or better all task and timeline requirements herein.

RSG has existing databases for all the City's affordable housing projects, including templates of notices, workbooks, and reporting.

D. Additional resources that might be needed to meet or better all task and timeline requirements of this request.

RSG has the tools for all tasks in the scope of service.

E. How quickly could you provide additional, extra trained staff if requested by City for additional work beyond the original scope of services?

We have 5 additional staff members that are trained and developed with a multi-faceted training program in RSG's affordable housing product line, including compliance monitoring and SB 341 annual reporting. If given additional work beyond the scope, RSG's additional staff is ready and prepared for extra services.

F. How quickly can you begin providing services if awarded the contract?

Given that RSG has the existing experience and access to all compliance monitoring data and SB 341 draft reports, RSG can begin services on the scope as soon as authorized to proceed.

G. Details of any improvement or upgrades your firm has designed or implemented.

RSG has a systematic calendar matrix and SharePoint drives set-up for each project. This process is an upgrade and has made the data more secure and easier to collect.

IV. Demonstrated and Technical Experience

Please describe your company's:

A. Demonstrated record of success on work previously performed.

RSG is experienced and is successfully retained by over 15 cities to assist with affordable housing services. Since 2015, RSG has partnered with the City to structure, streamline, and implement procedures for their affordable housing compliance monitoring portfolio. Services included:

- o Reviewing and summarizing each project's controlling agreement.
- o Creating a manageable database that details project information and tracks compliance data, including inspection dates, annual compliance reporting, project contact information, and affordability requirements.
- o Training property management staff on policies and procedures as it relates to compliance monitoring.

In addition to setting up the compliance structure, RSG assisted with compliance SB 341 coordination activities. Services included:

- o Gathering financial records
- o Analyzing the financials reporting data
- o Setting up workbook and tables for the report

- o Finalizing and submitting report to HCD

B. Specific method and techniques to be employed on the project or problem.

RSG would continue to implement Affordable Housing Compliance Monitoring Services to the City to ensure compliance pursuant to related Federal and State regulations. With the various funding sources all having somewhat different monitoring and reporting requirements, RSG's methodology and approach will include focusing on the areas summarized below.

LOW AND MODERATE- INCOME HOUSING FUND (LMIHF) REQUIREMENTS

Multifamily projects funded with LMIHF monies typically require project owners to qualify the gross household income of prospective tenants prior to lease execution and to re-certify on an annual basis thereafter. Tenant recertification may occur either on the lease anniversary date or on a scheduled periodic basis depending on the provisions under the regulatory agreements. The projects require property owners to submit an annual Certificate of Continuing Program Compliance and occupancy report to the City which may detail tenant household size, income, unit size, area median income, set-aside requirements, subsidy amounts (if applicable), utility allowance and tenant paid rent. The agreements provide the City with the ability to independently conduct an annual audit of tenant lease files if deemed necessary.

Our administrative and monitoring services include coordinating the submittal and analysis of the owners' annual compliance certificates, as well as conducting annual audits of tenant lease files, and providing annual reports of our findings to the City pursuant to legal requirements.

LOW INCOME HOUSING TAX CREDITS (LIHTC) AND HOUSING BOND FINANCING

Owners of properties recipient of LIHTC funding are required to obtain very specific, detailed income and asset documentation with use of certain forms prior to tenant move-in and again each year for recertification purposes. The Tax Credit Allocation Committee ("TCAC") independently conducts unit inspections at least every three years, adding applicable requirements under the DDA and regulatory agreements. The TCAC requirements are applicable directly to the property owner rather than the City and require property owners to correct deficiencies identified by TCAC within a specific time period.

Our housing staff will be available to conduct tenant file reviews for TCAC compliance, independent inspections to ensure the project in compliance with the most restrictive funding requirements.

HOME FUNDING

Projects funded with HOME funds, will require the owner to qualify the gross household income and all assets of prospective tenants prior to lease execution and annually (usually on the lease anniversary date) with income source verification every six years if an annual tenant self-certification method is used. On-site inspections to determine unit compliance with HUD's HQS property standards with the required frequency of every year for projects of 26 or more units.

RSG can continue to conduct annual audits of tenant lease files for the qualified units and annual unit inspection of the qualified units, as needed.

V. Work Plan:

Taking all circumstances, current conditions, and required preparations into consideration, describe in detail, your proposed work plan for delivering the services required by this RFP, including, but not limited to;

- A. How you will schedule professional and staff to ensure milestones and deadlines are met?

RSG weekly meets with staff on the allocated hours for each task. Additionally, RSG uses a software (WorkflowMax) to track milestones of each task and updates the project matrix once a milestone has been reached. The timeline approach would be sync to the required benchmarks of the City. RSG would keep the City informed of such milestones and deadlines on a monthly basis. However, a per project general milestone would be as follows:

Compliance Monitoring Activity	Duration
Agreement Review (new projects only)	1 Week
Calendar Schedule of Project Monitoring	1 Week
Monitoring Notification (including response time)	4 Weeks
Draft Findings (files or physical inspection response time for corrections)	3 Weeks
Final Compliance Report	3 Weeks
Total Estimated Time	12 Weeks

SB 341 Activity	Duration
Data Request Notification	1 Week
Submitting data from City staff	3 Weeks
Financial Analysis and Review	2 Weeks
Draft Final Report and Submission	2 Weeks
Total Estimated Time	8 Weeks

- B. Provide required response time to the urgent service requests.

RSG response time with items deemed urgent are less than 2-6 hours. If the request requires a longer period of action, RSG negotiates with the requestor an appropriate time that both parties agree to.

- C. How you will make up for work-hours lost (and resulting backlog that may occur) due to various unforeseen situations that may prohibit work on a specific day.

RSG has multiple staff members trained on the City's affordable housing portfolio and have established relationships with property management staff as well as the City staff. If a staff member is unable to complete a certain task, RSG would pull resources and help from another staff member that can assist with any delay.

D. Provide any other relevant information that you believe would benefit City for the requested services.

With RSG current services to the City of compliance monitoring and SB 341 annual reporting RSG is well positioned to continue services as an established trusted partner. In past years, RSG has provided affordable housing services, including eligibility review for homeownership units. This included a detail of loan processing for eligible households to determine the qualification requirements with the City's funding assistance. RSG has also assisted with residual receipt analysis for a few projects and determined if the City had any funds available to collect. Based on past and present services, RSG has the qualifications to continue the partnership with the City and can offer additional services if needed.

Submitted by:

Company Name	RSG, Inc.
Contact Name	Tara Matthews
Title	Principal
Signature	
Email	tmatthews@webrsg.com
Phone	(714) 316-2111
Date	6/14/2021

Attachment: RSG Proposal to Request For Professional Services (5489 : AUTHORIZATION TO AWARD AGREEMENT FOR PROFESSIONAL



Report to City Council

TO: Mayor and City Council

FROM: Brian Mohan, Assistant City Manager

AGENDA DATE: September 7, 2021

TITLE: ACCEPT THE U.S. DEPARTMENT OF THE TREASURY EMERGENCY RENTAL ASSISTANCE PROGRAM PART 2 (ERAP2) FUNDS.

RECOMMENDED ACTION

Recommendations:

1. Adopt Resolution No. 2021-XX, a Resolution of the City Council of the City of Moreno Valley, California Authorizing Participation in the State Rental Assistance Program 2 in the amount of \$6,032,832.
2. Accept the U.S. Department of the Treasury Direct Allocation of Emergency Rental Assistance Program Part 2 (“ERAP2”) funds in the amount of \$5,012,189, and receive any additional redirected funding from ERAP as recommended by the California Department of Housing and Community Development (HCD).
3. Authorize the amendment of the existing consulting agreement with Willdan Financial Services (“WFS”) to include administration support for ERAP2 for an additional amount of \$75,000, as approved by the City Attorney.
4. Authorize a budget amendment as set forth in the fiscal impact section.
5. Authorize the City Manager to execute an agreement with United Way of Inland Valleys and the County of Riverside, and allocate ERAP2 funding to expedite direct assistance to our community.

SUMMARY

On December 27, 2020, the U.S. Congress passed the Consolidated Appropriations Act of 2021 (the “2021 Act”) that included an appropriation of \$25 billion for an Emergency

Rental Assistance Program (“ERAP”) to assist households that are unable to pay rent or utilities resulting from the COVID-19 pandemic. All cities with a resident population of over 200,000 received a direct allocation of ERAP funding. The City of Moreno Valley (“City”) received \$6,334,495 from the U.S Department of the Treasury (“USDT”) in January 2021.

On March 11, 2021 The American Rescue Plan Act (ARPA) of 2021 was enacted. ARPA provided up to \$21.55 billion under part II of the Emergency Rental Assistance program (ERAP2). The City of Moreno Valley (“City”) received a direct federal allocation of \$5,012,189 under ERAP2 and a State Allocation of \$6,032,832.

All ERAP funds are required to be obligated by the City to eligible ERAP activities or risk the possibility of recapture and redistribution by the USDT. Eligible ERAP activities include Financial Assistance for rent and utility payments, Housing Stability Services and Administration. Eligible households qualifying for the ERAP assistance include those at or below 80% of the Riverside County Average Median Income (“AMI”) as published annually by the U.S. Department of Housing and Urban Development (“HUD”).

Additionally, on June 28, 2021, California Governor Gavin Newsom signed into law Assembly Bill 832 (AB 832), enacting a number of protections against eviction for tenants who have been unable to pay rent debt that accrued during the COVID-19 crisis. AB 832 includes additional requirements for local rental assistance programs, and provisions that help streamline rental assistance payments to tenants and property owners.

The Bill ensures rental assistance dollars are given to cities and counties with unmet needs, and uses the judicial process to guarantee tenants and landlords have attempted to obtain rental assistance.

DISCUSSION

Assembly Bill 832 (AB 832)

AB 832 extends through September 30, 2021, the same eviction protections originally established under the COVID-19 Tenant Relief Act of 2020 passed under AB 3088 and further extended under SB 91. Key changes related to tenant protections in AB 832 include:

- Expanding funding eligibility for 100% of rental arrears and future rent for both landlord and tenants, for up to 18 months of total aid.
- Allowing tenants to apply for aid on their own if their landlord does not apply.
- Extending eviction protections for non-payment of rent related to the impacts of the COVID-19 pandemic from June 30, 2021 to September 30, 2021, provided that the tenant has paid 25% of the rent due.

- From October 1, 2021 to March 30, 2022 evictions for rental debt accumulated due to COVID-19 cannot proceed unless the landlord has applied for, and been denied rental assistance funding to cover the rental debt.

Key changes related to locally-enacted COVID-19 tenant protections and the administration of emergency rental assistance in AB 832 include:

- State preemption of any local eviction protection measure is extended until March 31, 2022.
- Local governments that have completed rental assistance payments pursuant to SB 91 must provide additional assistance from AB 832 to previous recipients so that total assistance is equivalent to 100% of an eligible household's rental arrears, or prospective rent to the period originally requested.
- By September 15, 2021, each local government rental assistance program must develop mechanisms, including but not limited to telephone and online access, for landlords, tenants and courts to verify the status of applications for rental assistance, including whether the application has been approved or denied and, if applicable, the reason for the denial.

ERAP Eligible Activities and Households

Eligible ERAP2 Activities include the following:

- 1. Financial Assistance**, including up to 18 months assistance (ERAP1 and ERAP2, combined) for both delinquent and future rental and utility assistance, provided that the tenant has paid 25% of the rent due. Beneficiaries are not required to be in arrears, and may request aid for prospective benefits.
- 2. Housing Stability Services**, including services that enable eligible households to maintain or obtain housing, case management relating to housing stability, legal services related to eviction proceedings and other support services to access or maintain housing.
- 3. Administrative Expenses**, including financial assistance, housing stability services and other affordable rental housing and eviction prevention activities as well as data collection and reporting.
- 4. Other Expenses**, for both ERAP1 and ERAP2, other expenses related to housing include relocation expenses (including prospective relocation expenses), such as rental security deposits, and rental fees, which may include application or screening fees. It can also include reasonable accrued late fees (if not included in rental or utility arrears), and Internet service provided to the rental unit.

Eligible ERAP2 Households include the following:

1. One or more individual in the household has qualified for unemployment benefits or has experienced a reduction in household income, incurred significant costs, or experienced a financial hardship during or due, directly or indirectly to the coronavirus pandemic.;
2. One or more individuals within the household can demonstrate a risk of experiencing homelessness or housing instability; and
3. The household is a low-income family (as such term is defined in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a (b))).

Eligible households that include one or more members who have been unemployed for at least 90 days, and households with an income below 50 percent of the area median are to be prioritized for assistance.

ERAP2 Funding Allocations

The City's proposed allocation of its ERAP2 funding is governed by Section 501 (c) of the Consolidated Appropriations Act of 2021, which requires at least a 85% minimum of the funds be used to provide Financial Assistance activities.

Proposed Sub-grantee of Federal Direct Allocation

The City has partnered with the Inland So Cal United Way ("ISCUW") to carry out the Financial Assistance and Housing Stability Services activities relating to ERAP1. ISCUW is also currently providing Rapid Rehousing and Homelessness Prevention activities under the City's CARES Act Emergency Solutions Grant Program ("ESG-CV") and has adequate systems, knowledgeable staff and prior experience necessary to successfully carry out the City's rental assistance and homeless prevention programs. Additionally, ISCUW is also working with the County of Riverside in implementing their ERAP programs. The City would like to continue this partnership with ISCUW to provide continued rental assistance programs to our residents.

In addition, staff is requesting approval to amend the current consulting agreement with Willdan Financial Services (WFS) for the administration of the Emergency Rental Assistance Program. WFS is currently providing program administration services for ERAP1, HUD CARES Act Grants and has been providing grant support services for the City's HUD funded grants since 2015. The program administration across multiple federal grants by one consultant will allow the City to ensure the highest level of compliance.

WFS proposes to assist with the ERAP2 program administration including drafting sub-recipient agreements, ongoing review of sub-recipient invoices and technical support, and reporting to City staff on program milestones. WFS will also perform final close out of funding cycle and fulfill requirements for oversight including monitoring visits to determine compliance with federal regulations.

Eligible ERAP 2 Activities	USDT Proposed Allocation
Financial Assistance	\$4,260,361
Housing Stability Services/Admin	\$501,000
Total to Subgrantee	\$4,761,361
City Administration Costs	\$250,828
Total City of Moreno Valley Allocation	\$5,012,189

The proposed amendment to the consulting agreement with WFS will be for an additional amount of \$75,000 for a not to exceed amount of \$150,000. The fee reflects the tasks and hours necessary to complete the program administration through June 30, 2025. The City will be invoiced monthly based on the number of service hours provided. The cost of this agreement will be paid for using allocated ERAP administration funds.

Proposed MOU with County of Riverside of State Allocation

The City also proposes to collaborate through a Memorandum of Understanding (MOU) with the County of Riverside to carry out the Financial Assistance and Housing Stability Services activities relating to ERAP2’s State Allocation amount of \$6,032,832.07. This collaboration Countywide will allow the County, with our local support, to serve residents in Moreno Valley with resources from the County of Riverside Housing Authority and County court system.

ALTERNATIVES

The City Council has the following alternatives:

Alternative 1. Accept the U.S. Department of the Treasury Direct Allocation of ERAP2 funds and administer a local program; amend consulting agreement to WFS to include ERAP2 Administration Services; enter into an MOU with the County of Riverside for the State allocation; and authorize a budget amendment as set forth in the fiscal impact section. *Staff recommends this action because it complies Federal and State requirements and would allow the City to continue to provide our community a rental assistance program.*

Alternative 2: Decline to accept the U.S. Department of the Treasury Direct Allocation of ERAP2 funds and not administer a local program; not amend the consulting agreement to WFS for ERAP2 Administration Services; not enter into an MOU with the County of Riverside for the State allocation; and not authorize a budget amendment as set forth in the fiscal impact section. *Staff DOES NOT recommends this action because it would not allow the City to continue to provide our community a rental assistance program.*

FISCAL IMPACT

The acceptance of the ERAP2 funds and authorization to administer a program locally in the amount of \$5,012,189 in direct ERAP2 funds will generate the following fiscal

impact:

Description	Fund	GL Account No.	Type (Rev/Exp)	FYI 21/22 Budget	Proposed Adjustments	FY 21/22 Amended Budget
Federal Revenue	2300	Emergency Rental Assistance	Rev	\$ -	\$ 5,012,189	\$ 5,012,189
Administration Expenditure	2300	Emergency Rental Assistance	Exp	\$ -	\$ 250,828	\$ 250,828
Program Expenditure	2300	Emergency Rental Assistance	Exp	\$ -	\$ 4,761,361	\$ 4,761,361

No General Fund money will be used for ERAP2; therefore, there is **NO FISCAL IMPACT TO THE GENERAL FUND.**

CITY COUNCIL GOALS

None

CITY COUNCIL STRATEGIC PRIORITIES

1. Economic Development
2. Public Safety
3. Library
4. Infrastructure
5. Beautification, Community Engagement, and Quality of Life
6. Youth Programs

ATTACHMENTS

1. Resolution 2021-xx Accept the U.S. Department of the Treasury Emergency Rental Assistance Program Part 2 (ERAP2) Funds
2. Willdan Financial - ERAP2 Fee Proposal

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	8/29/21 8:06 PM
City Attorney Approval	<u>✓ Approved</u>	
City Manager Approval	<u>✓ Approved</u>	8/30/21 9:03 AM

RESOLUTION NO. 2021-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, AUTHORIZING PARTICIPATION IN THE STATE RENTAL ASSISTANCE PROGRAM - 2

WHEREAS, On March 11, 2021, the American Rescue Plan Act of 2021 (Pub.L. No. 117-2) (“ARPA”) was signed into law. Section 3201 of ARPA established the federal Emergency Rental Assistance Program (“ERA2”), and authorized the direct allocation of emergency rental assistance funds to states, the District of Columbia, units of local government, and territories. The ERA2 funds are intended to assist low-income households that have experienced financial hardship due to the COVID-19 pandemic, are unable to pay for rent and utilities, and are at risk of experiencing homelessness or housing stability; and

WHEREAS, California Assembly Bill No. 832 (2021-2022 Reg. Sess.) (“AB 832”) established the State of California’s program for administering its share of ERA2 funds (the “SRA2,” “State Rental Assistance Program – 2,” or “SRA2 Funds”). AB 832 amended Chapter 17 (commencing with Section 50897) of Part 2 of Division 31 of the Health and Safety Code. Health and Safety Code section 50897.1, subdivision (a)(1) authorizes the Department of Housing and Community Development (the “Department”) to administer the SRA2 Funds in accordance with state and federal law; and

WHEREAS, on July 13, 2021 the City of Moreno Valley (“Locality”) received an allocation of ERAP2 funds from the U.S. Department of the Treasury (“Treasury”) in the amount of \$5,012,189 (such amount, the Locality’s “Direct Federal Allocation”); and

WHEREAS, the City of Moreno Valley plans to administer its Direct Federal Allocation, and acknowledges that the Direct Federal Allocation is subject to the requirements of the Act and Treasury interpretive guidance, and to all such requirements as may be subsequently amended.; and

WHEREAS, the State Allocation and State Administrative funding of \$6,032,832.07 will be Administered by the County of Riverside through a Memorandum of Understanding (MOU) with the County; and

WHEREAS, the City of Moreno Valley desires to receive an allocation of SRA2 Funds pursuant to Health and Safety Code section 50897.2.1, subdivision (a)(1) or (2) (such allocation, a “Round 2 Block Grant Award”). Locality submitted its request for a Round 2 Block Grant Award to the Department in accordance with Health and Safety Code section 50897.2.1, subdivision (c)(1); and

WHEREAS, the City of Moreno Valley acknowledges every Round 2 Block Grant Award is subject to state and federal requirements, including, without limitation, the requirements of AB 832 and the Department’s guidelines, the relevant requirements of

1
Resolution No. 2021-XX
Date Adopted: August 17, 2021

Attachment: Resolution 2021-xx Accept the U.S. Department of the Treasury Emergency Rental Assistance Program Part 2 (ERAP2) Funds

ARPA and the Treasury’s interpretive guidance, and all such requirements as may be subsequently amended (collectively, the “Round 2 Block Grant Award Requirements”).and

WHEREAS, the City of Moreno Valley further acknowledges that every Round 2 Block Grant Award is subject to the terms and conditions of a Department-approved STD 213, Standard Agreement (“Standard Agreement”), all other documents required or deemed necessary or appropriate UNDER STATE OR FEDERAL LAW to allocate the Round 2 Block Grant Award, and all amendments thereto (collectively, the “Round 2 Block Grant Award Documents”).

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. Mr. Mike Lee, City Manager, is authorized to execute, accept, enter into, and administer the Block Grant Award Agreements, and all its subsequent amendments on behalf of The City of Moreno Valley for participation in the State Rental Assistance Program – 2.
2. The City Manager is hereby authorized and directed to accept a Block Grant Award for a base amount of \$5,012,189, as well as any subsequent future additions awarded to The City of Moreno Valley.
3. The City Manager is hereby authorized and directed to enter into, execute, and deliver the Block Grant Award Documents, which shall include a Standard Agreement for a base amount of \$5,012,189, as well as any subsequent future additions awarded to The City of Moreno Valley.
4. The City Manager is hereby authorized and directed to assume responsibility for administering the Round 2 Block Grant Award in accordance with all Round 2 Block Grant Award Requirements.
5. The City Manager is hereby authorized to execute and enter into a Memorandum of Understanding (MOU) with the County of Riverside related to the State Allocation and State Administrative allocations for the current ERAP 2 amount of \$6,032,832.07 and any other future State Allocations and State Administrative allocations related to emergency rental assistance.
6. The undersigned, Mayor of the City of Moreno Valley, does hereby attest and certify that the foregoing is a true and full copy of a resolution of the governing body adopted at a duly convened meeting on the date above mentioned, and that the resolution has not been altered, amended, or repealed.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately upon its adoption.

APPROVED AND ADOPTED this 9th day of September 2021.

2
Resolution No. 2021-XX
Date Adopted: September 9, 2021

Attachment: Resolution 2021-xx Accept the U.S. Department of the Treasury Emergency Rental Assistance Program Part 2 (ERAP2) Funds

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

Resolution No. 2021-XX³
Date Adopted: September 9, 2021

Attachment: Resolution 2021-xx Accept the U.S. Department of the Treasury Emergency Rental Assistance Program Part 2 (ERAP2) Funds

RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, Pat Jacquez-Nares, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2021-XX was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 21st day of September, 2021 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

Resolution No. 2021-XX⁴
Date Adopted: September 9, 2021

Attachment: Resolution 2021-xx Accept the U.S. Department of the Treasury Emergency Rental Assistance Program Part 2 (ERAP2) Funds



August 23, 2021

Ms. Dena Heald
Deputy Finance Director
City of Moreno Valley
14177 Fredrick Street
Moreno Valley, CA 92553

Re: *Proposal to Provide Administration of U.S. Department of Treasury Emergency Rental Assistance Program- ERA2*

Dear Ms. Heald:

Per your request, Willdan Financial Services (“Willdan”) is pleased to submit the following proposal to the City of Moreno Valley (“City”) to provide Grant Administration Services to promptly and effectively utilize the recent second round of funding to the City by U.S. Department of the Treasury (“Treasury Department”) for its Emergency Rental Assistance Program (“ERA2”) in the amount of \$5,012,189. These ERA2 funds have been awarded to the City by the Treasury Department under Section 501 of Division N of the Federal Consolidated Appropriations Act 2021 to assist in mitigating the impact to the community due to the Coronavirus pandemic. The objective of ERA2 funds is to provide direct financial assistance and housing stability services to low- and moderate-income residents of the City. ERA2 funds must be obligated by September 30, 2025 or be recaptured by the Treasury Department for reallocation, so time is of the essence to implement the activity.

The Treasury Department has urged agencies receiving the ERA2 funds to move quickly to bring relief to qualified families affected by Covid-19. Willdan’s commitment to the City of Moreno Valley is to provide the highest degree of dedication and expertise in order to achieve this goal. We are also poised to extend the scope of this proposal to a 3rd round of ERA funding, if received by the City.

We look forward to the opportunity to extend our relationship with the City to include the requested services. Should you have any questions, or need additional information, please contact me at (951) 587-3527, or via email at BQuaid@Willdan.com.

Thank you again for this opportunity to submit our proposal for these critical services.

Sincerely,

WILLDAN FINANCIAL SERVICES

Robert D. Quaid
Principal Consultant
District Administration Services

Gladys Medina
Vice President – Group Director
District Administration Services

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 Project Fees 8

Attachment: Willdan Financial - ERAP2 Fee Proposal (5514 : ACCEPT THE U.S. DEPARTMENT OF THE TREASURY EMERGENCY RENTAL



Proposed Consultant Team

Our management and supervision of the project team is very simple: staff every position with experienced, capable personnel in sufficient numbers to deliver a superior product to the City, on time and on budget. With that philosophy in mind, we have selected experienced professionals to provide the services requested. We are confident that our team possesses the depth of experience that will successfully fulfill the desired work performance.

Mr. **Robert “Bob” Quaid**, Principal Consultant, will serve as the Project Manager for this assignment and will be the primary contact person for City staff.

Ms. **Helen Jones** and Ms. **Richelle Tague** will provide **grant subrecipient monitoring and administrative support**, they will work closely with Mr. Quaid during the engagement.

Mr. **Tim Colón**, CDBG analyst, will provide Technical Assistance, as needed. Mr. Colón is currently working with several other agencies on their ERA2 implementation.

Resumes

Resumes for Willdan project team are provided on the following pages. Each resume identifies the team member’s title, responsibility, and prior experience that will be drawn upon in order to effectively and efficiently complete the services desired by the City of Moreno Valley.

Attachment: Willdan Financial - ERAP2 Fee Proposal (5514 : ACCEPT THE U.S. DEPARTMENT OF THE TREASURY EMERGENCY RENTAL

Robert (Bob) Quaid, CPA Project Manager

Education

*Bachelor of Science,
University of Southern
California*

In the position of Principal Consultant at Willdan, Mr. Quaid provides project management, technical support, grant monitoring and quality review of client deliverables for Willdan's grant administration team. Mr. Quaid also serves as the lead consultant for construction cost audits, special financial projects and as interim finance/administrative staff support to client agencies.

Areas of Expertise

*Grant Administration
and Monitoring*

With 20 years of experience in the public finance industry, Mr. Quaid has participated in numerous cost service studies and construction cost audits and most recently provided grant administration support for the City of Moreno Valley. Mr. Quaid began his career as an auditor in 1976 with the international CPA firm formerly known as Haskins & Sells. He spent 11 years as an accounting and financial manager in the real estate development industry before joining Willdan in 2001.

Cost of Service Studies

BID Administration

*Statutory Financial
Reporting*

Related Project Experience

*Fiscal Analysis for User
Fees and Rates*

City of Moreno Valley, CA – Grant Consultant/Manager: Currently serves as the lead grant consultant to the City, Mr. Quaid reports to the City financial operations manager and supervises a Willdan staff of three individuals supporting the City's annual grant administration, monitoring and reporting activities. These activities include, but are not limited to: reviewing, scoring and preparing Council recommendation reports on the subrecipient applications for the City's annual CDBG, HOME and ESG entitlement awards, as well as its CARES and ERA1 awards; conducting pre- and post-award training sessions with subrecipients; reviewing sub-recipient invoices for payment; and entering various information into the HUD Integrated Disbursement of Information System (IDIS) and reporting to the USDT for the ERA program.

Fund Audits

*Quality Review of
Community Facilities,
Lighting & Landscaping,
and Assessment Districts*

Mr. Quaid also oversees the preparation of the Annual Action Plan and the Consolidated Annual Performance Evaluation Report (CAPER), plans and conducts the annual onsite subrecipient monitoring, and interfaces with regional HUD representatives on technical issues for the City.

Affiliations

*California Society of
Municipal Finance Officers*

North City West School Facilities Financing Authority, CA – Administrator: As the administrator for the three member joint powers authority, Mr. Quaid worked closely with the Executive Director and was primarily responsible for supervising the monthly administration, accounting and investment functions including processing of revenues and expenses in accordance with GAAP; coordinating debt service payments with the bond trustee; preparing quarterly Board agendas and financial reports; working with the independent CPA during the annual audit/compliance review; interfacing with the San Diego County Office of Education; filing mandatory/regulatory reports with the City of San Diego and the Securities and Exchange Commission; and communicating with Board members, as needed.

Certifications/Licenses

*Certified Public
Accountant*

20 Years' Experience

Central Basin Municipal Water District, CA – Interim Financial Manager: As the District's Interim Financial Manager, Mr. Quaid's duties included working with the General Manager, department heads and District staff to develop the annual budget; provide an assessment of the finance department's current staffing plan; work with staff in preparation of monthly budget versus actual reports for project managers for budget monitoring; work with staff in preparation of financial information to be included in the monthly Board reports; assist department staff with scheduled check runs and check requests; effectively manage cash flows; ensure compliance with IRS and SEC requirements on tax-exempt bond issues; review the District's Long-Range Financial Plan with the General Manager; assist with the identification of necessary rates to meet District revenue requirements; provide financial market updates; attend regular monthly Board meetings, agenda meetings and department head meetings; and held regular office hours at the District office. Mr. Quaid also represented the District in a Bureau of Reclamation grant audit for the District's recycled water pipeline providing necessary support for indirect costs allocated to the grant.

Attachment: Willdan Financial - ERAP2 Fee Proposal (5514 : ACCEPT THE U.S. DEPARTMENT OF THE TREASURY EMERGENCY RENTAL

Helen Jones

Senior Analyst

Education
Bachelor of Arts,
Lakehead University,
Thunder Bay, Canada
Cum Laude
Certified Fraud Examiner

Areas of Expertise
Grant Monitoring
Acquisition Audit Services

Professional Affiliations
Association of Chartered
Certified Accountants

12 Years' Experience

Ms. Helen Jones is a Senior Analyst in Willdan's District Administration Services group. She assists in the research and analysis necessary to resolve local government financial issues related to auditing and administration.

Ms. Jones joined Willdan with over a dozen years of financial and auditing experience. She enhances the Willdan team by bringing her expertise in understanding organization objectives and structure, policies, processes, internal controls, and external regulations; identifying risk areas; and preparing programs. In her career, she has served as an auditor, controller and chief financial officer, with real estate development and financial control firms.

As a senior analyst and auditor with an international fraud investigation and dispute resolution firm in the firm's Cayman office, she specialized in complex offshore asset recovery; fraud investigation and insolvency projects; prepared affidavits in support of Grand Court submissions; traced funds and classes structures of SPhinX Funds with over \$500M in assets; and cross border insolvency complications. She also maintained direct involvement in efforts to recover Fairfield funds' assets, one of the major victims in the Bernie Madoff Ponzi scheme.

In the capacity of financial controller of a real estate development and general construction firm, Ms. Jones oversaw all financial matters, including preparing financial statements; payroll, regulatory communications and filings; ensuring adequate cash flow; and reporting to investors. While with the firm, she was the acting chief financial officer for a real estate development/new construction project in Old Town Temecula and oversaw the construction of a \$12M mixed use building with a combined square footage of 37,000 and accommodating restaurants, retail spaces, executive office suites and apartments. Her tasks included, point of contact for all project funding for the lending bank and fund control company; prepared all fund draw requests; ensured compliance with all provisions of the City of Temecula conditions for redevelopment grant of \$4M; vendor relations and payment of sub-contractors; investor reporting; and preparing financial statements and regulatory filings.

Related Project Experience

City of Moreno Valley, CA – Grant Analyst: Ms. Jones serves as one of Willdan's grant analysts providing technical and compliance reviews of subrecipient invoices under agreement with the City. Ms. Jones also teams with Mr. Quaid in conducting the onsite monitoring of the City's CDBG and ESG subrecipients providing technical support in review of contracts, Davis-Bacon prevailing wage compliance, Section 3 compliance and other HUD regulations affecting the program activity. Ms. Jones also assists in the preparation of the monitoring reports to the City. She also serves as the lead grant analyst for the City's CARES and ERA1 grant programs.

County of San Diego, CA – Construction Cost Audit Project Analyst: Currently serving as project analyst for the construction cost audit of \$55.4 million in public facilities including streets, bridges, parks, sewer, water and wastewater treatment associated with Community Facilities District No. 2008-1.

Ms. Jones reviews all required documents required for submittal by the home developer, pursuant to the Acquisition and Funding Agreement. She also performs the review of certified payroll for the contractors and subcontractors for prevailing wage compliance, coordinates communications by the Project Manager to the County and the developer and assists in the preparation of the audit reports for the facilities.

Attachment: Willdan Financial - ERAP2 Fee Proposal (5514 : ACCEPT THE U.S. DEPARTMENT OF THE TREASURY EMERGENCY RENTAL

Richelle Lane Senior Analyst

Education
Bachelor of Science in Business Administration (Emphasis in Accounting); California Baptist University

Ms. Richelle Tague provides grant administration support for Willdan's grant engagements. She reviews and evaluates subrecipient CDBG, HOME and ESG grant applications, invoice review, procedures development, preparation of cash drawdowns and budget progress reports for funded projects.

As a Willdan Senior Analyst, Ms. Tague assists in the research and analysis required to resolve local government financial issues related to district and grant administration, including database management, research of applicable laws and regulations, and report preparation.

Areas of Expertise
*Grant-Related Services
Non-Profit Organization Accounting
Database Management*

Further, Ms. Tague is also involved in auditing services, for which she has worked with a number of cities and developers related to the reimbursement of public facilities. She is also part of the on-call grant services team and is responsible for providing fiscal, reimbursement review, reporting, and budget support to agencies on an as-needed basis.

9 Years' Experience

Ms. Tague came to Willdan with six years of combined finance and accounting experience. Prior to joining Willdan, she worked for the American Red Cross and was responsible for the day-to-day grant fiscal administration for federally funded programs, such as CDBG and various National Emergency Grants (NEG).

Previous services performed by Ms. Tague related to federal grants included:

- Preparation of draw down requests;
- Accounts payable and payroll;
- Monitoring of grant expenditures and project milestones;
- Development of policies and procedures to implement new grants and projects; and
- Analysis and preparation of statistical information used for performance reporting (i.e., number of participants served, income levels, demographics etc.).

Related Project Experience

City of Moreno Valley, CA – Grant Analyst: Ms. Tague has served as one of Willdan's grant analysts providing grant application and subrecipient invoice review support for the City's ERA1 and CARES CDBG-CV and ESG-CV grant programs for Fiscal Years 2018 through 2021.

Attachment: Willdan Financial - ERAP2 Fee Proposal (5514 : ACCEPT THE U.S. DEPARTMENT OF THE TREASURY EMERGENCY RENTAL

Timothy C. Colón, JD, MUP

CDBG Analyst

Education

Juris Doctor
University of Minnesota,
Minneapolis, MN

Master of Urban Planning
University of Kansas,
Lawrence, KS,

Bachelor of Arts,
Political Science,
University of Minnesota,
Morris, MN,

20 Years' Experience

Mr. Timothy C. Colón is a Willdan Engineering CDBG Analyst with 20 years of experience. Mr. Colón is experienced in reviewing and aligning program policies with HUD regulations under 24 CFR 570, the allocating Federal Register Notice, and HUD CPD notices. Mr. Colón is knowledgeable in CDBG-DR program planning and Action Plan development.

Relevant Project Experience

Tetra Tech, Los Angeles, CA – Program Manager/Subject Matter Expert: Housing Policy and Disaster Recovery matter expertise for CDBG-DR program planning and Action Plan development.

US Department of Housing and Urban Development, New York, NY, Los Angeles, CA Community Planning and Development Specialist: Office of Community Planning and Development – Disaster Recovery and Special Issues Division.

Port Authority of New York and New Jersey, New York, NY – Manager, Alternative Funding Strategies: Identify and advance projects eligible for federal funding/financing and anticipate compliance impacts.

US Department of the Treasury, Washington, DC – Senior Policy Advisor: Supervisory position that involved managing the creation and implementation of a compliance framework, administered across 56 participants and encompassing \$1.5 Billion, including risk assessment, sample testing, technical assistance, and on-site review

US Department of Housing and Urban Development, Washington, DC – Attorney/Fellow (GS 1101-13). Office of General Counsel Office of Assisted Housing and Community Development and Los Angeles Field Office: Conducted loan closings for the HUD 202/811 programs on projects worth over \$25 million.

Office of Affordable Housing Programs. Drafted regulations and policies for the HUD Federal Housing Trust Fund. Drafted policy documents including federal regulations and federal notices for a federal housing production program.

Office of Community Planning and Development – Los Angeles Field Office. Monitored and evaluated recipients of CPD Programs and other grants.

Office of Block Grant Assistance (CDBG). Assisted in the distribution of Neighborhood Stabilization Program (a short term Federal housing and economic development program) to assist communities severely impacted by the foreclosure crisis. Reviewed plans and developed recommendations to ensure compliance with NSP statutory requirements and program regulations including management controls, quality controls, and performance measures.

Lynn Jackson Schultz and Lebrun, Sioux Falls, SD – Law Clerk Summer 2007: Developed and prepared legal contracts and legal memoranda. Drafted and prepared trial court and appellate court briefs including an appellate brief to the state Supreme Court on the issue of wrongful interference of a business relationship. Assisted with depositions, trials and business transactions.

Attachment: Willdan Financial - ERAP2 Fee Proposal - (5514 : ACCEPT THE U.S. DEPARTMENT OF THE TREASURY EMERGENCY RENTAL

Scope of Work

Willdan understands that the City seeks grant program administration support for its ERA2 Grant to mitigate the effect of the Coronavirus outbreak. Prompt program planning, implementation and administration is essential to the successful performance of the ERA2 Grant activities and reporting of accomplishments to the grantor agencies.

Willdan proposes the following tasks to fully administer the ERA2 Grants.

A. Funding Recommendation Process

1. Assist in determining the allocation of the ERA2 grant funds to the eligible activities pursuant to the Treasury Department guidelines.
2. Assist in drafting staff reports to council and attending finance committee and City Council meetings when requested.
3. Provide technical assistance with regard to eligible activities for the ERA2 Grants.
4. Review applications and associated documents submitted by applicants.
5. Notify applicants regarding incomplete or missing documentation.

B. Program Administration

1. If requested, conduct workshop for selected ERA2 subrecipients to advise on ERA2 federal requirements.
2. Assist in the drafting and finalization of ERA2 subrecipient agreements with City. Interface with subrecipients regarding questions or request for technical assistance.
3. Coordinate the preparation of environmental reports for each subrecipient activity, as needed.
4. Set up programs with executed ERA2 agreements in Willdan files and City files as needed.
5. Perform ongoing review of subrecipient invoices requesting reimbursement of program costs, including but not limited to, comparing requested amount with program budget, determining all costs are supported with appropriate documentation linking them to program activity, verifying receipt of all required certifications and performance reports, interfacing with subrecipients on any issues relating to the invoice.
6. Provide ongoing technical support to subrecipients and interface with federal and state representatives for technical assistance, as needed.
7. Provide ongoing reporting City staff of grant administration milestones.
8. Provide required federal and state reporting on ERA2 activity.

C. Program Close Out

1. Perform final close out of ERA2 program as required by the federal and state program requirements.
2. Fulfill any federal or state program requirements for subrecipient oversight by scheduling and notifying subrecipients of onsite monitoring visits to determine compliance with federal or state regulations and terms and conditions of the agreement.

City Responsibilities

To assist Willdan, the City will provide the following information and/or services:

- Primary contact at City for all grant related deliverables and correspondence .
- Access to all relevant ERA2 related files on the City network.

Please note Willdan will rely on the validity and accuracy of the City of Moreno Valley data and documentation to complete this engagement. Willdan will rely on the data as being accurate without performing an independent verification of accuracy, and that we will not be responsible for any errors that result from inaccurate data provided by the City or a third party.

Project Term

The scope of services will be provided by Willdan commencing September 2021 and continue through June 30, 2025, which is determined to be sufficient to meet the Treasury Department’s ERA2 program expenditure and close out deadline of September 30, 2025.

Attachment: Willdan Financial - ERAP2 Fee Proposal (5514 : ACCEPT THE U.S. DEPARTMENT OF THE TREASURY EMERGENCY RENTAL

Proposed Fees

Project Fees

Based upon our proposed scope of work, we propose a **not-to-exceed annual contract price of \$75,000**. The fee reflects the tasks and hours necessary to complete the ERA2 administration through June 30, 2025. We will invoice the City monthly based on the number of service hours provided to the project.

Hourly Rates

The table below outlines Willdan’s current hourly rates that will apply for any additional services above and beyond the proposed Scope of Work.

Hourly Rate Schedule		
Position	Team Member	Hourly Rate
Project Manager	Robert Quaid	\$ 130
CDBG Analyst	Timothy C. Colón	125
Senior Analyst	Helen Jones	100
Senior Analyst	Richelle Tague	100

Attachment: Willdan Financial - ERAP2 Fee Proposal (5514 : ACCEPT THE U.S. DEPARTMENT OF THE TREASURY EMERGENCY RENTAL



Report to City Council

TO: Mayor and City Council

FROM: Brian Mohan, Assistant City Manager

AGENDA DATE: September 7, 2021

TITLE: APPROVE THE SMOKE & CARBON MONOXIDE ALARM GIVEAWAY/REBATE PILOT STARTER RESIDENTIAL PROGRAM

RECOMMENDED ACTION

1. Approve the smoke & carbon monoxide alarm giveaway/rebate pilot starter residential program;
2. Authorize the City Manager to implement the smoke & carbon monoxide alarm giveaway/rebate pilot starter residential program;
3. Authorize a budget adjustment as set forth in the Fiscal Impact section of this report.

SUMMARY

This report recommends approval of a smoke and carbon monoxide alarm giveaway/rebate pilot starter residential program and to authorize the City Manager to implement the program on or before October 1, 2021.

This pilot starter residential program has three portions. The first provides alarms through a giveaway program at no cost to the residents. The second provides residents the option of purchasing units from Moreno Valley retailers and receiving a rebate for the cost of the alarms (up to a maximum amount of \$50) from the City. The third provides education of the importance of having working alarms.

DISCUSSION

The City has seen an increase in residential fires. In August, a residential fire tragically took the life of a young boy.

The creation of a smoke and carbon monoxide alarm giveaway/rebate pilot starter residential program will assist residents in obtaining the alarms at no cost. It will provide residents a start or beginning of their home fire escape plan. These alarms are a key part of a home fire escape plan. When there is a fire, smoke spreads fast. Working smoke and carbon monoxide alarms give residents an early warning so they can get outside quickly. Residents will be provided additional education materials so they can continue to increase the number of these alarms to the necessary levels that are nationally recognized by the National Fire Prevention Association.

The Program is specified below:

Giveaway – The Economic Development Department have collaborated with Moreno Valley businesses that distribute alarms and have received confirmation that several business will donate units to the City. In fact, LOWE’S and Harbor Freight distribution centers have donated over 1,250 units combined. These units will be used for the giveaway portion of the program. Any Moreno Valley resident can pick up one of each of the alarm types. Residents will need to show proof of residency in our City (Driver’s License). Alarms will be made available by the Fire Prevention Department at City Hall.

Rebate – Additionally, in an effort to provide our residents with flexibility in purchasing these types of alarms in lieu of the giveaway units, a rebate portion of the program will be available. Residents will need to show proof of residency in our City (Driver’s License) and receipt detailing the purchase of the alarms. Residents are reminded to shop locally for these units. The City will rebate the cost of the alarms including tax up to a maximum rebate amount of \$50 per household. Rebates will be completed at City Hall cashiers counter. The rebate option will be funded by \$40,000 from the Moreno Valley Community Foundation. This amount is being funded by Commercial Cannabis Community Benefit revenues received for these types of purposes.

Education – In an effort to educate residents about the importance of having working alarms, the City will promote the Fire Prevention Week campaign described above. This program will also coincide with Fire Prevention Week (FPW) from October 3-9, 2021. This year’s FPW campaign, “Learn the Sounds of Fire Safety!” works to educate everyone about the different sounds the smoke and carbon monoxide alarms make. Knowing what to do when an alarm sounds will keep you and your family safe. When an alarm makes noises – a beeping sound or a chirping sound – you must take action.

Residents cannot participate in both portions (Giveaway and Rebate) of the program.

Information about the pilot starter program above will be marketed through City press releases and social media posts.

ALTERNATIVES

- 1. Adopt the proposed Recommended Action as set forth in this staff report.
Staff recommends this alternative.

- 2. Do not adopt the proposed Recommended Action as set forth in this staff report.
Staff does not recommend this alternative.

FINANCIAL IMPACT

There is no General Fund Impact. The average cost of an individual smoke alarm and carbon monoxide alarm is about \$25. The average cost of a dual sensor alarm is about \$50. In an attempt to assist as many families in obtaining alarms, the following budget adjustment will be required in order to provide funds for the required rebate option.

Fund	GL Account	Type	FY 21/22 Budget	Proposed Adjustments	FY 21/22 Amended Budget
Community Foundation	4016-16-18-16311-630399	EXP	\$0	\$40,000	\$40,000

NOTIFICATION

Publication of the agenda.

PREPARATION OF STAFF REPORT

Prepared By:
Brian Mohan
Chief Financial Officer

Department Head Approval:
Brian Mohan
Chief Financial Officer

CITY COUNCIL GOALS

Public Safety. Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

CITY COUNCIL STRATEGIC PRIORITIES

- 1. Economic Development
- 2. Public Safety
- 3. Library
- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs

ATTACHMENTS

None

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	8/30/21 8:25 AM
City Attorney Approval	<u>✓ Approved</u>	
City Manager Approval	<u>✓ Approved</u>	8/30/21 10:20 AM



Report to City Council

TO: Mayor and City Council
 Mayor and City Council Acting in its Capacity as
 President and Members of the Board of Directors of the
 Moreno Valley Community Services District (CSD)

FROM: Erica Green, Parks & Community Services Director

AGENDA DATE: September 7, 2021

TITLE: APPROVE AND EXECUTE THE AGREEMENT WITH
 MUSCO SPORTS LIGHTING, LLC, FOR SPORTS
 LIGHTING UPGRADES AT MORRISON PARK, PROJECT
 NO. 807 0057-3015, AND BUDGET APPROPRIATION

RECOMMENDED ACTION

Recommendations:

1. Approve the Agreement for the sports lighting upgrades at Morrison Park with Musco Sports Lighting, LLC;
2. Authorize the Executive Director to execute the Agreement for sports lighting upgrades at Morrison Park with Musco Sports Lighting, LLC, and issuance of the Purchase Order for construction after the Agreement has been fully executed;
3. Authorize the Executive Director to execute any subsequent related Extensions or Amendments to the Agreement within the authorized funding, subject to the approval of the City Attorney;
4. Approve Musco Sports Lighting, LLC, as the sole source for procurement and installation of the proposed lights and associated equipment.

SUMMARY

This report recommends approval of an agreement for sports lighting upgrades at Morrison Park with Musco Sports Lighting, LLC, existing CIP Project No 807 0057-3015. This report also recommends the sole source approval of Musco Sports Lighting, LLC.

DISCUSSION

The Morrison Park Ball Field Lighting LED Retrofit Capital Improvement Project was approved by City Council in the Capital Improvement Plan Budget for Fiscal Year (FY) 2021/22.

Since Morrison Park’s opening in 1992, the Parks and Community Services Department has enhanced aesthetics, playability, and lighting components for the Morrison Park ballfields, including adding a Musco Sports Lighting, LLC, Control-Link system for programming the original ball field lights.

The proposed project includes upgrading 122 light fixtures to LED on four (4) sports fields, along with a new Control-Link cabinet and system for controlling and programming the lights. The current fixtures are original to the park and consist of HID high-pressure sodium fixtures; this lighting type is not typical for sports fields and is inadequate for proper illumination. Lighting technology for sports fields has evolved to the use of LED lighting, which this project includes.

Musco Sports Lighting is standard equipment for sports field lighting throughout the City of Moreno Valley parks. The Control-Link system is Musco’s proprietary software application for the control and programming of lights by Musco staff, City staff, and long-term sports user groups for field reservations. For consistency, efficiency, and integration with the existing Musco Sports Lighting system throughout Moreno Valley parks, the Department recommends that the City Council authorize the sole sourcing of Musco Sports Lighting, LLC, for this project.

ALTERNATIVES

1. Approve the recommended action as presented in this staff report. ***Staff recommends this alternative as it will allow for timely completion of the lighting project at Morrison Park.***
2. Elect not to approve and authorize the recommended actions presented in this staff report and provide further direction to staff. ***Staff does not recommend this alternative as it will delay the lighting project at Morrison Park.***

FISCAL IMPACT

There is no impact to the General Fund. The total cost of the Morrison Park Ball Field Lighting LED Retrofit Capital Improvement Project is \$613,685.50, which has been appropriated within Fund 3015 PCS Capital Projects (Park Improvements).

AVAILABLE PROJECT FUNDS:

PCS Capital Projects (Park Improvements).....	\$613,685.50
Total Available Project Funds	\$700,000.00

ANTICIPATED PROJECT SCHEDULE

Notice to Proceed	September 2021
Start of Construction	December 2021
Construction Completion.....	December 2021
Project Closeout	January 2022

NOTIFICATION

Publication on the Agenda

PREPARATION OF STAFF REPORT

Prepared By:
Dean Ristow
Parks Superintendent

Department Head Approval:
Erica Green
Acting Parks & Community Services Director

CITY COUNCIL GOALS

Public Facilities and Capital Projects. Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

Community Image, Neighborhood Pride and Cleanliness. Promote a sense of community pride and foster an excellent image about our City by developing and executing programs which will result in quality development, enhanced neighborhood preservation efforts, including home rehabilitation and neighborhood restoration.

CITY COUNCIL STRATEGIC PRIORITIES

1. Economic Development
2. Public Safety
3. Library
4. Infrastructure
5. Beautification, Community Engagement, and Quality of Life
6. Youth Programs

Objective 5.2: Promote the installation and maintenance of cost effective, low maintenance landscape, hardscape and other improvements which create a clean, inviting community.

Objective 5.5: Promote a healthy community and lifestyle.

ATTACHMENTS

1. MUSCO Agreement for On-Site and-or Professional Services(FIN)
2. Sole or Single Source Justification - Musco

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	8/30/21 1:31 PM
City Attorney Approval	<u>✓ Approved</u>	
City Manager Approval	<u>✓ Approved</u>	8/31/21 2:56 PM

City of Moreno Valley

**AGREEMENT FOR ON-SITE AND/OR PROFESSIONAL SERVICES
Musco Sports Lighting – Retrofit LED Lights, Morrison Park**

This Agreement is made by and between the City of Moreno Valley, **Moreno Valley Community Services District**, California, a municipal corporation, with its principal place of business at 14177 Frederick Street, Moreno Valley, CA 92553, hereinafter referred to as the “City,” and **Musco Sports Lighting, LLC** a **Limited Liability Company**, with its principal place of business at **100 1st Ave., West, P.O. Box 808, Oskaloosa, IA 51577**, hereinafter referred to as the “Contractor,” based upon City policies and the following legal citations:

RECITALS

- A. Government Code Section 53060 authorizes the engagement of persons to perform special services as independent contractors;
- B. Contractor desires to perform and assume responsibility for the provision of professional **Lighting Retrofit** contracting services required by the City on the terms and conditions set forth in this Agreement. Contractor represents that it is experienced in providing professional **Lighting Retrofit** contracting services, is licensed in the State of California, if applicable;
- C. City desires to engage Contractor to render such services for the **Lighting Retrofit** as set forth in this Agreement;
- D. The public interest, convenience, necessity and general welfare will be served by this Agreement; and
- E. This Agreement is made and entered into effective the date the City signs this Agreement.

TERMS

1. CONTRACTOR INFORMATION:

Contractor’s Name: Musco Sports Lighting, LLC
 Address: 100 1st Ave., West, P.O. Box 808
 City: Oskaloosa State: IA Zip: 52577
 Business Phone: 1-800-825-6020
 Fax No. 1-641-673-6360
 Business License Number: _____
 Federal Tax I.D. Number: _____

2. CONTRACTOR SERVICES, FEES, AND RELEVANT DATES:

- A. The Contractor’s scope of service is described in Exhibit “A” attached hereto and incorporated herein by this reference.

Attachment: MUSCO Agreement for On-Site and-or Professional Services(FIN) (5512 : Authorization to Award Contract to Musco Lighting for

- B. The City's responsibilities, other than payment, are described in Exhibit "B" attached hereto and incorporated herein by this reference.
- C. Payment terms are provided in Exhibit "C" attached hereto and incorporated herein by this reference.
- D. The term of this Agreement shall be from July 1, 2021 to June 30, 2022 unless terminated earlier as provided herein. The City acknowledges that it will not unreasonably withhold approval of the Contractor's requests for extensions of time in which to complete the work required. The Contractor shall not be responsible for performance delays caused by others or delays beyond the Contractor's reasonable control (excluding delays caused by non-performance or unjustified delay by Contractor, his/her/its employees, or subcontractors), and such delays shall extend the time for performance of the work by the Contractor.

3. **STANDARD TERMS AND CONDITIONS:**

- A. Control of Work. Contractor is solely responsible for the content and sequence of the work, and will not be subject to control and direction as to the details and means for accomplishing the anticipated results of services. The City will not provide any training to Contractor or his/her/its employees.
- B. Intent of Parties. Contractor is, and at all times shall be, an independent contractor and nothing contained herein shall be construed as making the Contractor or any individual whose compensation for services is paid by the Contractor, an agent or employee of the City, or authorizing the Contractor to create or assume any obligation or liability for or on behalf of the City, or entitling the Contractor to any right, benefit, or privilege applicable to any officer or employee of the City.
- C. Subcontracting. Contractor may retain or subcontract for the services of other necessary contractors with the prior written approval of the City. Payment for such services shall be the responsibility of the Contractor. Any and all subcontractors shall be subject to the terms and conditions of this Agreement, with the exception that the City shall have no obligation to pay for any subcontractor services rendered. Contractor shall be responsible for paying prevailing wages where required by law [See California Labor Code Sections 1770 through 1777.7].
- D. Conformance to Applicable Requirements. All work prepared by Contractor shall be subject to the approval of City.
- E. Substitution of Key Personnel. Contractor 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, Contractor may substitute other personnel of at least equal competence upon written approval of City. In the event that City and Contractor 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 Contractor at the request of the City. The key personnel for performance of this Agreement are as follows: Mike Higgins.

- F. 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"). Contractor shall not accept direction or orders from any person other than the City's Representative or his or her designee.
- G. Contractor's Representative. Contractor hereby designates Mike Higgins, 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 or her best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the services under this Agreement.
- H. Legal Considerations. The Contractor shall comply with applicable federal, state, and local laws in the performance of this Agreement. 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.
- I. 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 profession necessary to perform the services. Contractor warrants that all employees and subcontractor 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 and that such licenses and approvals shall be maintained throughout the term of this Agreement. 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.
- J. Contractor Indemnification. Contractor shall indemnify, defend and hold the City, the Moreno Valley Housing Authority, and the Moreno Valley Community Services District (CSD), their officers, agents and employees

harmless from any and all claims, damages, losses, causes of action and demands, including, without limitation, the payment of all consequential damages, expert witness fees, reasonable attorney's fees and other related costs and expenses, incurred in connection with or in any manner arising out of Contractor's performance of the work contemplated by this Agreement and this Agreement. Acceptance of this Agreement signifies that the Contractor is not covered under the City's general liability insurance, employee benefits, or worker's compensation. It further establishes that the Contractor shall be fully responsible for such coverage. Contractor's obligation to indemnify shall survive expiration or termination of this Agreement, and shall not be restricted to insurance proceeds, if any, received by the City, the Moreno Valley Housing Authority, and the CSD, and their officers, agents and employees.

- K. Additional Indemnity Obligations. Contractor shall defend, with counsel of City's choosing and at Contractor's own cost, expense and risk, any and all claims, suits, actions or other proceedings of every kind covered by Section "J" that may be brought or instituted against City, the Moreno Valley Housing Authority, and the CSD, and their officers, agents and employees. Contractor shall pay and satisfy any judgment, award or decree that may be rendered against City, the Moreno Valley Housing Authority, and the CSD, and their officers, agents and employees as part of any such claim, suit, action or other proceeding. Contractor shall also reimburse City for the cost of any settlement paid by City, the Moreno Valley Housing Authority, and the CSD, and their officers, agents and employees as part of any such claim, suit, action or other proceeding. Such reimbursement shall include payment for City's attorneys' fees and costs, including expert witness fees. Contractor shall reimburse City, the Moreno Valley Housing Authority, and the CSD, and their officers, agents and employees for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.
- L. Insurance Requirements. The Contractor will comply with the following insurance requirements at its sole expense. Insurance companies shall be rated (A Minus: VII—Admitted) or better in Best's Insurance Rating Guide and shall be legally licensed and qualified to conduct business in the State of California:

The Contractor shall procure and maintain, at its sole expense, Workers' Compensation Insurance in such amounts as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for the Contractor and the City, the Housing Authority and CSD against any loss, claim, or damage arising from any injuries or occupational diseases happening to any worker employed by the Contractor in the course of carrying out the Agreement. This coverage may be waived if the Contractor is determined to be functioning as a sole proprietor and the city provided form "Exception to Worker's Compensation Coverage" is signed, notarized and attached to this Agreement

- General Liability Insurance—to protect against loss from liability imposed by law for damages on account of bodily injury, including death, and/or

property damage suffered or alleged to be suffered by any person or persons whomever, resulting directly or indirectly from any act or activities of the Contractor, sub-Contractor, or any person acting for the Contractor or under its control or direction. Such insurance shall be maintained in full force and effect throughout the terms of the Agreement and any extension thereof in the minimum amounts provided below:

Bodily Injury	\$1,000,000 per occurrence/ \$2,000,000 aggregate
Property Damage	\$500,000 per occurrence/ \$500,000 aggregate

Professional Errors and Omission Insurance—such coverage shall not be less than \$1,000,000 per claim and aggregate.

Liability and Property Damage Insurance coverage for owned and non-owned automotive equipment operated on City/CSD/Housing Authority premises. Such coverage limits shall not be less than \$1,000,000 combined single limit.

A Certificate of Insurance and appropriate additional insured endorsement evidencing the above applicable insurance coverage shall be submitted to the City prior to the execution of this Agreement. The Certificate of Insurance or an appropriate binder shall bear an endorsement containing the following provisions:

Solely as respect to services done by or on behalf of the named insured for the City of Moreno Valley, it is agreed that the City of Moreno Valley, the Moreno Valley Housing Authority, and the Moreno Valley Community Services District, their officers, employees and agents are included as additional insured under this policy and the coverage(s) provided shall be primary insurance and not contributing with any other insurance available to the City of Moreno Valley, the Moreno Valley Housing Authority, and the Moreno Valley Community Services District, its officers, employees and agents, under any third party liability policy

The terms of the insurance policy or policies issued to provide the above coverage shall neither be amended to reduce the required insurance limits and coverages nor shall such policies be canceled by the carrier without thirty (30) days prior written notice by certified or registered mail of amendment or cancellation to the City, except that cancellation for non-payment of premium shall require ten (10) days prior written notice by certified or registered mail. In the event the insurance is canceled, the Contractor shall, prior to the cancellation date, submit new evidence of insurance in the amounts established.

M. Intellectual Property. Any system or documents (per this Section, “Material”) developed, produced and provided under this Agreement, including any intellectual property discovered or developed by Contractor in the course of performing or otherwise as a result of its work, shall become the sole property of the City unless explicitly stated otherwise in this Agreement. For the

avoidance of all doubt, Contractor retains any ownership rights to pre-existing intellectual property in the Material and extends to the City a perpetual, worldwide, irrevocable, fully paid license to said rights for purposes consistent with this Agreement. The Contractor may retain copies of any and all material, including drawings, documents, and specifications, produced by the Contractor in performance of this Agreement. The City and the Contractor agree that to the extent permitted by law, until final approval by the City, all data shall be treated as confidential and will not be released to third parties without the prior written consent of both parties.

- N. Entire Agreement. This Agreement constitutes the entire agreement between the parties. There are no understandings, agreements, or representations of warranties, expressed or implied, not specified in this Agreement. This Agreement applies only to the current proposal as attached. This Agreement may be modified or amended only by a subsequent written Agreement signed by both parties. Assignment of this Agreement is prohibited without prior written consent.
- O. (a) The City may terminate the whole or any part of this Agreement at any time without cause by giving at least ten (10) days written notice to the Contractor. The written notice shall specify the date of termination. Upon receipt of such notice, the Contractor may continue work through the date of termination, provided that no work or service(s) shall be commenced or continued after receipt of the notice which is not intended to protect the interest of the City. The City shall pay the Contractor within thirty (30) days after receiving any invoice after the date of termination for all non-objected to services performed by the Contractor in accordance herewith through the date of termination.
- (b) Either party may terminate this Agreement for cause. In the event the City terminates this Agreement for cause, the Contractor shall perform no further work or service(s) under the Agreement unless the notice of termination authorizes such further work.
- (c) 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 documents and other information within fifteen (15) days of the request.
- (d) 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, similar to those terminated.
- P. Payment. Payments to the Contractor pursuant to this Agreement will be reported to Federal and State taxing authorities as required. The City will not withhold any sums from compensation payable to Contractor. Contractor is independently responsible for the payment of all applicable taxes. Where the payment terms provide for compensation on a time and materials basis, the Contractor shall maintain adequate records to permit inspection and audit of the Contractor's time and materials charges under the Agreement. Such records

shall be retained by the Contractor for three (3) years following completion of the services under the Agreement.

- Q. Restrictions on City Employees. The Contractor shall not employ any City employee or official in the work performed pursuant to this Agreement. No officer or employee of the City shall have any financial interest in this Agreement in violation of federal, state, or local law.
- R. Choice of Law and Venue. The laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement, and shall govern the interpretation of this Agreement. Any legal proceeding arising from this Agreement shall be brought in the appropriate court located in Riverside County, State of California.
- S. 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:

Musco Sports Lighting, LLC
 100 1st Ave., West
 P.O. Box 808
 Oskaloosa, IA 52577
 Attn: Mike Higgins

City:

City of Moreno Valley
 14177 Frederick Street
 P.O. Box 88005
 Moreno Valley, CA 92552-0805
 Attn: Dean Ristow, Parks Superintendent, Parks and
 Community Services, Parks Division

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.

- T. Time of Essence. Time is of the essence for each and every provision of this Agreement.
- U. City’s Right to Employ Other Contractors. City reserves right to employ other contractors in connection with this project.
- V. Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both parties.
- W. 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.

- X. No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the parties.
- Y. Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.
- Z. 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.
- AA. 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.
- BB Supplementary General Conditions (for projects that are funded by Federal programs). The following provisions, pursuant to 44 Code of Federal Regulations, Part 13, Subpart C, Section 13.36, as it may be amended from time to time, are included in the Agreement and are required to be included in all subcontracts entered into by CONTRACTOR for work pursuant to the Agreement, unless otherwise expressly provided herein. These provisions supersede any conflicting provisions in the General Conditions and shall take precedence over the General Conditions for purposes of interpretation of the General Conditions. These provisions do not otherwise modify or replace General Conditions not in direct conflict with these provisions. Definitions used in these provisions are as contained in the General Conditions.
1. CONTRACTOR shall be subject to the administrative, contractual, and legal remedies provided in the General Conditions in the event CONTRACTOR violates or breaches terms of the Agreement.
 2. CITY may terminate the Agreement for cause or for convenience, and CONTRACTOR may terminate the Agreement, as provided the General Conditions.
 3. CONTRACTOR shall comply with Executive Order 11246 of September 24, 1965, entitled Equal Employment Opportunity, as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60). (All construction contracts awarded in excess of \$10,000 by CITY and/or subcontracts in excess of \$10,000 entered into by CONTRACTOR.)
 4. CONTRACTOR shall comply with the Copeland Anti-Kickback Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR Part 3) (All contracts and subcontracts for construction or repair.)
 5. CONTRACTOR shall comply with the Davis-Bacon Act (40 U.S.C. 276a to 276a7) as supplemented by Department of Labor regulations (29 CFR Part 5).

6. CONTRACTOR shall comply with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327330) as supplemented by Department of Labor regulations (29 CFR Part 5).
7. CONTRACTOR shall observe CITY requirements and regulations pertaining to reporting included in the General Conditions.
8. Patent rights with respect to any discovery or invention which arises or is developed in the course of or under the Agreement shall be retained by the CITY.
9. Copyrights and rights in data developed in the course of or under the Agreement shall be the property of the CITY. FEMA/CalOES reserve a royalty-free, nonexclusive, irrevocable license to reproduce, publish or otherwise use or authorize to others to use for federal purposes a copyright in any work developed under the Agreement and/or subcontracts for work pursuant to the Agreement.
10. CONTRACTOR shall provide access by the City, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.
11. CONTRACTOR shall retain all required records for three years after CITY makes final payments and all other pending matters relating to the Agreement are closed.
12. CONTRACTOR shall comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). (This provision applies to contracts exceeding \$100,000 and to subcontracts entered into pursuant to such contracts.)
13. CONTRACTOR shall comply with mandatory standards and policies relating to energy efficiency, which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94163, 89 Stat. 871).

SIGNATURE PAGE TO FOLLOW

IN WITNESS HEREOF, the parties have each caused their authorized representative to execute this Agreement.

City of Moreno Valley

Musco Sports Lighting, LLC

BY: _____
Mayor, Dr. Yxstian Gutierrez

BY: _____
Jim Hansen

TITLE: _____
(Corporate Secretary)

DATE: _____

DATE: _____

Attachment: MUSCO Agreement for On-Site and-or Professional Services(FIN) (5512 : Authorization to Award Contract to Musco Lighting for

INTERNAL USE ONLY

ATTEST:

City Clerk

APPROVED AS TO LEGAL FORM:

City Attorney

Date

RECOMMENDED FOR APPROVAL:

Department Head

Date

EXHIBIT A

CONTRACTOR'S SCOPE OF SERVICES Morrison Park Baseball/Softball Lighting Retrofit Moreno Valley, CA Scope of Work

Musco Responsibilities:

1. Provide required fixtures, electrical enclosures, mounts, hardware, wire harnesses, and control cabinets.
2. Provide fixture layout and aiming diagram.
3. Provide Project Management as required.
4. Assist installing subcontractor and ensure City responsibilities are satisfied.

Musco Subcontractor Responsibilities General:

1. Provide labor, equipment, and materials to off load equipment at jobsite per scheduled delivery.
2. Provide storage containers for material (including electrical components enclosures) as needed.
3. Provide necessary waste disposal and daily clean up.
4. Provide adequate security to protect Musco delivered products from theft, vandalism, or damage during the installation.
5. Provide payment of prevailing wages and certified payroll as required.
6. Obtain any required permitting.
7. Confirm the existing underground utilities and irrigation systems have been located and are clearly marked in order to avoid damage from construction equipment. Repair any such damage during construction.
8. Keep all heavy equipment off playing fields when possible. Repair damage to grounds, which exceeds that which would be expected. Indentations caused by heavy equipment traveling over dry ground would be an example of expected damage. Ruts and sod damage caused by equipment traveling over wet grounds would be an example of damage requiring repair.
9. Provide startup and aiming as required to provide complete and operating sports lighting system.
10. Installation to commence upon delivery and proceed without interruption until complete. Musco to be immediately notified of any breaks in schedule or delays.

Demolition:

1. Remove and dispose of the existing lighting fixtures on 16 poles. This will include the recycling of lamps, aluminum reflectors, ballast, and steel as necessary.

2. Leave existing grounds and power feed in place for connection to new lighting equipment.

Retrofit Musco Equipment to Existing Poles:

1. Provide labor, materials, and equipment to assemble and install Musco TLC for LED® equipment on existing poles and terminate grounding and power feed. Power feed may need to be reworked to adapt to the new Musco equipment.
2. Weld Hub/Hanger Bracket on each pole for ECE mounting. Existing power conductors to be re-wired to ECE location.

Electrical:

1. Provide materials and equipment to reuse existing 277V/480V electrical service panels as required.
2. Provide materials and equipment to reuse existing electrical wiring as permitted.
3. Re-wire and re-route conductors to new Musco Control Link Retrofit Cabinet.
4. Provide grounding to each pole if necessary.
5. *If existing power feeders are not working properly, repair will be at an added fee.

Control System:

1. Provide labor, equipment, and materials to install Musco Control Link Retrofit Cabinet and terminate all necessary wiring.
2. Check all zones to make sure they work in both auto and manual mode. Zones include: Green, Red, Blue, and Yellow Ballfields with Parking Lot, Restroom, one spare zone available for use.
3. Commission Control-Link® by contacting Control Link Central™ at 877-347-3319.
4. Provide startup and aiming as required to provide a complete and operating sports lighting system.

EXHIBIT B

CITY'S RESPONSIBILITIES

1. Furnish the Contractor all in-house data, which is pertinent to services to be performed by the Contractor and which is within the custody or control of the City, including, but not limited to copies of record and off-record maps and other record and off-record property data, right-of-way maps and other right-of-way data, pending or proposed subject property land division and development application data, all newly developed and pertinent design and project specification data, and other pertinent data which may become available to the City.
2. Provide timely review, processing, and reasonably expeditious approval of all submittals by the Contractor.
3. Provide timely City staff liaison with the Contractor when requested and when reasonably needed.
4. Locate existing underground utilities not covered by your local utilities. (i.e. water lines, electrical lines, irrigation systems, and sprinkler heads). Musco or Subcontractor will not be responsible for repairs to unmarked utilities.
5. Ensure existing poles are structurally adequate to handle new fixture loading. Musco Sports Lighting, LLC will provide a comparative analysis provide by City Structural Engineer for review.
6. Ensure usability of existing underground wiring.
7. Pay any necessary power company fees and requirements.
8. Pay all permitting fees; Musco Electrical Contractor can obtain no fee City permit.
9. Provide any existing as-built documents or drawings.
10. Coordinate the Cell Tower shutdown for one (1) day for the retrofit activities to be completed.
11. Trim any tree branches that extend on the field of play that will create shadows and effect the overall light levels on the field.

EXHIBIT C

TERMS OF PAYMENT

1. The Contractor's compensation shall not exceed \$613,685.50.
2. The Contractor will obtain, and keep current during the term of this Agreement, the required City of Moreno Valley business license. Proof of a current City of Moreno Valley business license will be required prior to any payments by the City. Any invoice not paid because the proof of a current City of Moreno Valley business license has not been provided will not incur any fees, late charges, or other penalties. Complete instructions for obtaining a City of Moreno Valley business license are located at: http://www.moval.org/do_biz/biz-license.shtml
3. The Contractor will electronically submit an invoice to the City on a monthly basis for progress payments along with documentation evidencing services completed to date. The progress payment is based on actual time and materials expended in furnishing authorized professional services since the last invoice. At no time will the City pay for more services than have been satisfactorily completed and the City's determination of the amount due for any progress payment shall be final. The Contractor will submit all original invoices to Accounts Payable staff at AccountsPayable@moval.org

Accounts Payable questions can be directed to (951) 413-3073.

Copies of invoices may be submitted to the [Parks and Community Service, Parks Maintenance Division](#) at Joyp@moval.org or calls directed to (951) 413-3703.

3. The Contractor agrees that City payments will be received via Automated Clearing House (ACH) Direct Deposit and that the required ACH Authorization form will be completed prior to any payments by the City. Any invoice not paid because the completed ACH Authorization Form has not been provided will not incur any fees, late charges, or other penalties. The ACH Authorization Form is located at: http://www.moval.org/city_hall/forms.shtml#bf
4. The minimum information required on all invoices is:
 - A. Vendor Name, Mailing Address, and Phone Number
 - B. Invoice Date
 - C. Vendor Invoice Number
 - D. City-provided Reference Number (e.g., Project, Activity)
 - E. Detailed work hours by class title (e.g., Manager, Technician, or Specialist), services performed and rates, explicit portion of a contract amount, or detailed billing information that is sufficient to justify the invoice amount;

single, lump amounts without detail are not acceptable.

6. The City shall pay the Contractor for all invoiced, authorized professional services within thirty (30) days of receipt of the invoice for same.
7. Reimbursement for Expenses. Contractor shall not be reimbursed for any expenses unless authorized in writing by City.
8. 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.

Morrison Park Baseball / Softball LED Retrofit**To: Mr. Dean Ristow****Moreno Valley, CA****August 6, 2021****Quote – Turnkey Material and Install LED Baseball Retrofit**

Musco's Light-Structure Green™ as described below, and delivered to the job site:

Baseball / Softball Field LED Retrofit w/ Installation Services **\$566,000.00****Estimated Sales Tax (7.75%) (Tax rate to be confirmed at time of order):** **\$43,865.00****Bonding Estimate (confirm if bonding is required by the city, please add if required):** **\$3,820.50***Pricing furnished is effective for 60 days unless otherwise noted and is considered confidential.***Equipment Description- 4 Field Baseball / Softball Field LED Retrofit**

TLC LED Sportscluster Green™ Retrofit in 5 Easy Pieces™

- (94) TLC 900 LED Retrofit Luminaire Assemblies
- (32) TLC 575 BTF fixtures
- (4) TLC 400 LED Retrofit Luminaire Assemblies
- (2) TLC 600 LED Retrofit Luminaire Assemblies
- (16) Pole Top Cross-Arm Assemblies (A1-A4, B1-B4, C1-C8)
- Remote electrical component enclosures
- Pole length wire harnesses
- Musco Lighting Services to evaluate the existing light poles.
- Baseball Field Sizes: NW #1 250' R, SW #2 250' R, SE #3 130' x 260' x 250', NE #4 220' x 210' x 220'.

Benefits of Light-Structure Green™

- Reduction of energy and maintenance costs
- Field light levels estimated at 50 Footcandles Infield, and 30 Footcandles Outfield. See Lighting Design 120511B dated August 4, 2021.
- Unmatched product assurance and warranty program that includes materials and onsite labor, eliminating 100% of your maintenance costs for 10 years.

Construction Note #1: Replace lighting control cabinet with a new Musco Control Link Cabinet 16" x 32" in the electrical room. Includes 10 years of communication fees.**SOURCEWELL / NATIONAL JOINT POWERS ALLIANCE****Contract Number: 071619-msl****Expiration: 08/27/2023 (Renewable annually)****Category: Facility & MRO****Sub-Category: Sports Lighting with Related Supplies and Services**

Quote

Notes

Quote is based on:

- Shipment of entire project together to one location
- Confirm (480v 3p) electrical system requirement
- Structural analysis / review by CA Structural Engineer. The fixture arrangement has been confirmed. The fixture load is adequate compared to the as-built documentation provided from 1991.
- New Musco TLC LED Kw = 107.04
- Discuss pole grounding. We will have to investigate each light pole, and confirm grounding.

Installation Services Information provided on pages 3-6 below.



**Morrison Park Baseball / Softball Retrofit
Moreno Valley, CA
Retrofit Scope of Work**

Customer Responsibilities:

1. Complete access to the site for construction using standard 2-wheel drive rubber tire equipment.
2. Locate existing underground utilities not covered by your local utilities. (i.e. water lines, electrical lines, irrigation systems, and sprinkler heads). Musco or Subcontractor will not be responsible for repairs to unmarked utilities.
3. Ensure existing poles are structurally adequate to handle new fixture loading. Musco Lighting will provide a comparative analysis provided by our Structural Engineer for review.
4. Ensure usability of existing underground wiring.
5. Pay any necessary power company fees and requirements.
6. Pay all permitting fees, Musco Electrical Contractor can obtain no fee city permit.
7. Provide any existing as-built documents or drawings.
8. Coordinate the Cell Tower shutdown for 1 day for the retrofit activities to be completed.
9. Tree Trimming- any branches that extend on the field of play will create shadows, and effect the overall light levels on the field.

Musco Responsibilities:

1. Provide required fixtures, electrical enclosures, mounts, hardware, wire harnesses, and control cabinets.
2. Provide fixture layout and aiming diagram.
3. Provide Project Management as required.
4. Assist our installing subcontractor and ensure our responsibilities are satisfied.

Musco Subcontractor Responsibilities

General:

1. Provide labor, equipment, and materials to off load equipment at jobsite per scheduled delivery.
2. Provide storage containers for material, (including electrical components enclosures), as needed.
3. Provide necessary waste disposal and daily clean up.
4. Provide adequate security to protect Musco delivered products from theft, vandalism, or damage during the installation.
5. Provide payment of prevailing wages and certified payroll as required.
6. Obtain any required permitting.
7. Confirm the existing underground utilities and irrigation systems have been located and are clearly marked in order to avoid damage from construction equipment. Repair any such damage during construction.
8. Keep all heavy equipment off playing fields when possible. Repair damage to grounds which exceeds that which would be expected. Indentations caused by heavy equipment traveling over dry ground would be an example of expected damage. Ruts and sod damage caused by equipment traveling over wet grounds would be an example of damage requiring repair.



Quote

9. Provide startup and aiming as required to provide complete and operating sports lighting system.
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3. Commission Control-Link® by contacting Control Link Central™ at 877-347-3319.
4. Provide startup and aiming as required to provide a complete and operating sports lighting system.



CODE OF CONDUCT

In order to maintain a high-quality jobsite and installation, Subcontractor represents to Musco that it has the supervision necessary to, and shall train, manage, supervise, monitor, and inspect the activities of its employees for the purpose of enforcing compliance with these safety requirements. Subcontractor acknowledges that Musco does not undertake any duty toward Subcontractor's employees to train, manage, supervise, monitor, and inspect their work activities for the purpose of enforcing compliance with these safety requirements, but Subcontractor agrees to abide by any reasonable recommendations made by Musco or Musco representatives with respect to safety.

Subcontractor agrees that it is or will be familiar with and shall abide by the safety rules and regulations of Musco and the Owner, including, but not limited to the Occupational Safety and Health Act of 1970 (OSHA), all rules and regulations established pursuant thereto, and all amendments and supplements thereto.

Subcontractor further agrees to require all its employees, subcontractors, and suppliers to comply with these requirements. Subcontractor shall also observe and comply with all laws with respect to environmental protection applicable to the Project.

Subcontractor shall require all its subcontractors, employees, visitors, suppliers, and agents under its direction to comply with the following:

1. GENERAL JOBSITE SAFETY AND CLEANLINESS.
 - a. Subcontractor's employees and agents shall be required to wear appropriate personal protective equipment including, but not limited to, safety glasses with side shields, work shoes, fall protection devices, and hard hats.
 - b. Where a walking or working surface has an unprotected side or edge which is six feet or more above a lower level, Subcontractor shall use guardrail systems, safety net systems, or personal fall arrest systems.
 - c. Jobsite shall be kept free of debris including, but not limited to, cardboard and packing materials which can become windborne.
 - d. Construction equipment shall be parked during non-use in an orderly fashion so as not to create inconvenience to others using the jobsite.
 - e. Subcontractor shall provide for and ensure the use of safety equipment for the Project in accordance with Musco's and Owner's safety requirements, to the extent these may be stricter than federal, state, or local standards, or generally recognized industry applicable standards.
 - f. Subcontractor shall provide the Musco project manager with an "Emergency List" showing Subcontractor's designated medical doctor, hospital, insurance company, and any other health service providers, such list to be updated within 24 hours of any change in the information provided.



Quote

- g. Within eight (8) hours from the time of an accident (or such shorter period as laws may require), Subcontractor shall advise Musco of any accident resulting in injury to any person or damage to any equipment or facility. Upon request, Subcontractor shall promptly furnish Musco with a written report of any such accident as well as a copy of all insurance and worker's compensation claims involving the Project.
 - h. Subcontractor shall maintain and inspect all construction equipment, including cranes and other lifting equipment, prior to each use. Subcontractor warrants that all equipment operators shall be qualified for each piece of construction equipment they intend to operate. Documentation of specific training is the responsibility of the Subcontractor.
 - i. Jobsite shall be policed daily for compliance to the above conditions.
 - j. Subcontractor's employees and agents are prohibited from using drugs and alcohol on the Project property or being under the influence of alcohol or drugs while performing work on the Project. Anyone observed participating in or observed under the influence will be removed from the Project immediately and prohibited from returning, with no exceptions.
2. CONFORMANCE TO STANDARD MUSCO INSTALLATION GUIDELINES.
- a. Review and understand installation instructions are provided with every product installation.
 - b. Education of installation personnel to allow for highest efficiency and lowest possibility of failure.
 - c. Verify that components have been assembled per Musco installation instructions.
 - d. Verify plumb of concrete foundations prior to standing of poles.
3. PROVIDING A QUALITY INSTALLATION TEAM.
- a. Subcontractor's work directly reflects the quality of the installation and may indirectly relate to the quality of the product upon which Musco's reputation is built.
 - b. Provide and maintain quality installation equipment. Records of maintenance and/or calibration shall be provided upon request.
 - c. Personnel shall be knowledgeable in operation of equipment as well as installation of Musco product.
 - d. All personnel provided by Subcontractor shall understand the relationship developed by and between Subcontractor and Musco, also by and between Musco and the customer, and act accordingly.





Sole/Single Source Justification

DATE: 8/18/2021	DEPT/DIVISION: Parks & Community Services/Parks Division
VENDOR: Musco Sports Lighting, LLC	VENDOR PART NUMBER: (IF APPLICABLE)
DESCRIPTION OF ITEM: Use of Musco Sports Lighting, LLC for installation, lighting upgrades and integration of Control-Link systems at Morrison Park.	
Single Source: <input type="checkbox"/> A Single Source is one of the multiple sources that are capable of producing the desired item(s). It is the one source that is selected without competition for compelling and justifiable reasons.	
Sole Source: <input checked="" type="checkbox"/> A Sole Source is the <i>only</i> source available that is capable of producing the desired item(s) because of exclusive control of patent rights, copyrights, proprietary processes, etc. or similar circumstances.	

JUSTIFICATION: PLEASE PROVIDE REQUESTED INFORMATION IN THE RATIONALE BOX ON PAGE 2

<input type="checkbox"/>	Only known qualified vendor. (<u>List of the vendors</u> which were contacted below and the specific reasons <u>why each was not a viable source</u> . List the qualifications that each source or item meets. If another vendor offers a similar item, provide the item identification, vendor information and comparable pricing).
<input type="checkbox"/>	Dues and/or Membership (Dues and/or Memberships are generally required for various regional agencies and/or professional memberships, and no competitive equal exists. <u>Please list the organization the due and/or membership is for and indicate the reason needed.</u>)
<input type="checkbox"/>	Legal Services Agreement. (Per Procurement Policy 3.18 exempt from competitive requirements).
<input type="checkbox"/>	Contract Class Instructors/Sports Officials and referees (Per Procurement Policy 3.18 exempt from competitive requirements).
<input type="checkbox"/>	Supplier/Consultant proprietary item/service. (The selected supplier/consultant is the only manufacturer of this item and/or service. List the reasons why no substitute can be used and if no similar substitute is available).
<input type="checkbox"/>	Government or Contract Directed. (<u>Provide a copy</u> of the contract page which directs this source or a letter, or memo or e-mail specifically directing this source).
<input checked="" type="checkbox"/>	Continuation of an ongoing service or an addition to a critical system already procured from that vendor. (<u>List the reasons why</u> it would not be cost effective and/or schedule effective and/or mitigate technical risk and/or prudent to procure with another vendor for this procurement).
<input type="checkbox"/>	Economically Justified due to the following reasons:
<input type="checkbox"/>	Delivery Schedule Requirements (list delivery schedule requirements below)
<input type="checkbox"/>	Need for unique capabilities or special techniques (list below)
<input type="checkbox"/>	Standardization (Specify what is being standardized and how this will benefit?)

RATIONALE: (Provide written explanation, technical reasoning and/or evidence of the claim. See Directions. Use additional sheets if necessary)

Musco Sports Lighting, LLC is a comprehensive design/build company utilized for construction, standard equipment, and lighting for Moreno Valley Parks sports fields. The Control-Link system is Musco's proprietary software application for the control and programming of sports field lights by Musco staff, City staff, and long-term sports user groups for field reservations. For consistency, efficiency, and integration with the existing Musco Sports Lighting system throughout Moreno Valley parks, the Department recommends that the City Council authorize the sole sourcing of Musco Sports Lighting, LLC for this project.

PURCHASING USE ONLY:

I CERTIFY THAT STATEMENTS CHECKED, AND INFORMATION PROVIDED ABOVE, ARE COMPLETE AND CORRECT TO THE BEST OF MY KNOWLEDGE. I UNDERSTAND THAT THE PROCESSING OF THIS SOLE/SINGLE SOURCE JUSTIFICATION PRECLUDES THE USED OF FULL AND OPEN COMPETITION.

DIVISION MANAGER OR DEPARTMENT HEAD	PURCHASING DIVISION MANAGER
SIGN: _____	SIGN: _____
PRINTED NAME: _____	PRINTED NAME: _____
DATE: _____	DATE: _____

FOR PURCHASING USE ONLY

CONTRACT #	PO #
------------	------

VERIFIED BY:	COMMENTS:
--------------	-----------

JUSTIFICATION VALID FOR: 1 YEAR 2 YEARS 5 YEARS

SPECIFIC SOURCE JUSTIFICATION (SSJ) INSTRUCTIONS

Technical and requirements personnel are responsible for providing and certifying as accurate and complete necessary data to support their recommendation for other than full and open competition. The justification must demonstrate that only one company can perform. The following are examples of bases for an SSJ:

- a) The supplies/services to be acquired are unique to City of Moreno Valley.
- b) Time is of the essence and only one known source can meet City of Moreno Valley's needs within the required timeframe.
- c) Data is unavailable for competitive procurement.
- d) It is necessary that the item being acquired from one source be compatible and interchangeable with existing equipment.

The following elements must be addressed in the SSJ:

- a) State clearly City of Moreno Valley's requirements. Make sure that the entire requirement is covered by the justification.
- b) Explain why the vendor is the only company that can meet City of Moreno Valley's requirement. The documentation necessary to adequately substantiate the two most common basis of Sole/Single source is:
 - i. If the supplier has a unique capability, whether it is an item or service, it is insufficient to simply say that the supplier is unique. If the item is unique to the supplier, the unique characteristics must be set forth. If the supplier has unique expertise, that expertise must be described. If the supplier has unique equipment or facilities or it has proprietary data, it must be explained.
 - ii. If only one supplier can perform within the required timeframe, the timeframe must be explained:
 1. Provide the date by which the supplies/services must be delivered.
 2. Indicate how that date was determined and its significance.
 3. Indicate the impact of delay beyond that date in terms of program schedules, milestones, etc.
 4. State how long it would take another supplier to acquire the capability to perform (learning curve), how much it would cost another supplier to get up to speed, and if appropriate, what it would cost City of Moreno Valley in terms of dollars and manhours to get another supplier up to speed. State the bases for the above estimates.
- c) State how the decision to go Sole/Specific Source was reached. Generally, technical personnel's knowledge and experience can be used to support SSJ. The following are examples of documentation supporting this element:
 - i. Explain requisition originator's experience that would indicate that he knows only one source can perform.
 - ii. Explain that technical publications, symposiums, or conferences clearly indicate that only one company can perform. List publications read and symposiums and conferences attended.
 - iii. State what is being done to foster future competition.
 - iv. Justification must be signed and dated.
- d) Describe the item and the particular uses of the item. State specifically what the item is going to be for and what it will do. Include here any project numbers and titles that the material in question will support or historically has supported.
- e) State the distinguishing characteristics of the item and why this is the only item that will fulfill the requirements. This may include being an add-on to an existing system or the replacement of an existing system. Copyrights and trademarks may be applicable here depending on the situation.
- f) Explain what would happen if another, unequal item were procured instead. Include any training delays, alteration of standard operating procedures, etc. that would cost the institution time, funds and overall completion of projects. This is the appropriate area to describe any design changes that would be necessary if another source were to be used.
- g) Outline the work performed to determine what other, similar items are offered from other vendors and why these items will not satisfy the requirements stated in the previous steps. This may need to be explicit to include: company names, contact information, and in some cases, valid quotes.

- h) If there is cost impact, detail the cost impact of utilizing another source.
- i) If there is schedule impact, detail the schedule impact of utilizing another source.

****IMPORTANT****

*The two most often cited basis for SSJ are uniqueness and timeframe. These are often confused and inappropriately interchanged. If a supplier is unique and if his uniqueness is adequately substantiated, a discussion of timeframe is inappropriate. If the basis for the SSJ is timeframe, a discussion of uniqueness should not be made or alluded to.

*Timeframe does not make a supplier unique.

*Statements that a supplier has the best capability, offers the lowest price, or is the only qualified source are not bases for an SSJ. Such determinations can only be made through competitive acquisitions. A strong presentation which merely establishes that the recommended source is most highly qualified to perform but does not establish why other sources cannot perform is unacceptable.

*Incumbency does not justify an SSJ.

*Administrative delay or lack of adequate advanced planning do not create an urgency that justifies an SSJ.



Report to City Council

TO: Mayor and City Council

FROM: Brian Mohan, Assistant City Manager

AGENDA DATE: September 7, 2021

TITLE: PUBLIC HEARING FOR FOUR NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM MAIL BALLOT PROCEEDINGS

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Conduct the Public Hearing and accept public testimony for the mail ballot proceedings for the National Pollutant Discharge Elimination System (NPDES) Residential or Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate to be applied to the property tax bill of the parcels identified herein for Maria Luna (located at 11950 Mathews Rd.), 24771 Nandina LLC (located on the south side of Nandina Ave., west of Perris Blvd.), Raising Cane's Restaurant, LLC (located on the southwest corner of Centerpoint Dr. and Frederick St.), and LCG MVII, LLC (located on the southeast corner of Heacock St. and Hemlock Ave.).
2. Direct the City Clerk to open and count the returned NPDES ballots;
3. Verify and accept the results of the mail ballot proceedings as maintained by the City Clerk on the Official Tally Sheet and if approved, set the rate and impose the applicable NPDES Regulatory Rate on the Assessor's Parcel Numbers as mentioned;
4. Receive and file the Official Tally Sheet with the City Clerk's office.

SUMMARY

The action before the City Council is to conduct a Public Hearing for four NPDES mail ballot proceedings. The process to accept six parcels into the City's NPDES funding

program impacts only the property owners identified below, not the general citizens or taxpayers of the City.

The City requires property owners of development projects to mitigate the cost of certain impacts created by the proposed development (e.g., the increase in costs of complying with state and federal NPDES requirements). The City offers the NPDES funding program to assist property owners in satisfying the requirement. After a property owner approves the City's NPDES rate through a mail ballot proceeding, the City can levy the rate on the annual property tax bill of the authorized parcel(s).

As a condition of approval for development of their projects, the Property Owners, as identified below, are required to provide a funding source for the NPDES program and have requested the City conduct a mail ballot proceeding to satisfy the condition of approval. If each property owner approves the mail ballot and the City Council accepts the results, the condition of approval will be satisfied for their respective projects. Tonight's Public Hearing is a required part of the process.

DISCUSSION

The Clean Water Act of 1987 established requirements for the discharge of Urban Runoff from Municipal Separate Storm Sewer Systems under the NPDES program. The Santa Ana Regional Water Quality Control Board administers the NPDES program through the issuance of a Permit. The NPDES program requires public agencies to obtain coverage under the Permit to discharge urban stormwater runoff from municipally owned drainage facilities, including streets, highways, storm drains, and flood control channels. The City's current NPDES Permit requires all new development projects to comply with stormwater management requirements.

The City Council originally adopted the NPDES Residential Regulatory Rate on June 10, 2003 and the NPDES Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate ("Commercial/Industrial Rate") on January 10, 2006. Each fiscal year, the City Council reviews and sets the rates for the following fiscal year.

The Planning Commission approves projects on the condition the developer provides a funding source, consistent with the rates established by the City Council, to support activities for the NPDES program requirements. Revenue received from the rate supports the increased compliance activities related to the development. It also reduces the financial impact to the General Fund to maintain compliance with the unfunded requirements of the Permit.

As a condition of approval for the projects identified below, the Property Owners are required to provide a funding source to mitigate the increase in costs to the NPDES program, which will be created by their development project. The table below provides information for the parcels under development.

Property Owner/ Project	Assessor's Parcel Number	Location	FY 2021/22 Maximum Rate ¹
Maria Luna Custom Home PEN19-0257/SBP21-0001	474-161-035	11950 Mathews Rd.	\$351.43/parcel Residential Rate
24771 Nandina LLC 95,474 sq. ft. Warehouse PEN20-0041/SBP21-0004	316-211-003	South side of Nandina Ave., west of Perris Blvd.	\$264.63/parcel Commercial/ Industrial Rate
Raising Cane's Restaurant, LLC Raising Cane's PEN20-0100/ SBP21-0002	291-570-021	Southwest corner of Centerpoint Dr. and Frederick St.	\$264.63/parcel Commercial/ Industrial Rate
LCG MVII, LLC The District Retail & Grocery PEN20-0148/SBP21-0003	481-090-009, 481-090-032, and 481-090-033	Southeast corner of Heacock St. and Hemlock Ave.	\$264.63/parcel Commercial/ Industrial Rate

¹ Each parcel's development status will be evaluated, and the applied rate calculated in accordance with the rate schedule, prior to levying the NPDES rate on the property tax roll each year. The applied rate is the amount applied to the property tax bill. It cannot exceed the maximum rate.

A property owner has two options to satisfy the condition of approval:

1. Approve the NPDES rate and authorize the City to collect the rate on the annual Riverside County property tax bill through participation in a successful mail ballot proceeding; or
2. Fund an endowment.

The Property Owners elected to have the NPDES rate applied to the annual property tax bill of the property under development. Proposition 218 outlines the process to approve new charges, or an increase to existing charges, on property tax bills, which includes conducting a mail ballot proceeding, noticing requirements, timing of noticing, and providing an opportunity for the property owner to address the City Council (i.e., public comment portion of the Public Hearing). A notice describing the purpose and amount of the charge, including the potential annual inflationary adjustment, and a ballot for the property was mailed to each Property Owner at least 45-days in advance of tonight's meeting (see Attachments 1-4). The ballot is due to the City Clerk prior to the close of the Public Hearing. The ballot can be opened and counted, and results announced, at the close of the Public Hearing.

The condition of approval to provide a funding source for the NPDES program will be satisfied with a property owner's approval of the NPDES mail ballot (i.e., marked yes and signed) and City Council acceptance of the results. In the event the ballot is not returned, is not approved, or is invalid (e.g., unmarked or unsigned), this condition of approval will remain unsatisfied and may delay development of the project. In the event more than one mail ballot proceeding is being conducted tonight, each ballot will be counted separately to determine if a property owner approved inclusion of their respective property in the NPDES funding program.

This action meets the Strategic Plan Priorities to manage and maximize Moreno Valley's public infrastructure to ensure an excellent quality of life, develop and implement innovative, cost effective infrastructure maintenance programs, public facilities management strategies, and capital improvement programming and project delivery.

ALTERNATIVES

1. Conduct the Public Hearing and upon its close, open, count, and verify the returned ballots and accept the results. *Staff recommends this alternative as it will satisfy each project's condition of approval provided the property owner approves the ballot.*
2. Open the Public Hearing and continue it to a future regularly scheduled City Council meeting. *Staff does not recommend this alternative as it will delay announcement of the ballot results and may delay project development.*
3. Do not conduct the Public Hearing. *Staff does not recommend this alternative as it will delay the condition of approval from being satisfied and may delay project development. The City will incur additional costs to restart the 45-day noticing period.*
4. Do not conduct the Public Hearing at this time but reschedule it to a date specific regularly scheduled City Council meeting. *Staff does not recommend this alternative as it may delay project development and will cause the City to incur additional costs to restart the 45-day noticing period.*

FISCAL IMPACT

Revenue received from the NPDES rate is restricted and can only be used within the stormwater management program. The revenue provides funding to maintain compliance with the unfunded requirements of the Permit. It also offsets stormwater management program expenses, which reduces the financial impact to the General Fund. The NPDES rate is only applied to the property tax bills of parcels where approval of the rate has been authorized through a successful mail ballot proceeding.

The FY 2021/22 maximum Residential Rate is \$351.43 per parcel, and any division thereof. The FY 2021/22 maximum Commercial/Industrial Rate is \$264.63 per parcel, and any division thereof. The maximum NPDES rates are subject to an annual inflationary adjustment. However, the annual adjustment cannot be applied unless the City Council annually authorizes such adjustment. The increase to the maximum rate cannot exceed the annual inflationary adjustment without approval of the property owners subject to the charge. The NPDES rate applied to the property tax bill will be based on the development status of the property at the time the applied rates are calculated for the upcoming fiscal year.

NOTIFICATION

The ballot documents were mailed to each Property Owner at least 45-days in advance of the Public Hearing. The documents included a notice, NPDES ballot, applicable NPDES Rate schedule, map of the project area, instructions for marking and returning the ballot, and a postage-paid return envelope addressed to the City Clerk.

The Press-Enterprise published the legal notice for tonight's Public Hearing on August 19, 2021 and August 26, 2021.

PREPARATION OF STAFF REPORT

Prepared By:
Isa Rojas
Management Analyst

Department Head Approval:
Brian Mohan
Assistant City Manager

Concurred By:
Candace E. Cassel
Special Districts Division Manager

Concurred By:
Michael Lloyd, P.E.
Engineering Division Manager/Assistant City Engineer

CITY COUNCIL GOALS

Advocacy. Develop cooperative intergovernmental relationships and be a forceful advocate of City policies, objectives, and goals to appropriate external governments, agencies and corporations.

Revenue Diversification and Preservation. Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

CITY COUNCIL STRATEGIC PRIORITIES

1. **Economic Development**
2. **Public Safety**
3. **Library**
4. **Infrastructure**
5. **Beautification, Community Engagement, and Quality of Life**
6. **Youth Programs**

Objective 5.2: Promote the installation and maintenance of cost effective, low maintenance landscape, hardscape and other improvements which create a clean, inviting community.

ATTACHMENTS

1. Ballot Documents - Maria Luna
2. Ballot Documents - 24771 Nandina LLC

- 3. Ballot Documents - Raising Cane's Restaurant, LLC
- 4. Ballot Documents - LCG MVII, LLC

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	8/29/21 7:26 PM
City Attorney Approval	<u>✓ Approved</u>	
City Manager Approval	<u>✓ Approved</u>	8/30/21 9:07 AM

Tel: 951.413.3480
 Fax: 951.413.3170
 www.moval.org



14177 FREDERICKS STREET
 P. O. BOX 88005
 MORENO VALLEY, CA 92552-0805

July 22, 2021

Maria Luna
 24947 Otis Dr.
 Moreno Valley, CA 92553
 ATTN: Samuel Nunez

NOTICE TO PROPERTY OWNER - MAIL BALLOT PROCEEDING FOR THE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) MAXIMUM RESIDENTIAL REGULATORY RATE FOR APN(s) 474-161-035

******* OFFICIAL BALLOT ENCLOSED *******

Introduction

In November of 1996, California voters passed Proposition 218 (“The Right to Vote on Taxes Act”). As a result, any new or proposed increase in a property-related charge requires approval by the property owner of record. In compliance with Proposition 218 legislation, the City of Moreno Valley Special Districts Division is conducting a mail ballot proceeding to provide the owner of the APN(s) listed above the opportunity to express support for or opposition to the approval of the NPDES Maximum Residential Regulatory Rate and services. Approval of the NPDES Maximum Residential Regulatory Rate through a mail ballot proceeding fulfills the Land Development Division’s Condition of Approval to provide a funding source for the NPDES financial program.

Background

The Clean Water Act of 1987 established requirements for the discharge of Urban Runoff from Municipal Separate Storm Sewer Systems under the NPDES Program. The NPDES Program is administered by the Santa Ana Regional Water Quality Control Board through the issuance of a Permit. The City’s current NPDES Permit mandates all new development projects comply with storm water management activities. The NPDES Program requires public agencies to obtain coverage under the Permit to discharge urban storm water runoff from municipally owned drainage facilities, including streets, highways, storm drains, and flood control channels.

Services Provided

In compliance with the Federal Clean Water Act, the City of Moreno Valley shall provide the necessary services for the continuous operation, enhancement, and maintenance of the storm water discharge system, and perform inspections of the affected areas to ensure compliance with federally mandated NPDES Permit requirements.

How is the Amount of the Charge Determined?

Each fiscal year (FY), the City of Moreno Valley determines the type of services necessary to comply with NPDES Permit requirements and levies the rate applicable for that service, not to exceed the rate previously approved by the property owner.

Notice of Mail Ballot Proceeding for Maria Luna
July 22, 2021

Proposed Charge

For FY 2021/2022, the NPDES Maximum Residential Regulatory Rate is \$351.43 per parcel. The total amount of the NPDES rates levied for FY 2021/22 was \$712,335.22 for the program as a whole.

Annual Adjustment

Beginning in FY 2022/23, the NPDES Maximum Residential Regulatory Rate will be subject to an annual adjustment based on the percentage change calculated for the previous year in the Los Angeles-Long Beach-Anaheim Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics.

Duration of the Charge

Upon approval of the NPDES Maximum select rate Regulatory Rate, the annual levy amount will be assessed to the APN(s) listed above (and any division thereof) and shall be placed on the Riverside County property tax bill or included as a monthly charge on a utility bill. The NPDES Maximum Residential Regulatory Rate will be levied each following year at the proposed rate, which includes an annual inflation adjustment.

Public Hearing

To provide information concerning this mail ballot proceeding, the City has scheduled a Public Hearing, which will be held at the **Moreno Valley City Hall Council Chamber located at 14177 Frederick Street, Moreno Valley.**

Public Hearing

Tuesday, September 7, 2021

6:00 p.m.

(Or As Soon Thereafter As The Matter May Be Called)

Tabulation of the returned ballot will commence after the close of the public testimony portion of the Public Hearing. Any ballot received shall be tabulated under the direction of the City Clerk in compliance with the City's Policy for Conducting Mail Ballot Proceedings Policy #1.12.

Effect if the Charge is Approved

Approval of the NPDES Maximum Residential Regulatory Rate will be confirmed if the ballot is marked in favor (marked Yes) of the NPDES rate. Approving the NPDES Maximum Residential Regulatory Rate through a mail ballot proceeding will fulfill the Land Development Division's Condition of Approval to provide an ongoing funding source for the NPDES financial program.

Effect if the Charge is Not Approved

Not approving the NPDES Maximum Residential Regulatory Rate to meet state and federally mandated NPDES Permit requirements **will not** satisfy the Land Development Division's Condition of Approval to provide a funding source for the NPDES financial program. If the returned ballot is marked "No", the NPDES rate will not be levied on the property tax bill.

Notice of Mail Ballot Proceeding for Maria Luna
July 22, 2021

Effect if the Ballot is Deemed Invalid or Incomplete

Not marking the corresponding box on the ballot in support of or opposition to the proposed program and annual rate and/or not signing the ballot will result in an invalid ballot. In order to satisfy the Land Development Division's Condition of Approval by placement of the NPDES rate on the annual property tax bill, the mail ballot proceeding and 45-day noticing period will need to start over. Reinitiating the process will require payment of the mail ballot proceeding fee.

For More Information

If you have any questions about the mail ballot proceeding process, please contact Isa Rojas, Management Analyst, with the City's Special Districts Division at 951.413.3470 or via email at IsaRo@moval.org or SDAdmin@moval.org during the City's business hours.

Questions regarding the NPDES financial program, the annual rate, or the Land Development Division's Conditions of Approval should be directed to the Land Development Division at 951.413.3120 or via email at landdevelopment@moval.org during the City's business hours.

The City's business hours are Monday through Thursday from 7:30 a.m. to 5:30 p.m. and Friday from 7:30 a.m. to 4:30 p.m.

Completing Your Ballot

Please follow the instructions below to complete and return your ballot. Procedures for the completion, return, and tabulation of the ballot are also on file in the City Clerk's office.






1. Mark the enclosed ballot in support of or opposition to the proposed program and annual rate **by placing a mark in the corresponding box**. Ballots received without a designated vote will be considered invalid.
2. Sign your name on the ballot. Ballots received without signature(s) will be considered invalid *and will not be counted*.
3. Mail or personally deliver your completed ballot in a sealed envelope to the City Clerk's office, 14177 Frederick Street, Moreno Valley, California, 92553. For your convenience, a postage-paid envelope has been included for return of the ballot.
4. Ballot(s) must be **received** by the City Clerk prior to the close of the public testimony portion of the Public Hearing scheduled for **September 7, 2021**, at the Moreno Valley City Hall Council Chamber. The Public Hearing will be held at 6:00 p.m. or as soon thereafter as the matter may be called. Ballots received after the close of the Public Hearing cannot be legally counted.

Ballot Marks

Appropriate ballot markings include any one of the following for either the YES/Approved or NO/Not Approved blank box:

- A check mark substantially inside a box;
- An X mark substantially inside a box;

Notice of Mail Ballot Proceeding for Maria Luna
July 22, 2021

-  A dot or oval mark substantially inside a box;
-  A completely shaded or filled mark substantially inside a box;
-  A line, single or dashed, or combination of lines, through the box area. Lines may be any one of the following marks: horizontal, vertical, or diagonal. The mark may either run from side to side or corner to corner. All valid lines must be substantially within the box area and not marking any part of another blank box on the ballot;
-  A circle around the box and/or associated clause; or
-  A square or rectangle around the box and/or associated clause.

Balloting marks shall not extend past one box area into any portion of another nor surround the perimeter or any portion of more than one box area. Markings that extend past one box area into any portion of another or surround the perimeter or any portion of more than one box area shall be considered invalid and not counted.

Ballot Mark Revisions (Changes): An error or desire to revise (change) a selection made on the ballot may be completed and returned any time **prior** to the conclusion of public testimony at the Public Hearing. **The revision must be initialed by the record owner(s) of property. Initials must be clearly printed and placed at the right top corner of the revised selection.**

**OFFICIAL MAIL BALLOT
for Assessor's Parcel Number (APN)
474-161-035
National Pollutant Discharge Elimination System (NPDES)
Residential Regulatory Rate**

YES* — as property owner of the APN(s) listed above, **I approve** the NPDES Maximum Residential Regulatory Rate and services. For fiscal year (FY) 2021/22, the NPDES Maximum Residential Regulatory Rate is \$351.43 per parcel. Upon approval of the maximum regulatory rate, the annual levy amount shall be placed on the annual Riverside County property tax bill or included as a monthly charge on a utility bill. Beginning FY 2022/23, the maximum regulatory rate will be subject to an annual adjustment based on the percentage change calculated for the previous year in the Los Angeles-Long Beach-Anaheim Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics. The City shall provide the necessary services for the continuous operation, enhancement, and maintenance of the storm water discharge system, and perform inspections of the affected areas to ensure compliance with federally mandated NPDES Permit requirements.

NO** — as property owner of the APNs listed above, **I do not approve** the NPDES Maximum Residential Regulatory Rate and services. I understand that not approving the NPDES Maximum Residential Regulatory Rate to fund state and federally mandated NPDES Permit requirements will not satisfy the project's Conditions of Approval. The NPDES Maximum Residential Regulatory Rate will not be levied on the annual Riverside County property tax bill.

YES*	NO**	Weighted Ballot Count*	Fiscal Year 2021/22 NPDES Maximum Residential Regulatory Rate per Parcel
<input type="checkbox"/>	<input type="checkbox"/>	1	\$351.43

Each Assessor's Parcel Number equals 1 Weighted Ballot.

I HEREBY DECLARE UNDER PENALTY OF PERJURY THAT I AM THE RECORD OWNER OF THE PARCEL(S) IDENTIFIED ON THIS BALLOT OR AM AUTHORIZED TO SUBMIT A BALLOT ON BEHALF OF THE RECORD OWNER.

SIGNATURE OF PROPERTY OWNER

PRINTED NAME DATE

Please remember to mark the appropriate box, sign and date the ballot, and return to the City Clerk's office in the enclosed envelope. This ballot must be received by the City Clerk of the City of Moreno Valley prior to the close of the public testimony portion of the Public Hearing. The Public Hearing will be held at 6:00 p.m., or as soon thereafter as the matter may be called, on September 7, 2021, at the Moreno Valley City Hall Council Chamber, 14177 Frederick Street, Moreno Valley, California.

Ballot(s) deemed invalid or incomplete will be discarded and a new process must be initiated in order to place the charge on the annual Riverside County property tax bill, which includes payment of the mail ballot fee.

RESIDENTIAL NPDES RATE SCHEDULE
 Adopted by the City Council on June 10, 2003 (Level I, II, III, IV)
 Adopted by the City Council on June 10, 2008 (Level II-A)

LEVEL I			LEVEL II			Level II-A			LEVEL III			LEVEL IV		
NPDES Administration <i>(Not covered by CSA 152)</i>			Water Quality Pond/Basin Maintenance			Sand Filter Maintenance			Water Quality Pond/Basin Remediation/Reconstruction			Water Quality System Retrofit		
Costs associated with personnel, administration and management of the storm water management program. Administrative tasks include development and filing of various storm water reports and data collection and management. Level I is levied on all parcels conditioned for the NPDES Rate Schedule.			Costs associated with the maintenance and monitoring of the water quality pond/basin. This includes, but is not limited to maintenance on a quarterly basis of vegetative material, civil work and utility and personnel costs. Level II, in addition to Level I is levied on all properties within tracts that have a water quality pond/basin or on properties that benefit from a neighboring water quality pond/basin.			Costs associated with the maintenance and monitoring of the sand filter within a water quality pond/basin. This includes, but is not limited to maintenance of a sand bed, bleeder lines and costs for personnel. Level II-A, in addition to Level II and Level I is levied on all properties within residential developments that have a water quality pond/basin with a sand filter or on properties that benefit from a neighboring water quality pond/basin with a sand filter.			Costs associated with the remediation and reconstruction of water quality pond/basin. Remediation and reconstruction may include the following: replacement of soil, plants, irrigation, removal and hauling of wastes and possible civil work.			Costs associated with the retrofitting, replacement, monitoring and maintenance of the water quality pond/basin systems and appurtenances. This may include retrofitting of catch basin insert filters, vortex devices, installation of in-line filter systems, and nutrient baskets, etc.		
Parcel Rate	Per/Mon. \$3.84	Per/Yr. \$46.10	Parcel Rate	Per/Mon. \$7.30	Per/Yr. \$87.60	Parcel Rate	Per/Mon. \$3.33	Per/Yr. \$39.92	Parcel Rate	Per/Mon. \$6.51	Per/Yr. \$78.12	Parcel Rate	Per/Mon. \$14.82	Per/Yr. \$177.78





Each Service Level may be imposed on an as-needed basis and cumulative (if required)

Fiscal Year (FY) 2003/2004 - Base Year Calculation, subject to Inflation factor based on the Los Angeles-Riverside-Orange County Regional Consumer Price Index

Inflation Factor Adjustments:

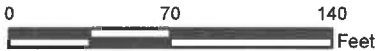
- 2004/2005 - 1.8% = (\$31.00, 58.00, 52.00 & 118.00)
- 2005/2006 - 4.4% = (\$32.00, 61.00, 54.00 & 123.00)
- 2006/2007 - 4.5% = (\$33.00, 64.00, 56.00, & 128.00)
- 2007/2008 - 3.1% = (\$34.00, 66.00, 58.00, & 132.00)
- 2008/2009 - 4.2% = (\$35.00, 69.00, 61.00, \$60.00, \$138.00)
- 2009/2010 - no change = (\$35.00, 69.00, 61.00, \$60.00, \$138.00)
- 2010/2011 - no change = (\$35.00, 69.00, 61.00, \$60.00, \$138.00)
- 2011/2012 - 3.8% = (\$36.00, 72.00, 62.00, \$62.00, \$143.00)
- 2012/2013 - 2.7% = (\$37.00, 74.00, 63.00, \$64.00, \$147.00)
- 2013/2014 - 2.0% = (\$38.00, 75.00, 64.00, \$65.00, \$150.00)
- 2014/2015 - 1.14% = (\$39.38, 74.82, 64.10, \$66.73, \$151.84)
- 2015/2016 - 0.73% = (\$39.66, 75.36, 64.35, \$67.22, \$152.95)
- 2016/2017 - 2.03% = (\$40.47, 76.89, 65.05, \$68.58, \$156.05)
- 2017/2018 - 1.97% = (\$41.27, 78.40, 65.74, \$69.93, \$159.12)
- 2018/2019 - 3.61% = (\$42.74, 81.22, 67.24, \$72.44, \$164.86)
- 2019/2020 - 3.24% = (\$44.14, 83.86, 68.22, 74.80, \$170.20)
- 2020/2021 - 2.96% = (\$45.44, 86.34, 69.36, 77.02, \$175.24)
- 2021/2022 - 1.45% = (\$46.10, 87.60, 69.92, 78.12, \$177.78)

Maria Luna
Custom Home, 11970 Mathews Rd.
PEN19-0257

- APN**
-  474161035
 -  Parcels
 -  City Boundary
 -  Roads

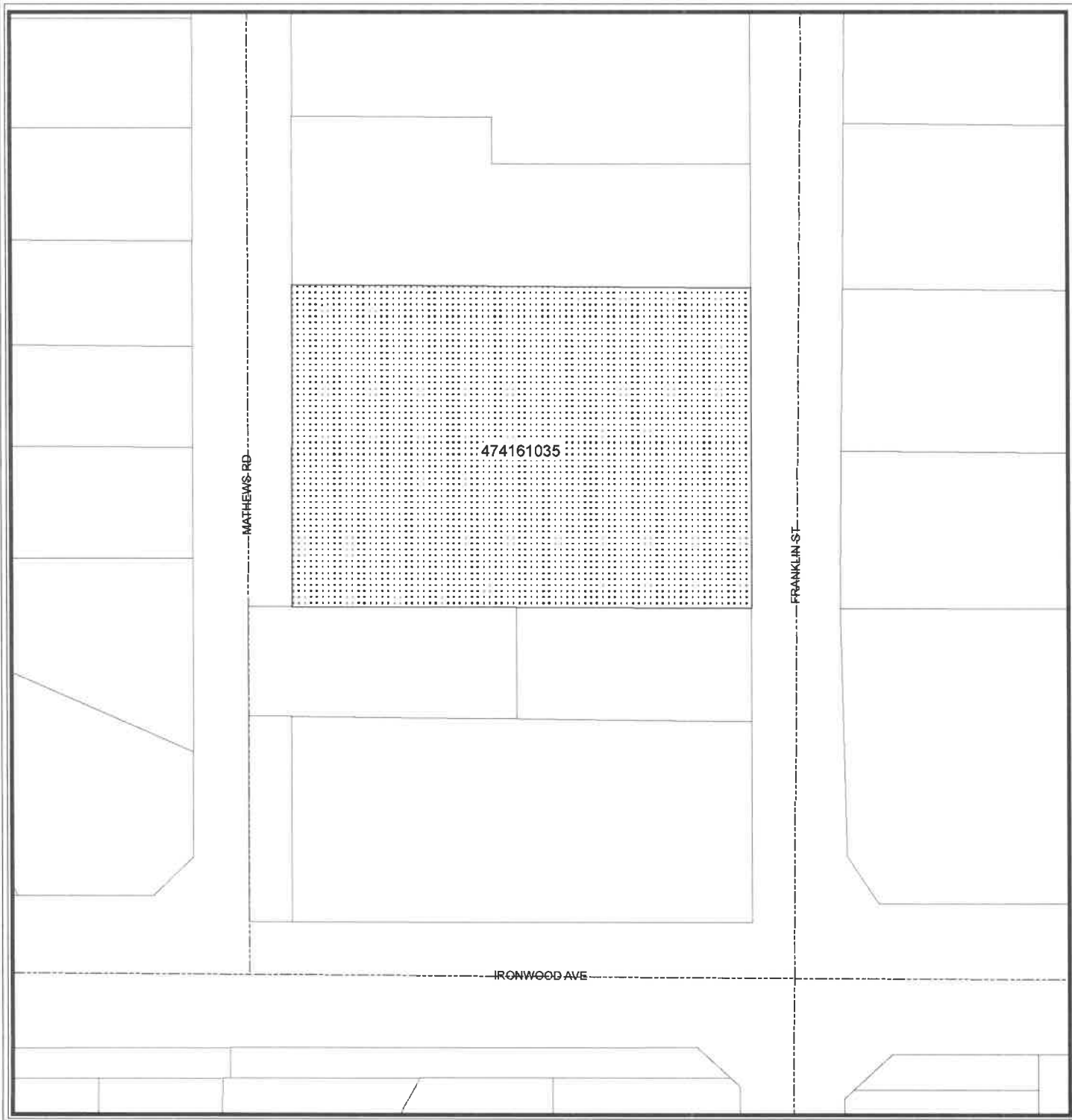
Map reflects all changes indicated on Riverside County Assessor Maps as of April 12, 2021.

N



G:\Divisions\SpecialDist\2019MXD\PEN19-0257.mxd

The information shown on this map was compiled from the Riverside County GIS and the City of Moreno Valley GIS. The land base and facility information on this map is for display purposes only and should not be relied upon without independent verification as to its accuracy. Data and information on this map is subject to update and modification. Riverside County and City of Moreno Valley will not be held responsible for any claims, losses or damages resulting from the use of this map. This map is not to be recycled or resold.



Attachment: Ballot Documents - Maria Luna (5482 : PUBLIC HEARING FOR FOUR NATIONAL POLLUTANT

Tel: 951.413.3480
 Fax: 951.413.3170
 www.moval.org



14177 FREDERICK STREET
 P. O. BOX 88005
 MORENO VALLEY, CA 92552-0805

July 22, 2021

24771 Nandina LLC
 18W140 Butterfield Rd., Suite 750
 Oakbrook Terrace, IL 60181
 ATTN: Larry Cochrun

NOTICE TO PROPERTY OWNER - MAIL BALLOT PROCEEDING FOR THE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) MAXIMUM COMMON INTEREST, COMMERCIAL, INDUSTRIAL, AND QUASI-PUBLIC USE REGULATORY RATE FOR APN(s) 316-211-003

******* OFFICIAL BALLOT ENCLOSED *******

Introduction

In November of 1996, California voters passed Proposition 218 (“The Right to Vote on Taxes Act”). As a result, any new or proposed increase in a property-related charge requires approval by the property owner of record. In compliance with Proposition 218 legislation, the City of Moreno Valley Special Districts Division is conducting a mail ballot proceeding to provide the owner of the APN(s) listed above the opportunity to express support for or opposition to the approval of the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate and services. Approval of the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate through a mail ballot proceeding fulfills the Land Development Division’s Condition of Approval to provide a funding source for the NPDES financial program.

Background

The Clean Water Act of 1987 established requirements for the discharge of Urban Runoff from Municipal Separate Storm Sewer Systems under the NPDES Program. The NPDES Program is administered by the Santa Ana Regional Water Quality Control Board through the issuance of a Permit. The City’s current NPDES Permit mandates all new development projects comply with storm water management activities. The NPDES Program requires public agencies to obtain coverage under the Permit to discharge urban storm water runoff from municipally owned drainage facilities, including streets, highways, storm drains, and flood control channels.

Services Provided

In compliance with the Federal Clean Water Act, the City of Moreno Valley shall provide annual and periodic facility inspections for site design, NPDES permit compliance, and Best Management Practices implementation and maintenance for specified facilities.

How is the Amount of the Charge Determined?

Each fiscal year (FY), the City of Moreno Valley determines the type of services necessary to comply with NPDES Permit requirements and levies the rate applicable for that service, not to

Notice of Mail Ballot Proceeding for 24711 Nandina LLC
July 22, 2021

exceed the rate previously approved by the property owner.

Proposed Charge

For FY 2021/2022, the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate is \$264.63 per parcel. The total amount of the NPDES rates levied for FY 2021/22 was \$712,335.22 for the program as a whole.

Annual Adjustment

Beginning in FY 2022/23, the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate will be subject to an annual adjustment based on the percentage change calculated for the previous year in the Los Angeles-Long Beach-Anaheim Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics.

Duration of the Charge

Upon approval of the NPDES Maximum select rate Regulatory Rate, the annual levy amount will be assessed to the APN(s) listed above (and any division thereof) and shall be placed on the Riverside County property tax bill or included as a monthly charge on a utility bill. The NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate will be levied each following year at the proposed rate, which includes an annual inflation adjustment.

Public Hearing

To provide information concerning this mail ballot proceeding, the City has scheduled a Public Hearing, which will be held at the **Moreno Valley City Hall Council Chamber located at 14177 Frederick Street, Moreno Valley.**

Public Hearing

Tuesday, September 7, 2021

6:00 p.m.

(Or As Soon Thereafter As The Matter May Be Called)

Tabulation of the returned ballot will commence after the close of the public testimony portion of the Public Hearing. Any ballot received shall be tabulated under the direction of the City Clerk in compliance with the City's Policy for Conducting Mail Ballot Proceedings Policy #1.12.

Effect if the Charge is Approved

Approval of the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate will be confirmed if the ballot is marked in favor (marked Yes) of the NPDES rate. Approving the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate through a mail ballot proceeding will fulfill the Land Development Division's Condition of Approval to provide an ongoing funding source for the NPDES financial program.

Effect if the Charge is Not Approved

Not approving the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate to meet state and federally mandated NPDES Permit requirements **will not**

Notice of Mail Ballot Proceeding for 24711 Nandina LLC
July 22, 2021

satisfy the Land Development Division's Condition of Approval to provide a funding source for the NPDES financial program. If the returned ballot is marked "No", the NPDES rate will not be levied on the property tax bill.

Effect if the Ballot is Deemed Invalid or Incomplete

Not marking the corresponding box on the ballot in support of or opposition to the proposed program and annual rate and/or not signing the ballot will result in an invalid ballot. In order to satisfy the Land Development Division's Condition of Approval by placement of the NPDES rate on the annual property tax bill, the mail ballot proceeding and 45-day noticing period will need to start over. Reinitiating the process will require payment of the mail ballot proceeding fee.

For More Information

If you have any questions about the mail ballot proceeding process, please contact Isa Rojas, Management Analyst, with the City's Special Districts Division at 951.413.3470 or via email at IsaRo@moval.org or SDAdmin@moval.org during the City's business hours.

Questions regarding the NPDES financial program, the annual rate, or the Land Development Division's Conditions of Approval should be directed to the Land Development Division at 951.413.3120 or via email at landdevelopment@moval.org during the City's business hours.

The City's business hours are Monday through Thursday from 7:30 a.m. to 5:30 p.m. and Friday from 7:30 a.m. to 4:30 p.m.

Completing Your Ballot








Please follow the instructions below to complete and return your ballot. Procedures for the completion, return, and tabulation of the ballot are also on file in the City Clerk's office.

1. Mark the enclosed ballot in support of or opposition to the proposed program and annual rate **by placing a mark in the corresponding box**. Ballots received without a designated vote will be considered invalid.
2. Sign your name on the ballot. Ballots received without signature(s) will be considered invalid *and will not be counted*.
3. Mail or personally deliver your completed ballot in a sealed envelope to the City Clerk's office, 14177 Frederick Street, Moreno Valley, California, 92553. For your convenience, a postage-paid envelope has been included for return of the ballot.
4. Ballot(s) must be **received** by the City Clerk prior to the close of the public testimony portion of the Public Hearing scheduled for **September 7, 2021**, at the Moreno Valley City Hall Council Chamber. The Public Hearing will be held at 6:00 p.m. or as soon thereafter as the matter may be called. Ballots received after the close of the Public Hearing cannot be legally counted.

Ballot Marks

Appropriate ballot markings include any one of the following for either the YES/Approved or NO/Not Approved blank box:

Notice of Mail Ballot Proceeding for 24711 Nandina LLC
July 22, 2021

-  A check mark substantially inside a box;
-  An X mark substantially inside a box;
-  A dot or oval mark substantially inside a box;
-  A completely shaded or filled mark substantially inside a box;
-  A line, single or dashed, or combination of lines, through the box area. Lines may be any one of the following marks: horizontal, vertical, or diagonal. The mark may either run from side to side or corner to corner. All valid lines must be substantially within the box area and not marking any part of another blank box on the ballot;
-  A circle around the box and/or associated clause; or
-  A square or rectangle around the box and/or associated clause.

Balloting marks shall not extend past one box area into any portion of another nor surround the perimeter or any portion of more than one box area. Markings that extend past one box area into any portion of another or surround the perimeter or any portion of more than one box area shall be considered invalid and not counted.

Ballot Mark Revisions (Changes): An error or desire to revise (change) a selection made on the ballot may be completed and returned any time **prior** to the conclusion of public testimony at the Public Hearing. **The revision must be initialed by the record owner(s) of property. Initials must be clearly printed and placed at the right top corner of the revised selection.**

**OFFICIAL MAIL BALLOT
for Assessor's Parcel Number (APN)
316-211-003**

**National Pollutant Discharge Elimination System (NPDES)
Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate**

YES* — as property owner of the APN(s) listed above, **I approve** the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate and services. For fiscal year (FY) 2021/22, the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate is \$264.63 per parcel. Upon approval of the maximum regulatory rate, the annual levy amount shall be placed on the annual Riverside County property tax bill or included as a monthly charge on a utility bill. Beginning FY 2022/23, the maximum regulatory rate will be subject to an annual adjustment based on the percentage change calculated for the previous year in the Los Angeles-Long Beach-Anaheim Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics. The City shall provide annual and periodic facility inspections for site design, NPDES permit compliance, and Best Management Practices implementation and maintenance for specified facilities.

NO** — as property owner of the APNs listed above, **I do not approve** the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate and services. I understand that not approving the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate to fund state and federally mandated NPDES Permit requirements will not satisfy the project's Conditions of Approval. The NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate will not be levied on the annual Riverside County property tax bill.

YES*	NO**	Weighted Ballot Count*	Fiscal Year 2021/22 NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate per Parcel
<input type="checkbox"/>	<input type="checkbox"/>	1	\$264.63

Each Assessor's Parcel Number equals 1 Weighted Ballot.

I HEREBY DECLARE UNDER PENALTY OF PERJURY THAT I AM THE RECORD OWNER OF THE PARCEL(S) IDENTIFIED ON THIS BALLOT OR AM AUTHORIZED TO SUBMIT A BALLOT ON BEHALF OF THE RECORD OWNER.

SIGNATURE OF PROPERTY OWNER

PRINTED NAME _____ DATE _____

Please remember to mark the appropriate box, sign and date the ballot, and return to the City Clerk's office in the enclosed envelope. This ballot must be received by the City Clerk of the City of Moreno Valley prior to the close of the public testimony portion of the Public Hearing. The Public Hearing will be held at 6:00 p.m., or as soon thereafter as the matter may be called, on September 7, 2021, at the Moreno Valley City Hall Council Chamber, 14177 Frederick Street, Moreno Valley, California.

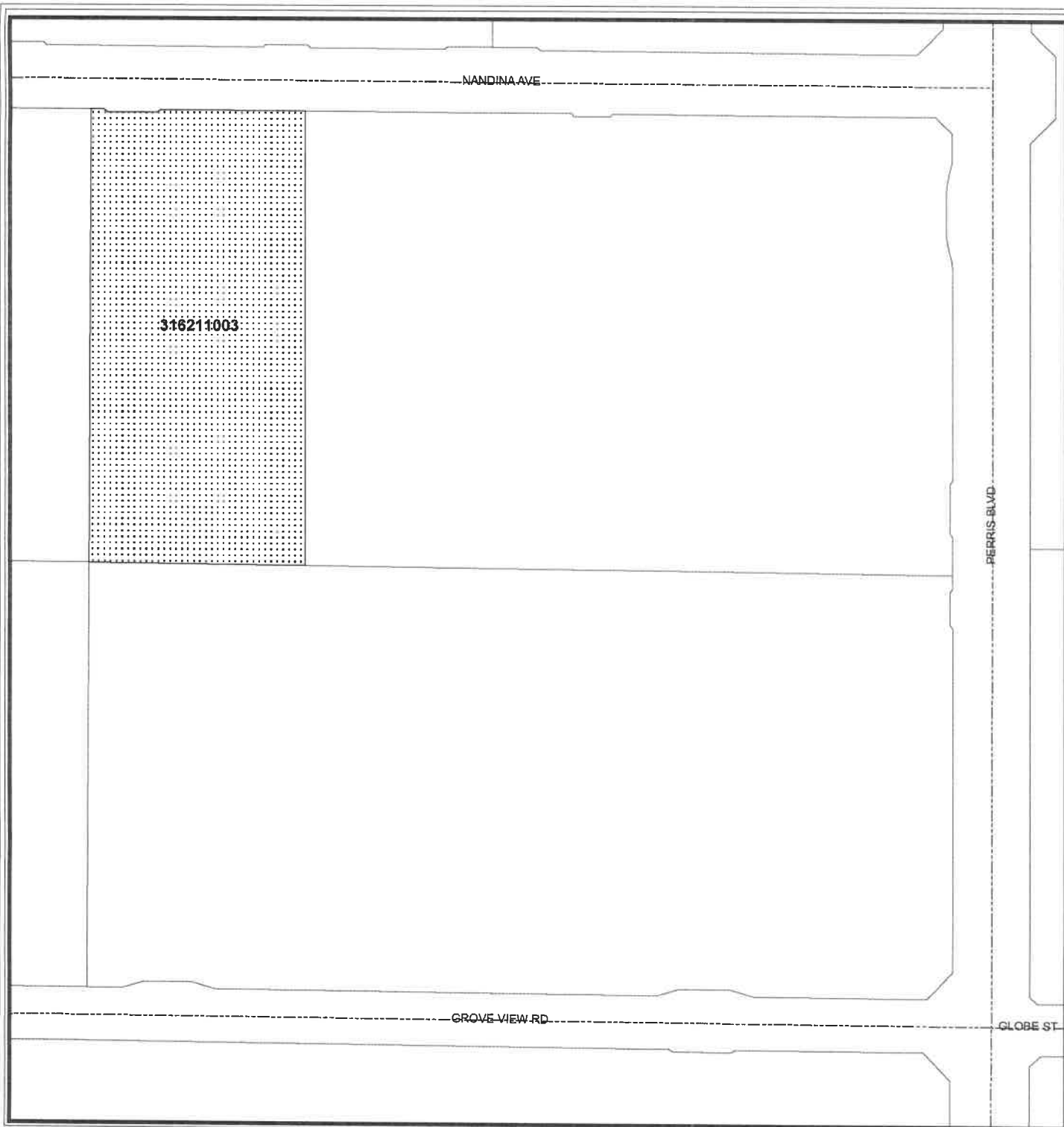
Ballot(s) deemed invalid or incomplete will be discarded and a new process must be initiated in order to place the charge on the annual Riverside County property tax bill, which includes payment of the mail ballot fee.

**COMMON INTEREST, COMMERCIAL, INDUSTRIAL AND QUASI-PUBLIC USE NPDES RATE SCHEDULE
Adopted by the City Council on January 10, 2006**

LEVEL 1			LEVEL II		
NPDES Administration			Site Design, Source Control and Treatment Control BMPs Monitoring and Maintenance		
<i>(Not covered by CSA 152)</i>					
<p>Costs associated with personnel, administration and management of the storm water management program. Administrative tasks include development and filing of various stormwater reports and data collection and management.</p> <p>Level I is levied on all parcels conditioned for the NPDES Rate Schedule.</p>			<p>Costs associated with stormwater and non-stormwater runoff monitoring, inspection of the project's site design, source control and treatment control BMPs; evaluation of site stormwater compliance activities, review of site-specific technical reports and treatment control BMP maintenance records.</p>		
<p>Fiscal Year (FY) 2005/2006 - Base Year Calculation, subject to an annual inflation factor based on the Los Angeles-Riverside-Orange County Regional Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics</p>					
PARCEL RATE	Per Month	Per Year	PARCEL RATE	Per Month	Per Year
	\$3.86	\$46.26		\$18.20	\$218.36





Inflation Factor Adjustments
 FY 2006/2007 - 4.5% = (\$33.00 & \$158.00)
 FY 2007/2008 - 3.1% = (\$34.00 & \$163.00)
 FY 2008/2009 - 4.2% = (\$35.00 & \$170.00)
 FY 2009/2010 - no change = (\$35.00 & \$170.00)
 FY 2010/2011 - no change = (\$35.00 & \$170.00)
 FY 2011/2012 - 3.8% = (\$36.00 & \$176.00)
 FY 2012/2013 - 2.7% = (\$37.00 & \$181.00)
 FY 2013/2014 - 2.0% = (\$38.00 & \$185.00)
 FY 2014/2015 - 1.14% = (\$39.52 & \$186.49)
 FY 2015/2016 - 0.73% = (\$39.81 & \$187.85)
 FY 2016/2017 - 2.03% = (\$40.62 & \$191.66)
 FY 2017/2018 - 1.97% = (\$41.42 & \$195.44)
 FY 2018/2019 - 3.61% = (\$42.90 & \$202.48)
 FY 2019/2020 - 3.24% = (\$44.30 & \$209.40)
 FY 2020/2021 - 2.96% = (\$45.60 & \$215.24)
 FY 2021/2022 - 1.45% = (\$46.26 & \$218.36)

Attachment: Ballot Documents - 24771 Nandina LLC (5482 : PUBLIC HEARING FOR FOUR NATIONAL



24771 Nandina LLC
95,474 sq. ft. Warehouse
PEN20-0041

APN

-  316211003
-  Parcels
-  City Boundary
-  Roads

Map reflects all changes indicated on Riverside County Assessor Maps as of July 20, 2021.



G:\Divisions\SpecialDist\2018\MXD\PEN20-0041.mxd

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Tel: 951.413.3480
 Fax: 951.413.3170
 www.moval.org



14177 FREDERICK STREET
 P. O. BOX 88005
 MORENO VALLEY, CA 92552-0805

July 22, 2021

Raising Cane's Restaurants, LLC
 6800 Bishop Rd.
 Plano, TX 75024-3548
 ATTN: Kristen Roberts

NOTICE TO PROPERTY OWNER - MAIL BALLOT PROCEEDING FOR THE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) MAXIMUM COMMON INTEREST, COMMERCIAL, INDUSTRIAL, AND QUASI-PUBLIC USE REGULATORY RATE FOR APN(s) 291-570-021

***** OFFICIAL BALLOT ENCLOSED *****

Introduction

In November of 1996, California voters passed Proposition 218 ("The Right to Vote on Taxes Act"). As a result, any new or proposed increase in a property-related charge requires approval by the property owner of record. In compliance with Proposition 218 legislation, the City of Moreno Valley Special Districts Division is conducting a mail ballot proceeding to provide the owner of the APN(s) listed above the opportunity to express support for or opposition to the approval of the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate and services. Approval of the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate through a mail ballot proceeding fulfills the Land Development Division's Condition of Approval to provide a funding source for the NPDES financial program.

Background

The Clean Water Act of 1987 established requirements for the discharge of Urban Runoff from Municipal Separate Storm Sewer Systems under the NPDES Program. The NPDES Program is administered by the Santa Ana Regional Water Quality Control Board through the issuance of a Permit. The City's current NPDES Permit mandates all new development projects comply with storm water management activities. The NPDES Program requires public agencies to obtain coverage under the Permit to discharge urban storm water runoff from municipally owned drainage facilities, including streets, highways, storm drains, and flood control channels.

Services Provided

In compliance with the Federal Clean Water Act, the City of Moreno Valley shall provide annual and periodic facility inspections for site design, NPDES permit compliance, and Best Management Practices implementation and maintenance for specified facilities.

How is the Amount of the Charge Determined?

Each fiscal year (FY), the City of Moreno Valley determines the type of services necessary to comply with NPDES Permit requirements and levies the rate applicable for that service, not to

Notice of Mail Ballot Proceeding for Raising Cane's Restaurants, LLC
July 22, 2021

exceed the rate previously approved by the property owner.

Proposed Charge

For FY 2021/2022, the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate is \$264.63 per parcel. The total amount of the NPDES rates levied for FY 2021/22 was \$712,335.22 for the program as a whole.

Annual Adjustment

Beginning in FY 2022/23, the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate will be subject to an annual adjustment based on the percentage change calculated for the previous year in the Los Angeles-Long Beach-Anaheim Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics.

Duration of the Charge

Upon approval of the NPDES Maximum select rate Regulatory Rate, the annual levy amount will be assessed to the APN(s) listed above (and any division thereof) and shall be placed on the Riverside County property tax bill or included as a monthly charge on a utility bill. The NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate will be levied each following year at the proposed rate, which includes an annual inflation adjustment.

Public Hearing

To provide information concerning this mail ballot proceeding, the City has scheduled a Public Hearing, which will be held at the **Moreno Valley City Hall Council Chamber located at 14177 Frederick Street, Moreno Valley.**

Public Hearing

Tuesday, September 7, 2021

6:00 p.m.

(Or As Soon Thereafter As The Matter May Be Called)

Tabulation of the returned ballot will commence after the close of the public testimony portion of the Public Hearing. Any ballot received shall be tabulated under the direction of the City Clerk in compliance with the City's Policy for Conducting Mail Ballot Proceedings Policy #1.12.

Effect if the Charge is Approved

Approval of the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate will be confirmed if the ballot is marked in favor (marked Yes) of the NPDES rate. Approving the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate through a mail ballot proceeding will fulfill the Land Development Division's Condition of Approval to provide an ongoing funding source for the NPDES financial program.

Effect if the Charge is Not Approved

Not approving the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate to meet state and federally mandated NPDES Permit requirements **will not**

Notice of Mail Ballot Proceeding for Raising Cane's Restaurants, LLC
July 22, 2021

satisfy the Land Development Division's Condition of Approval to provide a funding source for the NPDES financial program. If the returned ballot is marked "No", the NPDES rate will not be levied on the property tax bill.

Effect if the Ballot is Deemed Invalid or Incomplete

Not marking the corresponding box on the ballot in support of or opposition to the proposed program and annual rate and/or not signing the ballot will result in an invalid ballot. In order to satisfy the Land Development Division's Condition of Approval by placement of the NPDES rate on the annual property tax bill, the mail ballot proceeding and 45-day noticing period will need to start over. Reinitiating the process will require payment of the mail ballot proceeding fee.

For More Information

If you have any questions about the mail ballot proceeding process, please contact Isa Rojas, Management Analyst, with the City's Special Districts Division at 951.413.3470 or via email at IsaRo@moval.org or SDAdmin@moval.org during the City's business hours.

Questions regarding the NPDES financial program, the annual rate, or the Land Development Division's Conditions of Approval should be directed to the Land Development Division at 951.413.3120 or via email at landdevelopment@moval.org during the City's business hours.

The City's business hours are Monday through Thursday from 7:30 a.m. to 5:30 p.m. and Friday from 7:30 a.m. to 4:30 p.m.

Completing Your Ballot








Please follow the instructions below to complete and return your ballot. Procedures for the completion, return, and tabulation of the ballot are also on file in the City Clerk's office.

1. Mark the enclosed ballot in support of or opposition to the proposed program and annual rate **by placing a mark in the corresponding box**. Ballots received without a designated vote will be considered invalid.
2. Sign your name on the ballot. Ballots received without signature(s) will be considered invalid *and will not be counted*.
3. Mail or personally deliver your completed ballot in a sealed envelope to the City Clerk's office, 14177 Frederick Street, Moreno Valley, California, 92553. For your convenience, a postage-paid envelope has been included for return of the ballot.
4. Ballot(s) must be **received** by the City Clerk prior to the close of the public testimony portion of the Public Hearing scheduled for **September 7, 2021**, at the Moreno Valley City Hall Council Chamber. The Public Hearing will be held at 6:00 p.m. or as soon thereafter as the matter may be called. Ballots received after the close of the Public Hearing cannot be legally counted.

Ballot Marks

Appropriate ballot markings include any one of the following for either the YES/Approved or NO/Not Approved blank box:

Notice of Mail Ballot Proceeding for Raising Cane's Restaurants, LLC
July 22, 2021

-  A check mark substantially inside a box;
-  An X mark substantially inside a box;
-  A dot or oval mark substantially inside a box;
-  A completely shaded or filled mark substantially inside a box;
-  A line, single or dashed, or combination of lines, through the box area. Lines may be any one of the following marks: horizontal, vertical, or diagonal. The mark may either run from side to side or corner to corner. All valid lines must be substantially within the box area and not marking any part of another blank box on the ballot;
-  A circle around the box and/or associated clause; or
-  A square or rectangle around the box and/or associated clause.

Balloting marks shall not extend past one box area into any portion of another nor surround the perimeter or any portion of more than one box area. Markings that extend past one box area into any portion of another or surround the perimeter or any portion of more than one box area shall be considered invalid and not counted.

Ballot Mark Revisions (Changes): An error or desire to revise (change) a selection made on the ballot may be completed and returned any time **prior** to the conclusion of public testimony at the Public Hearing. **The revision must be initialed by the record owner(s) of property. Initials must be clearly printed and placed at the right top corner of the revised selection.**

**OFFICIAL MAIL BALLOT
for Assessor's Parcel Number (APN)
291-570-021**

**National Pollutant Discharge Elimination System (NPDES)
Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate**

YES* — as property owner of the APN(s) listed above, I approve the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate and services. For fiscal year (FY) 2021/22, the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate is \$264.63 per parcel. Upon approval of the maximum regulatory rate, the annual levy amount shall be placed on the annual Riverside County property tax bill or included as a monthly charge on a utility bill. Beginning FY 2022/23, the maximum regulatory rate will be subject to an annual adjustment based on the percentage change calculated for the previous year in the Los Angeles-Long Beach-Anaheim Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics. The City shall provide annual and periodic facility inspections for site design, NPDES permit compliance, and Best Management Practices implementation and maintenance for specified facilities.

NO** — as property owner of the APNs listed above, I do not approve the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate and services. I understand that not approving the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate to fund state and federally mandated NPDES Permit requirements will not satisfy the project's Conditions of Approval. The NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate will not be levied on the annual Riverside County property tax bill.

YES*	NO**	Weighted Ballot Count*	Fiscal Year 2021/22 NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate per Parcel
<input type="checkbox"/>	<input type="checkbox"/>	1	\$264.63

Each Assessor's Parcel Number equals 1 Weighted Ballot.

I HEREBY DECLARE UNDER PENALTY OF PERJURY THAT I AM THE RECORD OWNER OF THE PARCEL(S) IDENTIFIED ON THIS BALLOT OR AM AUTHORIZED TO SUBMIT A BALLOT ON BEHALF OF THE RECORD OWNER.

SIGNATURE OF PROPERTY OWNER

PRINTED NAME DATE

Please remember to mark the appropriate box, sign and date the ballot, and return to the City Clerk's office in the enclosed envelope. This ballot must be received by the City Clerk of the City of Moreno Valley prior to the close of the public testimony portion of the Public Hearing. The Public Hearing will be held at 6:00 p.m., or as soon thereafter as the matter may be called, on September 7, 2021, at the Moreno Valley City Hall Council Chamber, 14177 Frederick Street, Moreno Valley, California.

Ballot(s) deemed invalid or incomplete will be discarded and a new process must be initiated in order to place the charge on the annual Riverside County property tax bill, which includes payment of the mail ballot fee.

COMMON INTEREST, COMMERCIAL, INDUSTRIAL AND QUASI-PUBLIC USE NPDES RATE SCHEDULE
 Adopted by the City Council on January 10, 2006

LEVEL 1			LEVEL II		
NPDES Administration			Site Design, Source Control and Treatment Control BMPs Monitoring and Maintenance		
<i>(Not covered by CSA 152)</i>					
<p>Costs associated with personnel, administration and management of the storm water management program. Administrative tasks include development and filing of various stormwater reports and data collection and management.</p> <p>Level I is levied on all parcels conditioned for the NPDES Rate Schedule.</p>			<p>Costs associated with stormwater and non-stormwater runoff monitoring, inspection of the project's site design, source control and treatment control BMPs; evaluation of site stormwater compliance activities, review of site-specific technical reports and treatment control BMP maintenance records.</p>		
<p>Fiscal Year (FY) 2005/2006 - Base Year Calculation, subject to an annual inflation factor based on the Los Angeles-Riverside-Orange County Regional Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics</p>					
PARCEL RATE	Per Month	Per Year	PARCEL RATE	Per Month	Per Year
	\$3.86	\$46.26		\$18.20	\$218.36

Inflation Factor Adjustments

- FY 2006/2007 - 4.5% = (\$33.00 & \$158.00)*
- FY 2007/2008 - 3.1% = (\$34.00 & \$163.00)*
- FY 2008/2009 - 4.2% = (\$35.00 & \$170.00)*
- FY 2009/2010 - no change = (\$35.00 & \$170.00)*
- FY 2010/2011 - no change = (\$35.00 & \$170.00)*
- FY 2011/2012 - 3.8% = (\$36.00 & \$176.00)*
- FY 2012/2013 - 2.7% = (\$37.00 & \$181.00)*
- FY 2013/2014 - 2.0% = (\$38.00 & \$185.00)*
- FY 2014/2015 - 1.14% = (\$39.52 & \$186.49)*
- FY 2015/2016 - 0.73% = (\$39.81 & \$187.85)*
- FY 2016/2017 - 2.03% = (\$40.62 & \$191.66)*
- FY 2017/2018 - 1.97% = (\$41.42 & \$195.44)*
- FY 2018/2019 - 3.61% = (\$42.90 & \$202.48)*
- FY 2019/2020 - 3.24% = (\$44.30 & \$209.40)*
- FY 2020/2021 - 2.96% = (\$45.60 & \$215.24)*
- FY 2021/2022 - 1.45% = (\$46.26 & \$218.36)*

Raising Cane's Restaurants, LLC Raising Cane's Restaurant PEN20-0100

APN

 291570021

 Parcels

 City Boundary

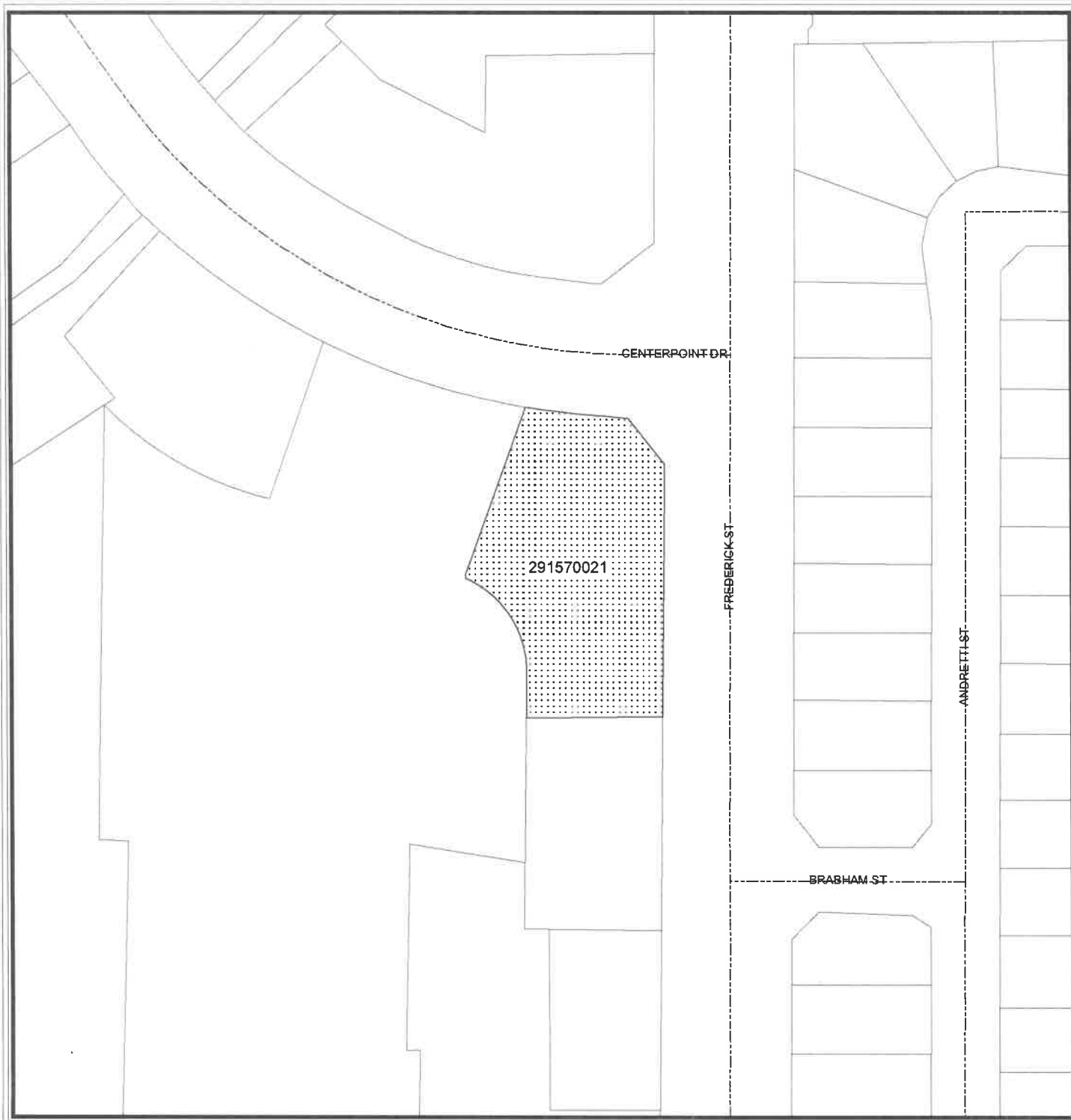
 Roads

Map reflects all changes indicated on Riverside County Assessor Maps as of April 12, 2021.



G:\Divisions\SpecialDist\2018\MXD\PEN20-0100.mxd

The information shown on this map was compiled from the Riverside County GIS and the City of Moreno Valley GIS. The land base and facility information on this map is for display purposes only and should not be relied upon without independent verification as to its accuracy. Data and information on this map is subject to update and modification. Riverside County and City of Moreno Valley will not be held responsible for any claims, losses or damages resulting from the use of this map. This map is not to be recycled or resold.



Attachment: Ballot Documents - Raising Cane's Restaurant, LLC (5482 : PUBLIC HEARING FOR FOUR

Tel: 951.413.3480
 Fax: 951.413.3170
 www.moval.org



14177 FREDERICK STREET
 P. O. BOX 88005
 MORENO VALLEY, CA 92552-0805

July 22, 2021

LCG MVD II, LLC
 670 Ledo Way
 Los Angeles, CA 90049
 ATTN: Ryan Martin

NOTICE TO PROPERTY OWNER - MAIL BALLOT PROCEEDING FOR THE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) MAXIMUM COMMON INTEREST, COMMERCIAL, INDUSTRIAL, AND QUASI-PUBLIC USE REGULATORY RATE FOR APN(s) 481-090-009, 481-090-032, & 481-090-033

******* OFFICIAL BALLOT ENCLOSED *******

Introduction

In November of 1996, California voters passed Proposition 218 (“The Right to Vote on Taxes Act”). As a result, any new or proposed increase in a property-related charge requires approval by the property owner of record. In compliance with Proposition 218 legislation, the City of Moreno Valley Special Districts Division is conducting a mail ballot proceeding to provide the owner of the APN(s) listed above the opportunity to express support for or opposition to the approval of the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate and services. Approval of the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate through a mail ballot proceeding fulfills the Land Development Division’s Condition of Approval to provide a funding source for the NPDES financial program.

Background

The Clean Water Act of 1987 established requirements for the discharge of Urban Runoff from Municipal Separate Storm Sewer Systems under the NPDES Program. The NPDES Program is administered by the Santa Ana Regional Water Quality Control Board through the issuance of a Permit. The City’s current NPDES Permit mandates all new development projects comply with storm water management activities. The NPDES Program requires public agencies to obtain coverage under the Permit to discharge urban storm water runoff from municipally owned drainage facilities, including streets, highways, storm drains, and flood control channels.

Services Provided

In compliance with the Federal Clean Water Act, the City of Moreno Valley shall provide annual and periodic facility inspections for site design, NPDES permit compliance, and Best Management Practices implementation and maintenance for specified facilities.

How is the Amount of the Charge Determined?

Each fiscal year (FY), the City of Moreno Valley determines the type of services necessary to comply with NPDES Permit requirements and levies the rate applicable for that service, not to

Notice of Mail Ballot Proceeding for LCG MVD II, LLC
July 22, 2021

exceed the rate previously approved by the property owner.

Proposed Charge

For FY 2021/2022, the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate is \$264.63 per parcel. The total amount of the NPDES rates levied for FY 2021/22 was \$712,335.22 for the program as a whole.

Annual Adjustment

Beginning in FY 2022/23, the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate will be subject to an annual adjustment based on the percentage change calculated for the previous year in the Los Angeles-Long Beach-Anaheim Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics.

Duration of the Charge

Upon approval of the NPDES Maximum select rate Regulatory Rate, the annual levy amount will be assessed to the APN(s) listed above (and any division thereof) and shall be placed on the Riverside County property tax bill or included as a monthly charge on a utility bill. The NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate will be levied each following year at the proposed rate, which includes an annual inflation adjustment.

Public Hearing

To provide information concerning this mail ballot proceeding, the City has scheduled a Public Hearing, which will be held at the **Moreno Valley City Hall Council Chamber located at 14177 Frederick Street, Moreno Valley.**

Public Hearing

Tuesday, September 7, 2021

6:00 p.m.

(Or As Soon Thereafter As The Matter May Be Called)

Tabulation of the returned ballot will commence after the close of the public testimony portion of the Public Hearing. Any ballot received shall be tabulated under the direction of the City Clerk in compliance with the City's Policy for Conducting Mail Ballot Proceedings Policy #1.12.

Effect if the Charge is Approved

Approval of the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate will be confirmed if the ballot is marked in favor (marked Yes) of the NPDES rate. Approving the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate through a mail ballot proceeding will fulfill the Land Development Division's Condition of Approval to provide an ongoing funding source for the NPDES financial program.

Effect if the Charge is Not Approved

Not approving the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate to meet state and federally mandated NPDES Permit requirements **will not**

Notice of Mail Ballot Proceeding for LCG MVD II, LLC
July 22, 2021

satisfy the Land Development Division's Condition of Approval to provide a funding source for the NPDES financial program. If the returned ballot is marked "No", the NPDES rate will not be levied on the property tax bill.

Effect if the Ballot is Deemed Invalid or Incomplete

Not marking the corresponding box on the ballot in support of or opposition to the proposed program and annual rate and/or not signing the ballot will result in an invalid ballot. In order to satisfy the Land Development Division's Condition of Approval by placement of the NPDES rate on the annual property tax bill, the mail ballot proceeding and 45-day noticing period will need to start over. Reinitiating the process will require payment of the mail ballot proceeding fee.

For More Information

If you have any questions about the mail ballot proceeding process, please contact Isa Rojas, Management Analyst, with the City's Special Districts Division at 951.413.3470 or via email at IsaRo@moval.org or SDAdmin@moval.org during the City's business hours.

Questions regarding the NPDES financial program, the annual rate, or the Land Development Division's Conditions of Approval should be directed to the Land Development Division at 951.413.3120 or via email at landdevelopment@moval.org during the City's business hours.

The City's business hours are Monday through Thursday from 7:30 a.m. to 5:30 p.m. and Friday from 7:30 a.m. to 4:30 p.m.

Completing Your Ballot








Please follow the instructions below to complete and return your ballot. Procedures for the completion, return, and tabulation of the ballot are also on file in the City Clerk's office.

1. Mark the enclosed ballot in support of or opposition to the proposed program and annual rate **by placing a mark in the corresponding box**. Ballots received without a designated vote will be considered invalid.
2. Sign your name on the ballot. Ballots received without signature(s) will be considered invalid *and will not be counted*.
3. Mail or personally deliver your completed ballot in a sealed envelope to the City Clerk's office, 14177 Frederick Street, Moreno Valley, California, 92553. For your convenience, a postage-paid envelope has been included for return of the ballot.
4. Ballot(s) must be **received** by the City Clerk prior to the close of the public testimony portion of the Public Hearing scheduled for **September 7, 2021**, at the Moreno Valley City Hall Council Chamber. The Public Hearing will be held at 6:00 p.m. or as soon thereafter as the matter may be called. Ballots received after the close of the Public Hearing cannot be legally counted.

Ballot Marks

Appropriate ballot markings include any one of the following for either the YES/Approved or NO/Not Approved blank box:

Notice of Mail Ballot Proceeding for LCG MVD II, LLC
July 22, 2021

-  A check mark substantially inside a box;
-  An X mark substantially inside a box;
-  A dot or oval mark substantially inside a box;
-  A completely shaded or filled mark substantially inside a box;
-  A line, single or dashed, or combination of lines, through the box area. Lines may be any one of the following marks: horizontal, vertical, or diagonal. The mark may either run from side to side or corner to corner. All valid lines must be substantially within the box area and not marking any part of another blank box on the ballot;
-  A circle around the box and/or associated clause; or
-  A square or rectangle around the box and/or associated clause.

Balloting marks shall not extend past one box area into any portion of another nor surround the perimeter or any portion of more than one box area. Markings that extend past one box area into any portion of another or surround the perimeter or any portion of more than one box area shall be considered invalid and not counted.

Ballot Mark Revisions (Changes): An error or desire to revise (change) a selection made on the ballot may be completed and returned any time **prior** to the conclusion of public testimony at the Public Hearing. **The revision must be initialed by the record owner(s) of property. Initials must be clearly printed and placed at the right top corner of the revised selection.**

OFFICIAL MAIL BALLOT
for Assessor's Parcel Number (APN)
481-090-009, 481-090-032, & 481-090-033
National Pollutant Discharge Elimination System (NPDES)
Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate

YES* — as property owner of the APN(s) listed above, **I approve** the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate and services. For fiscal year (FY) 2021/22, the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate is \$264.63 per parcel, a combined total of \$793.89 for the APNs. This calculation is based on the current parcel configuration; the actual annual amount annual levied will be determined at the time the levy is calculated. Upon approval of the maximum regulatory rate, the annual levy amount shall be placed on the annual Riverside County property tax bill or included as a monthly charge on a utility bill. Beginning FY 2022/23, the maximum regulatory rate will be subject to an annual adjustment based on the percentage change calculated for the previous year in the Los Angeles-Long Beach-Anaheim Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics. The City shall provide annual and periodic facility inspections for site design, NPDES permit compliance, and Best Management Practices implementation and maintenance for specified facilities.

NO** — as property owner of the APNs listed above, **I do not approve** the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate and services. I understand that not approving the NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate to fund state and federally mandated NPDES Permit requirements will not satisfy the project's Conditions of Approval. The NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate will not be levied on the annual Riverside County property tax bill.

YES*	NO**	Weighted Ballot Count*	Fiscal Year 2021/22 NPDES Maximum Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate per Parcel
<input type="checkbox"/>	<input type="checkbox"/>	3	\$264.63

Each Assessor's Parcel Number equals 1 Weighted Ballot.

I HEREBY DECLARE UNDER PENALTY OF PERJURY THAT I AM THE RECORD OWNER OF THE PARCEL(S) IDENTIFIED ON THIS BALLOT OR AM AUTHORIZED TO SUBMIT A BALLOT ON BEHALF OF THE RECORD OWNER.

SIGNATURE OF PROPERTY OWNER

PRINTED NAME

DATE

Please remember to mark the appropriate box, sign and date the ballot, and return to the City Clerk's office in the enclosed envelope. This ballot must be received by the City Clerk of the City of Moreno Valley prior to the close of the public testimony portion of the Public Hearing. The Public Hearing will be held at 6:00 p.m., or as soon thereafter as the matter may be called, on September 7, 2021, at the Moreno Valley City Hall Council Chamber, 14177 Frederick Street, Moreno Valley, California.

Ballot(s) deemed invalid or incomplete will be discarded and a new process must be initiated in order to place the charge on the annual Riverside County property tax bill, which includes payment of the mail ballot fee. For administrative convenience, all parcels for your project have been combined on one ballot. If you prefer to have a separate ballot for each APN please call 951.413.3470 to request separate ballots.

**COMMON INTEREST, COMMERCIAL, INDUSTRIAL AND QUASI-PUBLIC USE NPDES RATE SCHEDULE
Adopted by the City Council on January 10, 2006**

LEVEL 1		LEVEL II			
NPDES Administration		Site Design, Source Control and Treatment Control BMPs Monitoring and Maintenance			
<i>(Not covered by CSA 152)</i>					
<p>Costs associated with personnel, administration and management of the storm water management program. Administrative tasks include development and filing of various stormwater reports and data collection and management.</p> <p>Level I is levied on all parcels conditioned for the NPDES Rate Schedule.</p>		<p>Costs associated with stormwater and non-stormwater runoff monitoring, inspection of the project's site design, source control and treatment control BMPs; evaluation of site stormwater compliance activities, review of site-specific technical reports and treatment control BMP maintenance records.</p>			
<p>Fiscal Year (FY) 2005/2006 - Base Year Calculation, subject to an annual inflation factor based on the Los Angeles-Riverside-Orange County Regional Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics</p>					
PARCEL RATE	Per Month	Per Year	PARCEL RATE	Per Month	Per Year
	\$3.86	\$46.26		\$18.20	\$218.36

Inflation Factor Adjustments

- FY 2006/2007 - 4.5% = (\$33.00 & \$158.00)*
- FY 2007/2008 - 3.1% = (\$34.00 & \$163.00)*
- FY 2008/2009 - 4.2% = (\$35.00 & \$170.00)*
- FY 2009/2010 - no change = (\$35.00 & \$170.00)*
- FY 2010/2011 - no change = (\$35.00 & \$170.00)*
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- FY 2014/2015 - 1.14% = (\$39.52 & \$186.49)*
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- FY 2016/2017 - 2.03% = (\$40.62 & \$191.66)*
- FY 2017/2018 - 1.97% = (\$41.42 & \$195.44)*
- FY 2018/2019 - 3.61% = (\$42.90 & \$202.48)*
- FY 2019/2020 - 3.24% = (\$44.30 & \$209.40)*
- FY 2020/2021 - 2.96% = (\$45.60 & \$215.24)*
- FY 2021/2022 - 1.45% = (\$46.26 & \$218.36)*

LCG, MVD II, LLC 35,000 sq. ft. Retail Center at The District PEN20-0148

APN

 481090009

 481090032

 481090033

 Parcels

 City Boundary

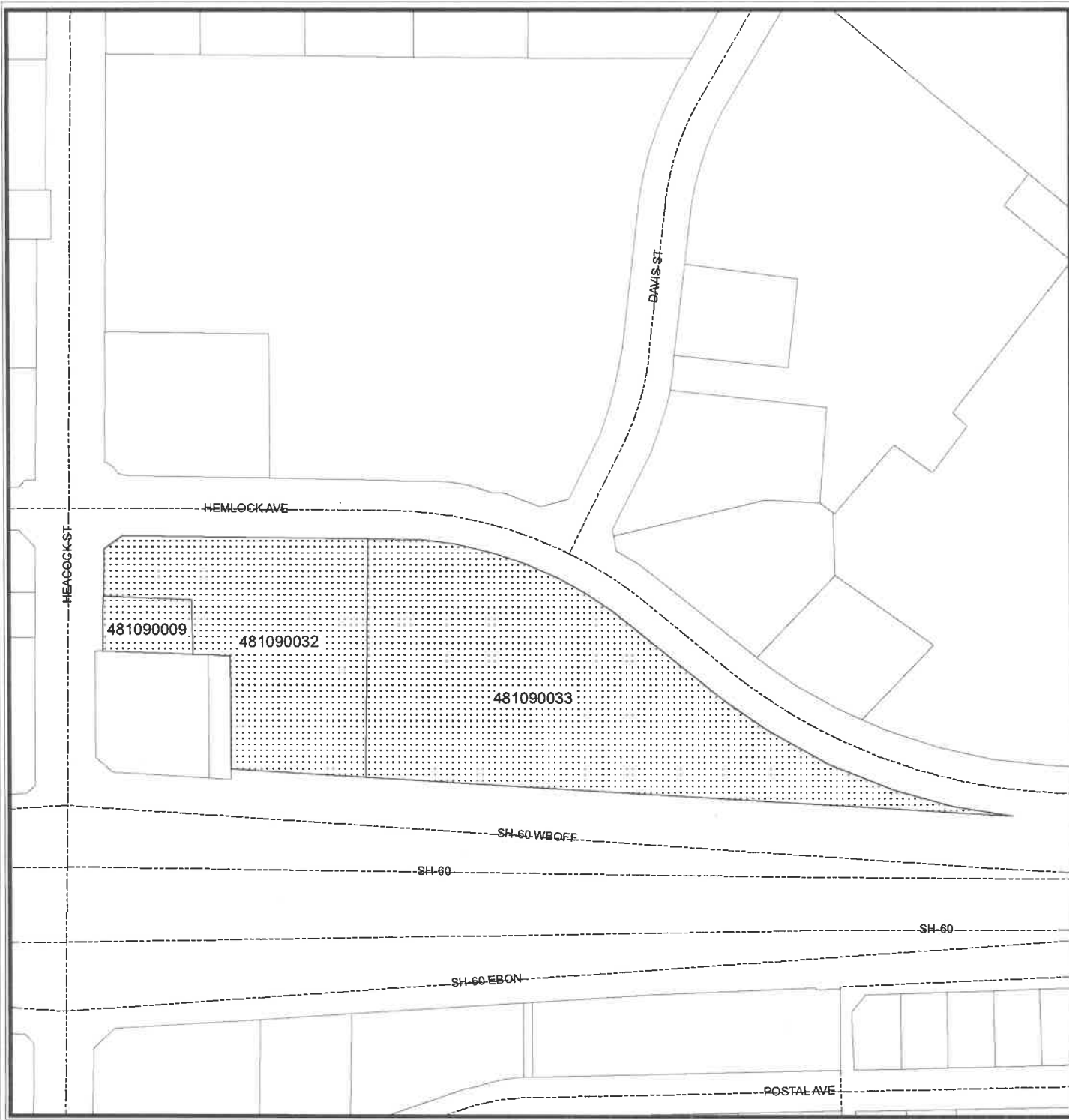
 Roads

Map reflects all changes indicated
on Riverside County Assessor Maps
as of July 20, 2021.



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Report to City Council

TO: Mayor and City Council
 Mayor and City Council Acting in its Capacity as
 Chairman and Members of the Board of Directors of the
 Moreno Valley Public Financing Authority (MVPFA)

FROM: Brian Mohan, Assistant City Manager

AGENDA DATE: September 7, 2021

TITLE: AUTHORIZATION TO REFINANCE THE 2015 AND 2016
 LEASE REVENUE BONDS

RECOMMENDED ACTION

Recommendations: That the City Council and the Moreno Valley Public Financing Authority:

1. Adopt Resolution No. 2021-##, Resolution Of The City Council Of The City Of Moreno Valley Approving The Issuance By The Moreno Valley Public Financing Authority Of Not To Exceed \$35,000,000 Aggregate Principal Amount Of Lease Revenue Refunding Bonds, Series 2021 (Taxable) To Refinance Certain Capital Improvements; Authorizing Execution And Delivery Of Related Documents
2. Adopt Resolution No. MVPFA 2021-##, Resolution Authorizing The Issuance And Sale Of Not To Exceed \$35,000,000 Aggregate Principal Amount Of Lease Revenue Refunding Bonds, Series 2021 (Taxable) To Refinance Certain Capital Improvements; Authorizing Execution And Delivery Of Related Documents

SUMMARY

As part of the City's ongoing effort to implement budgetary savings and reduce costs, staff has identified and discussed the opportunity to take advantage of favorable levels in interest rates to refinance the outstanding 2015 and 2016 Lease Revenue Bonds. This refinancing could save the City's Utility more than \$4.14 million in total gross

savings or \$165,000 annually. The General Fund is used to additionally secure these bonds, so the Utility savings reduces the General Fund exposure as well.

DISCUSSION

The Moreno Valley Public Financing Authority (the "Authority") issued its Lease Revenue Bonds, Series 2015 (Taxable) (the "2015 Bonds") and Lease Revenue Bonds, Series 2016 (Taxable) (the "2016 Bonds" and collectively with the 2015 Bonds, the "Prior Bonds") to finance improvements to the City's electric utility system. Both the 2015 Bonds and the 2016 Bonds can be optionally redeemed on any date at 100%.

Taxable interest rates continue to be near historically low levels. In order to take advantage of market conditions, the Authority intends to issue refunding bonds (the "2021 Bonds") to refinance the Prior Bonds in order to achieve debt service savings. **Based on current estimates, the 2021 Bonds are predicted to save approximately \$4.14 million in total, or \$165,000 annually. The net present value savings are estimated at 10.37% as a percentage of the refunded principal amount.** Typically, issuers of refunding bonds should consider refunding outstanding debt when net present value savings exceed a minimum threshold of 3%-5%. The 2021 Bonds would have a final maturity on May 1, 2045 and would not extend the term of the Prior Bonds.

Because interest rates will fluctuate up until the proposed day the bonds are sold, City staff recommends a not-to-exceed amount for the 2021 Bonds of \$35,000,000 and a not-to-exceed interest rate of 5.00% per annum and a not to exceed underwriter's discount of 1.00% of aggregate principal amount of the 2021 Bonds to accommodate any changes in investor structuring preferences and/or bond market conditions. It is anticipated that the 2021 Bonds will be structured with insurance and a debt service reserve fund surety policy.

The 2021 Bonds will be structured as a lease-leaseback financing between the City and the Authority. The primary benefit of this structure is that it enables the City to pledge fewer assets over time to effectuate future lease financings. The City will have the flexibility to substitute, remove, or add other assets over time. The bonds are secured primarily by four assets in the master lease: the Kitching Substation, the Moreno Beach Substation, the Conference and Recreation Center and the Corporation Yard. The Authority has used the same financing structure for its prior lease revenue bond financings. The proposed 2021 Bonds are expected to price late September and close mid-October.

Attached to the report are the required Resolutions and legal documents necessary to complete the issuance of the 2021 Bonds, including the Preliminary Official Statement they will be used by the underwriter to market the 2021 Bonds to potential investors.

ALTERNATIVES

1. Adopt Resolutions 2021-## and MVPFA 2021-## and authorize the issuance of the 2021 Bonds and authorize staff to make the necessary revisions to the budget to account for these issuance activities. *This alternative is recommended since this action will result in savings to the City's General Fund.*
2. Do not adopt the resolution and provide staff with additional direction. *This alternative is not recommended as it will result in the loss of the opportunity to refund existing lease at lower interest rates.*

FISCAL IMPACT

All refinancing-related costs will be paid from the 2021 Bond proceeds. The estimated average annual cash flow savings will be approximately \$165,000. The total estimated cash flow savings will be over \$4.14 million over the term of the financing.

NOTIFICATION

Public Notice

PREPARATION OF STAFF REPORT

Prepared By:
Brooke McKinney
Treasury Operations Division Manager

Department Head Approval:
Brian Mohan
Assistant City Manager/Chief Financial Officer/
City Treasurer

CITY COUNCIL GOALS

Public Facilities and Capital Projects. Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

CITY COUNCIL STRATEGIC PRIORITIES

1. Economic Development
2. Public Safety
3. Library
4. Infrastructure
5. Beautification, Community Engagement, and Quality of Life
6. Youth Programs

ATTACHMENTS

- 1. City Resolution Moreno Valley 2021 Lease Revenue Bonds (2015 & 2016 Refunding), 4836-5392-2545_3
- 2. Authority Resolution Moreno Valley 2021 Lease Revenue Bonds (2015 & 2016 Refunding), 4818-0457-3681_3
- 3. DRAFT Official Statement Moreno Valley 2021 Lease Revenue Bonds (2015 & 2016 Refunding), 4839-8268-0305_4
- 4. DRAFT Third Amendment to Master Facilities Lease - Moreno Valley Lease Revenue Bonds 2021 (2015 & 2016 Refunding), 4833-1958-0913_3
- 5. DRAFT Third Amendment to Master Facilities Sublease - Moreno Valley Lease Revenue Bonds 2021 (2015 & 2016 Refunding), 4835-7713-7649_3
- 6. DRAFT Third Supplement to 2015 Electric Master Trust Agreement - Moreno Valley Lease Revenue Bonds 2021 (2015 & 2016 Refunding), 4852-4056-1393_4
- 7. DRAFT BPA - Moreno Valley PFA Lease Revenue Refunding Bonds 2021 (Taxable)
- 8. DRAFT Continuing Disclosure Certificate Moreno Valley 2021 Lease Revenue Bonds (2015 & 2016 Refunding), 4845-9397-6823_1
- 9. DRAFT Escrow Agreement (2015 Bonds) Moreno Valley 2021, 4834-1611-6721_4
- 10. DRAFT Escrow Agreement (2016 Bonds) Moreno Valley 2021, 4834-2621-3873_3

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	8/30/21 6:51 AM
City Attorney Approval	<u>✓ Approved</u>	
City Manager Approval	<u>✓ Approved</u>	8/30/21 9:12 AM

RESOLUTION NO. ____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY APPROVING THE ISSUANCE BY THE MORENO VALLEY PUBLIC FINANCING AUTHORITY OF NOT TO EXCEED \$35,000,000 AGGREGATE PRINCIPAL AMOUNT OF LEASE REVENUE REFUNDING BONDS, SERIES 2021 (TAXABLE) TO REFINANCE CERTAIN CAPITAL IMPROVEMENTS; AUTHORIZING EXECUTION AND DELIVERY OF A THIRD AMENDMENT TO MASTER FACILITIES LEASE, A THIRD AMENDMENT TO MASTER FACILITIES SUBLEASE, A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE CERTIFICATE AND ESCROW AGREEMENTS; APPROVING THE FORM OF OFFICIAL STATEMENT; AND AUTHORIZING EXECUTION OF DOCUMENTS AND THE TAKING OF ALL NECESSARY ACTIONS RELATING TO THE FINANCING WITH THE MORENO VALLEY PUBLIC FINANCING AUTHORITY

WHEREAS, the City of Moreno Valley (the “**City**”) and the former Community Redevelopment Agency of the City of Moreno Valley (the “**Agency**”) have heretofore executed a Joint Exercise of Powers Agreement, dated as of October 28, 1997 (the “**Joint Powers Agreement**”), by and between the City and the Agency, which Joint Powers Agreement creates and establishes the Moreno Valley Public Financing Authority (the “**Authority**”);

WHEREAS, pursuant to Article 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the “**Marks-Roos Local Bond Pooling Act of 1985**”) and the Joint Powers Agreement, the Authority is authorized to issue bonds for the purposes of financing and refinancing public capital improvements whenever there are significant public benefits to be realized;

WHEREAS, the City previously leased certain real property and improvements thereon (the “**Facilities**”) to the Authority pursuant to a Master Facilities Lease, dated as of December 1, 2015 (the “**2015 Master Facilities Lease**”);

WHEREAS, the Authority subleased the Facilities back to the City pursuant to a Master Facilities Sublease, dated as of December 1, 2015 (the “**2015 Master Facilities Sublease**”);

WHEREAS, the Authority issued its Lease Revenue Bonds, Series 2015 (Taxable) (the “**Series 2015 Bonds**”) pursuant to a Master Trust Agreement, dated as of December 1, 2015 (the “**2015 Master Trust Agreement**”), by and between the Authority and Wells Fargo Bank, National Association, as trustee (the “**Trustee**”);

WHEREAS, the proceeds of the Series 2015 Bonds were applied by the City to finance the 2015 Project, as defined in the 2015 Master Trust Agreement;

WHEREAS, the City previously leased certain real property and improvements thereon, as additions to the Facilities, to the Authority pursuant to a First Amendment to Master Facilities Lease,

dated as of December 1, 2016 (the “**First Amendment to Master Facilities Lease**” and, together with the 2015 Master Facilities Lease, the “**2016 Master Facilities Lease**”);

WHEREAS, the Authority subleased such real property and improvements thereon, as additions to the Facilities, back to the City pursuant to a First Amendment to Master Facilities Sublease, dated as of December 1, 2016 (the “**First Amendment to Master Facilities Sublease**” and, together with the 2015 Master Facilities Sublease, the “**2016 Master Facilities Sublease**”);

WHEREAS, the Authority issued its Lease Revenue Refunding Bonds, Series 2016 (Taxable) (the “**Series 2016 Bonds**”) pursuant to a First Supplement to Master Trust Agreement, dated as of December 1, 2016 (the “**First Supplement to Master Trust Agreement**” and, together with the 2015 Master Trust Agreement, the “**2016 Master Trust Agreement**”);

WHEREAS, the proceeds of the Series 2016 Bonds were applied by the City to refund the remaining outstanding Moreno Valley Public Financing Authority 2007 Taxable Lease Revenue Bonds (the “**2016 Refunding Project**”);

WHEREAS, the City previously leased to the Authority the real property and improvements thereon that were added to the Facilities pursuant to the First Amendment to Master Facilities Lease pursuant to a Second Amendment to Master Facilities Lease, dated as of April 1, 2019 (the “**Second Amendment to Master Facilities Lease**” and, together with the 2016 Master Facilities Lease, the “**2019 Master Facilities Lease**”);

WHEREAS, the Authority subleased such real property and improvements thereon back to the City pursuant to a Second Amendment to Master Facilities Sublease, dated as of April 1, 2019 (the “**Second Amendment to Master Facilities Sublease**” and, together with the 2016 Master Facilities Sublease, the “**2019 Master Facilities Sublease**”);

WHEREAS, the Authority issued its Lease Revenue Bonds, Series 2019 (Taxable) (the “**Series 2019 Bonds**”) pursuant to a Second Supplement to Master Trust Agreement, dated as of April 1, 2019 (the “**Second Supplement to Master Trust Agreement**” and, together with the 2016 Master Trust Agreement, the “**2019 Master Trust Agreement**”);

WHEREAS, the proceeds of the Series 2019 Bonds were applied by the City to finance the 2019 Project, as defined in the 2019 Master Trust Agreement;

WHEREAS, the City desires to approve the Authority’s issuance of its Lease Revenue Refunding Bonds, Series 2021 (Taxable) (the “**Series 2021 Bonds**”) pursuant to a Third Supplement to Master Trust Agreement (the “**Third Supplement to Master Trust Agreement**” and, together with the 2019 Master Trust Agreement, the “**2021 Master Trust Agreement**”), the proceeds of which will be applied by the City: (i) to refinance the 2015 Project and refund the Series 2015 Bonds for debt service savings; and (ii) to refinance the 2016 Refunding Project and refund the Series 2016 Bonds for debt service savings;

WHEREAS, in order to refinance the 2015 Project and the 2016 Refunding Project, the Authority and the City are entering into a Third Amendment to Master Facilities Lease in order to amend the 2019 Master Facilities Lease (as so amended, the “**2021 Master Facilities Lease**”): (i) to cause the real property and improvements thereon which were the subject of the 2016 Master Facilities Lease to serve as the leased assets for the Third Amendment to Master Facilities Lease; and

(ii) to make certain other modifications in order to provide for the issuance of the Series 2021 Bonds in accordance with the provisions of the 2021 Master Trust Agreement;

WHEREAS, in order to refinance the 2015 Project and the 2016 Refunding Project, the Authority and the City are also entering into a Third Amendment to Master Facilities Sublease in order to amend the 2019 Master Facilities Sublease (as so amended, the “**2021 Master Facilities Sublease**”): (i) to cause the real property and improvements thereon which were the subject of the 2016 Master Facilities Sublease to serve as the leased assets for the Third Amendment to Master Facilities Sublease; (ii) to adjust the base rental payments payable thereunder to reflect the debt service payable on the Series 2021 Bonds; and (iii) to make certain other modifications in order to provide for the issuance of the Series 2021 Bonds in accordance with the provisions of the 2021 Master Trust Agreement;

WHEREAS, the Authority and the City have determined that the sum of Base Rental Payments, including Base Rental Payments payable as provided in the 2021 Master Facilities Sublease, in any year is not in excess of the annual fair rental value of the Facilities;

WHEREAS, Section 5852.1 of the California Government Code, which became effective on January 1, 2018, enacted pursuant to Senate Bill 450 (Chapter 625 of the 2017-2018 Session of the California Legislature) (“**SB 450**”), requires that the City Council obtain from an underwriter, municipal advisor or private lender and disclose, prior to authorization of the issuance of bonds, including debt instruments such as the Series 2021 Bonds, with a term of greater than 13 months, good faith estimates of the following information in a meeting open to the public: (a) the true interest cost of the Series 2021 Bonds; (b) the sum of all fees and charges to be paid to third parties with respect to the Series 2021 Bonds; (c) the amount of proceeds of the Series 2021 Bonds that is expected to be received net of the fees and charges to be paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the Series 2021 Bonds; and (d) the sum total of all debt service payments on the Series 2021 Bonds calculated to the final maturity of the Series 2021 Bonds plus the fees and charges to be paid to third parties which are not paid from the proceeds of the Series 2021 Bonds;

WHEREAS, in compliance with SB 450, the City Council has obtained from Fieldman, Rolapp & Associates, Inc., as the City’s municipal advisor (the “**Municipal Advisor**”), and Stifel, Nicolaus & Company, Incorporated (the “**Underwriter**”), the required good faith estimates and such estimates are disclosed and set forth on Exhibit A;

WHEREAS, the Authority and the City desire to enter into a Bond Purchase Agreement with the Underwriter governing the terms of the Underwriter’s purchase of the Series 2021 Bonds;

WHEREAS, the City desires to enter into a Continuing Disclosure Certificate governing the terms of the City’s ongoing disclosures to holders of the Series 2021 Bonds, as required by Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (“**Rule 15c2-12**”);

WHEREAS, the City and the Authority desire to enter into an Escrow Agreement (2015 Bonds) (the “**2015 Escrow Agreement**”) with Wells Fargo Bank, National Association, as the trustee for the Series 2015 Bonds, in order to effect the refunding of the Series 2015 Bonds;

WHEREAS, the City and the Authority desire to enter into an Escrow Agreement (2015 Bonds) (the “**2016 Escrow Agreement**” and, together with the 2015 Escrow Agreement, the

“Escrow Agreements”) with Wells Fargo Bank, National Association, as the trustee for the Series 2016 Bonds, in order to effect the refunding of the Series 2016 Bonds;

WHEREAS, there have been submitted to and are on file with the City Clerk proposed forms of the Third Amendment to Master Facilities Lease, the Third Amendment to Master Facilities Sublease, the Bond Purchase Agreement, the Continuing Disclosure Certificate, the Escrow Agreements, an Official Statement with respect to the Series 2021 Bonds proposed to be sold by the Authority, and the Third Supplement to Master Trust Agreement; and

WHEREAS, the issuance of the Series 2021 Bonds by the Authority and the execution and delivery of the Third Amendment to Master Facilities Lease and the Third Amendment to Master Facilities Sublease by the City will result in significant public benefits through demonstrable savings in the effective interest rates and bond issuance costs and a more efficient delivery of City services to residential and commercial development, and it furthers the City’s public purpose to refinance the 2015 Project and refund the Series 2015 Bonds and to refinance the 2016 Refunding Project and refund the Series 2016 Bonds;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY HEREBY FINDS, DETERMINES, DECLARES AND RESOLVES AS FOLLOWS:

Section 1. All of the recitals set forth above are true and correct, and the City Council so finds and determines.

Section 2. The City Council hereby approves the issuance of the Series 2021 Bonds by the Authority, in an aggregate principal amount not to exceed \$35,000,000, to refinance the 2015 Project and refund the Series 2015 Bonds and to refinance the 2016 Refunding Project and refund the Series 2016 Bonds; provided that the maturity date or dates (not to exceed May 1, 2045), interest rate or rates (not to exceed a true interest cost of 5.00% per annum), interest payment dates, series, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption and other terms of the Series 2021 Bonds shall be as provided in the Third Supplement to Master Trust Agreement, as finally executed. The City Manager, Chief Financial Officer and Financial and Administrative Services Director (the “**Authorized Officers**”) of the City are hereby directed to perform the duties, if any, imposed upon each of them by the provisions of the financing documents approved herein, including the 2021 Master Trust Agreement for the Series 2021 Bonds, the Third Amendment to Master Facilities Sublease, the Third Amendment to Master Facilities Lease and the Bond Purchase Agreement.

Section 3. The proposed form of Third Amendment to Master Facilities Lease, by and between the City and the Authority, on file with the City Clerk, is hereby approved. The Authorized Officers, jointly and severally, are hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Third Amendment to Master Facilities Lease in substantially said form, with such changes therein as such officers may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the term of said Third Amendment to Master Facilities Lease shall end no later than May 1, 2045, plus an extension period of not to exceed 10 years.

Section 4. The proposed form of Third Amendment to Master Facilities Sublease, by and between the Authority and City, on file with the City Clerk, is hereby approved. The Authorized Officers, jointly and severally, are hereby authorized and directed, for and in the name and on behalf

of the City, to execute and deliver the Third Amendment to Master Facilities Sublease in substantially said form, with such changes therein as such officers may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the term of said Third Amendment to Master Facilities Sublease shall end no later than May 1, 2045, plus an extension period of not to exceed 10 years.

Section 5. The proposed form of Bond Purchase Agreement, by and among the Underwriter, the Authority and the City, on file with the City Clerk, is hereby approved. The Authorized Officers, jointly and severally, or any such officer's designee, are each hereby authorized and directed, on behalf of the City, to execute and deliver the Bond Purchase Agreement in substantially said form, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the underwriting discount (not including original issue discount) shall not exceed 1.00% of the aggregate principal amount of the Series 2021 Bonds.

Section 6. The proposed form of Continuing Disclosure Certificate of the City relating to the Series 2021 Bonds, on file with the City Clerk, is hereby approved. The Authorized Officers, jointly and severally, or any such officer's designee, are each hereby authorized and directed, on behalf of the City, to execute and deliver the Continuing Disclosure Certificate in substantially said form, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 7. The proposed forms of Escrow Agreements, on file with the City Clerk, are hereby approved. The Authorized Officers, jointly and severally, or any such officer's designee, are each hereby authorized and directed, on behalf of the City, to execute and deliver the Escrow Agreements in substantially said forms, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 8. The proposed form of Official Statement relating to the Series 2021 Bonds, in its preliminary form on file with the City Clerk, is hereby approved. The Authorized Officers, jointly and severally, are hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver a final Official Statement in substantially the form of such preliminary Official Statement, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Underwriter is hereby directed to distribute copies of the Official Statement to all actual purchasers of the Series 2021 Bonds. Distribution by the Underwriter of the preliminary Official Statement relating to the Series 2021 Bonds is hereby approved and the Authorized Officers, jointly and severally, are hereby authorized and directed, to execute a certificate confirming that the preliminary Official Statement has been "deemed final" by the City for purposes of Rule 15c2-12.

Section 9. In accordance with SB 450, good faith estimates of the following have been obtained from the Municipal Advisor and the Underwriter and are set forth on Exhibit A: (a) the true interest cost of the Series 2021 Bonds; (b) the sum of all fees and charges to be paid to third parties with respect to the Series 2021 Bonds; (c) the amount of proceeds of the Series 2021 Bonds that is expected to be received net of the fees and charges to be paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the Series 2021 Bonds; and (d) the sum total of all debt service payments on the Series 2021 Bonds calculated to the final maturity of the Series 2021 Bonds plus the fees and charges to be paid to third parties which are not paid with the proceeds of the Series 2021 Bonds.

Section 10. The Authorized Officers and City Council members of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents and certificates or revise any and all documents approved herein which they deem necessary or advisable in order to consummate the execution and delivery of the documents mentioned herein and otherwise to effectuate the purposes of this Resolution and the transactions contemplated hereby, including but not limited to taking such steps as may be necessary to record or cause to be recorded the Third Supplement to Master Trust Agreement, Third Amendment to Master Facilities Lease and Third Amendment to Master Facilities Sublease in the Office of the Riverside County Recorder, to execute and record or cause to be recorded termination agreements or quitclaims in connection with the refunding of the Series 2015 Bonds and the Series 2016 Bonds in the Office of the Riverside County Recorder, to execute escrow and/or redemption instructions, as may be necessary to refund the Series 2015 Bonds and the Series 2016 Bonds and to obtain bond insurance and/or a reserve fund surety policy to support the Series 2021 Bonds.

Section 11. All actions heretofore taken by the Authorized Officers and other officers and agents of the City, or by the City Council, with respect to the financing are hereby ratified, confirmed and approved.

Section 12. This Resolution shall take effect from and after its adoption and approval.

APPROVED AND ADOPTED this September 7, 2021.

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

Attachment: City Resolution Moreno Valley 2021 Lease Revenue Bonds (2015 & 2016 Refunding), 4836-5392-2545_3 (5495 : AUTHORIZATION

EXHIBIT A
GOOD FAITH ESTIMATES

The following information was obtained from the City's Municipal Advisor and the Underwriter, and is provided in compliance with Section 5852.1 of the California Government Code with respect to the base rental payments evidenced by the Series 2021 Bonds:

1. *True Interest Cost of the Base Rental Payments Evidenced by the Series 2021 Bonds.* Assuming the principal amount of the Series 2021 Bonds issued by the Authority is \$31,190,000 (the "**Estimated Par Amount**"), and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the true interest cost of the base rental payments evidenced by the Series 2021 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 Series 2021 Bonds, is 3.07%.

2. *Finance Charge of the Series 2021 Bonds.* Assuming the Estimated Par Amount of the Series 2021 Bonds is sold, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the City's finance charge of the Series 2021 Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Series 2021 Bonds), is \$799,284.

3. *Amount of Proceeds to be Received.* Assuming the Estimated Par Amount of the Series 2021 Bonds is sold, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the amount of proceeds expected to be received by the City following the Authority's sale of the Series 2021 Bonds, less the finance charge of the Series 2021 Bonds described in paragraph 2 above and any reserves or capitalized interest paid or funded with proceeds of the Series 2021 Bonds, is \$30,390,716.

4. *Total Payment Amount.* Assuming the Estimated Par Amount of the Series 2021 Bonds is sold, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the total payment amount, which means the sum total of all base rental payments the City pay, plus the finance charge of the Series 2021 Bonds described in paragraph 2 above not paid with the proceeds of the Series 2021 Bonds, calculated to the final base rental payment evidenced by the Series 2021 Bonds, is \$40,939,472.

Attention is directed to the fact that the foregoing information constitutes good faith estimates only. The actual interest cost, finance charges, amount of proceeds and total payment amount may vary from those presently estimated due to variations from these estimates in the timing of the sale of the Series 2021 Bonds, the actual principal amount of Series 2021 Bonds sold, the amortization of the Series 2021 Bonds sold and market interest rates at the time of sale. The date of sale and the amount of Series 2021 Bonds sold will be determined by the City based on market conditions and other factors. The actual interest rates at which the Series 2021 Bonds will be sold will depend on the bond market at the time of sale. The actual amortization of the Series 2021 Bonds will also depend, in part, on market interest rates at the time of sale. Market interest rates are affected by economic and other factors beyond the City's control.

CLERK’S CERTIFICATE

The undersigned, City Clerk of the City of Moreno Valley, does hereby certify as follows:

The foregoing resolution is a full, true and correct copy of a resolution duly adopted by a vote of a majority of the City Council of the City of Moreno Valley at a regular meeting of said Council duly and regularly and legally held at the Council Chambers of the City Council, City Hall, 14177 Frederick Street, Moreno Valley, California, on September 7, 2021, of which all of such members had due notice, as follows:

AYES:

NOES:

ABSTAIN:

ABSENT:

An agenda of said meeting was posted at least 72 hours before said meeting at 14177 Frederick Street, Moreno Valley, California, a location freely accessible to members of the public, and a brief description of said resolution appeared on said agenda.

I have carefully compared the foregoing with the original minutes of said meeting on file and of record in my office, and the foregoing is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes.

Said resolution has not been amended, modified or rescinded since the date of its adoption and the same is now in full force and effect.

Dated: _____, 2021

Pat Jacquez-Nares
City Clerk of the City of Moreno Valley

[Seal]

Attachment: City Resolution Moreno Valley 2021 Lease Revenue Bonds (2015 & 2016 Refunding), 4836-5392-2545_3 (5495 : AUTHORIZATION

**MORENO VALLEY PUBLIC FINANCING AUTHORITY
RESOLUTION NO. ____**

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$35,000,000 AGGREGATE PRINCIPAL AMOUNT OF LEASE REVENUE REFUNDING BONDS, SERIES 2021 (TAXABLE) TO REFINANCE CERTAIN CAPITAL IMPROVEMENTS; AUTHORIZING EXECUTION AND DELIVERY OF A THIRD SUPPLEMENT TO MASTER TRUST AGREEMENT, A THIRD AMENDMENT TO MASTER FACILITIES LEASE, A THIRD AMENDMENT TO MASTER FACILITIES SUBLEASE, A BOND PURCHASE AGREEMENT AND ESCROW AGREEMENTS; APPROVING THE FORM OF OFFICIAL STATEMENT; AND AUTHORIZING EXECUTION OF DOCUMENTS AND THE TAKING OF ALL NECESSARY ACTIONS RELATING TO THE FINANCING

WHEREAS, the City of Moreno Valley (the “**City**”) and the former Community Redevelopment Agency of the City of Moreno Valley (the “**Agency**”) have heretofore executed a Joint Exercise of Powers Agreement, dated as of October 28, 1997 (the “**Joint Powers Agreement**”), by and between the City and the Agency, which Joint Powers Agreement creates and establishes the Moreno Valley Public Financing Authority (the “**Authority**”);

WHEREAS, pursuant to Article 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the “**Marks-Roos Local Bond Pooling Act of 1985**”) and the Joint Powers Agreement, the Authority is authorized to issue bonds for the purposes of financing and refinancing public capital improvements whenever there are significant public benefits to be realized;

WHEREAS, the City previously leased certain real property and improvements thereon (the “**Facilities**”) to the Authority pursuant to a Master Facilities Lease, dated as of December 1, 2015 (the “**2015 Master Facilities Lease**”);

WHEREAS, the Authority subleased the Facilities back to the City pursuant to a Master Facilities Sublease, dated as of December 1, 2015 (the “**2015 Master Facilities Sublease**”);

WHEREAS, the Authority issued its Lease Revenue Bonds, Series 2015 (Taxable) (the “**Series 2015 Bonds**”) pursuant to a Master Trust Agreement, dated as of December 1, 2015 (the “**2015 Master Trust Agreement**”), by and between the Authority and Wells Fargo Bank, National Association, as trustee (the “**Trustee**”);

WHEREAS, the proceeds of the Series 2015 Bonds were applied by the City to finance the 2015 Project, as defined in the 2015 Master Trust Agreement;

WHEREAS, the City previously leased certain real property and improvements thereon, as additions to the Facilities, to the Authority pursuant to a First Amendment to Master Facilities Lease, dated as of December 1, 2016 (the “**First Amendment to Master Facilities Lease**” and, together with the 2015 Master Facilities Lease, the “**2016 Master Facilities Lease**”);

WHEREAS, the Authority subleased such real property and improvements thereon, as additions to the Facilities, back to the City pursuant to a First Amendment to Master Facilities Sublease, dated as of December 1, 2016 (the “**First Amendment to Master Facilities Sublease**” and, together with the 2015 Master Facilities Sublease, the “**2016 Master Facilities Sublease**”);

WHEREAS, the Authority issued its Lease Revenue Refunding Bonds, Series 2016 (Taxable) (the “**Series 2016 Bonds**”) pursuant to a First Supplement to Master Trust Agreement, dated as of December 1, 2016 (the “**First Supplement to Master Trust Agreement**” and, together with the 2015 Master Trust Agreement, the “**2016 Master Trust Agreement**”);

WHEREAS, the proceeds of the Series 2016 Bonds were applied by the City to refund the remaining outstanding Moreno Valley Public Financing Authority 2007 Taxable Lease Revenue Bonds (the “**2016 Refunding Project**”);

WHEREAS, the City previously leased to the Authority the real property and improvements thereon that were added to the Facilities pursuant to the First Amendment to Master Facilities Lease pursuant to a Second Amendment to Master Facilities Lease, dated as of April 1, 2019 (the “**Second Amendment to Master Facilities Lease**” and, together with the 2016 Master Facilities Lease, the “**2019 Master Facilities Lease**”);

WHEREAS, the Authority subleased such real property and improvements thereon back to the City pursuant to a Second Amendment to Master Facilities Sublease, dated as of April 1, 2019 (the “**Second Amendment to Master Facilities Sublease**” and, together with the 2016 Master Facilities Sublease, the “**2019 Master Facilities Sublease**”);

WHEREAS, the Authority issued its Lease Revenue Bonds, Series 2019 (Taxable) (the “**Series 2019 Bonds**”) pursuant to a Second Supplement to Master Trust Agreement, dated as of April 1, 2019 (the “**Second Supplement to Master Trust Agreement**” and, together with the 2016 Master Trust Agreement, the “**2019 Master Trust Agreement**”);

WHEREAS, the proceeds of the Series 2019 Bonds were applied by the City to finance the 2019 Project, as defined in the 2019 Master Trust Agreement;

WHEREAS, the Authority desires to issue its Lease Revenue Refunding Bonds, Series 2021 (Taxable) (the “**Series 2021 Bonds**”) pursuant to a Third Supplement to Master Trust Agreement (the “**Third Supplement to Master Trust Agreement**” and, together with the 2019 Master Trust Agreement, the “**2021 Master Trust Agreement**”), the proceeds of which will be applied by the City: (i) to refinance the 2015 Project and refund the Series 2015 Bonds for debt service savings; and (ii) to refinance the 2016 Refunding Project and refund the Series 2016 Bonds for debt service savings;

WHEREAS, in order to refinance the 2015 Project and the 2016 Refunding Project, the Authority and the City are entering into a Third Amendment to Master Facilities Lease in order to amend the 2019 Master Facilities Lease (as so amended, the “**2021 Master Facilities Lease**”): (i) to cause the real property and improvements thereon which were the subject of the 2016 Master Facilities Lease to serve as the leased assets for the Third Amendment to Master Facilities Lease; and (ii) to make certain other modifications in order to provide for the issuance of the Series 2021 Bonds in accordance with the provisions of the 2021 Master Trust Agreement;

WHEREAS, in order to refinance the 2015 Project and the 2016 Refunding Project, the Authority and the City are also entering into a Third Amendment to Master Facilities Sublease in order to amend the 2019 Master Facilities Sublease (as so amended, the “**2021 Master Facilities Sublease**”): (i) to cause the real property and improvements thereon which were the subject of the 2016 Master Facilities Sublease to serve as the leased assets for the Third Amendment to Master Facilities Sublease; (ii) to adjust the base rental payments payable thereunder to reflect the debt service payable on the Series 2021 Bonds; and (iii) to make certain other modifications in order to provide for the issuance of the Series 2021 Bonds in accordance with the provisions of the 2021 Master Trust Agreement;

WHEREAS, the Authority and the City have determined that the sum of Base Rental Payments, including Base Rental Payments payable as provided in the 2021 Master Facilities Sublease, in any year is not in excess of the annual fair rental value of the Facilities;

WHEREAS, the Authority and the City desire to enter into a Bond Purchase Agreement with the Underwriter governing the terms of the Underwriter’s purchase of the Series 2021 Bonds;

WHEREAS, the City and the Authority desire to enter into an Escrow Agreement (2015 Bonds) (the “**2015 Escrow Agreement**”) with Wells Fargo Bank, National Association, as the trustee for the Series 2015 Bonds, in order to effect the refunding of the Series 2015 Bonds;

WHEREAS, the City and the Authority desire to enter into an Escrow Agreement (2016 Bonds) (the “**2016 Escrow Agreement**” and, together with the 2015 Escrow Agreement, the “**Escrow Agreements**”) with Wells Fargo Bank, National Association, as the trustee for the Series 2016 Bonds, in order to effect the refunding of the Series 2016 Bonds;

WHEREAS, there have been submitted to and are on file with the Secretary proposed forms of the Third Supplement to Master Trust Agreement, Third Amendment to Master Facilities Lease, the Third Amendment to Master Facilities Sublease, the Bond Purchase Agreement, the Escrow Agreements, an Official Statement with respect to the Series 2021 Bonds proposed to be sold by the Authority, and the Third Supplement to Master Trust Agreement; and

WHEREAS, the issuance of the Series 2021 Bonds by the Authority and the execution and delivery of the Third Supplement to Master Trust Agreement, the Third Amendment to Master Facilities Lease and the Third Amendment to Master Facilities Sublease by the Authority will result in significant public benefits through demonstrable savings in the effective interest rates and bond issuance costs and a more efficient delivery of City services to residential and commercial development, and it furthers the City’s public purpose to refinance the 2015 Project and refund the Series 2015 Bonds and to refinance the 2016 Refunding Project and refund the Series 2016 Bonds;

NOW THEREFORE, THE BOARD OF DIRECTORS OF THE MORENO VALLEY PUBLIC FINANCING AUTHORITY HEREBY FINDS, DETERMINES, DECLARES AND RESOLVES AS FOLLOWS:

Section 1. All of the recitals set forth above are true and correct, and the Board of Directors so finds and determines.

Section 2. The Board hereby approves the issuance of the Series 2021 Bonds by the Authority, in an aggregate principal amount not to exceed \$35,000,000, to refinance the 2015 Project

and refund the Series 2015 Bonds and to refinance the 2016 Refunding Project and refund the Series 2016 Bonds; provided that the maturity date or dates (not to exceed May 1, 2045), interest rate or rates (not to exceed a true interest cost of 5.00% per annum), interest payment dates, series, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption and other terms of the Series 2021 Bonds shall be as provided in the Third Supplement to Master Trust Agreement, as finally executed. The Chair, the Vice Chair, the Executive Director, the Treasurer and the Secretary (the “**Authorized Officers**”) of the Authority are hereby directed to perform the duties, if any, imposed upon each of them by the provisions of the financing documents approved herein, including the Third Supplement to Master Trust Agreement, the Third Amendment to Master Facilities Sublease, the Third Amendment to Master Facilities Lease and the Bond Purchase Agreement.

Section 3. The proposed form of Third Supplement to Master Trust Agreement, by and between the Authority and Wells Fargo Bank, National Association, on file with the Secretary, is hereby approved. The Authorized Officers, jointly and severally, are hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Third Supplement to Master Trust Agreement in substantially said form, with such changes therein as such officers may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The proposed form of Third Amendment to Master Facilities Lease, by and between the City and the Authority, on file with the Secretary, is hereby approved. The Authorized Officers, jointly and severally, are hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Third Amendment to Master Facilities Lease in substantially said form, with such changes therein as such officers may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the term of said Third Amendment to Master Facilities Lease shall end no later than May 1, 2045, plus an extension period of not to exceed 10 years.

Section 5. The proposed form of Third Amendment to Master Facilities Sublease, by and between the Authority and City, on file with the Secretary, is hereby approved. The Authorized Officers, jointly and severally, are hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Third Amendment to Master Facilities Sublease in substantially said form, with such changes therein as such officers may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the term of said Third Amendment to Master Facilities Sublease shall end no later than May 1, 2045, plus an extension period of not to exceed 10 years.

Section 6. The proposed form of Bond Purchase Agreement, by and among the Underwriter, the Authority and the City, on file with the Secretary, is hereby approved. The Authorized Officers, jointly and severally, or any such officer’s designee, are each hereby authorized and directed, on behalf of the Authority, to execute and deliver the Bond Purchase Agreement in substantially said form, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the underwriting discount (not including original issue discount) shall not exceed 1.00% of the aggregate principal amount of the Series 2021 Bonds.

Section 7. The proposed forms of Escrow Agreements, on file with the Secretary, are hereby approved. The Authorized Officers, jointly and severally, or any such officer’s designee, are

each hereby authorized and directed, on behalf of the Authority, to execute and deliver the Escrow Agreements in substantially said form, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 8. The proposed form of Official Statement relating to the Series 2021 Bonds, in its preliminary form on file with the Secretary, is hereby approved. The Authorized Officers, jointly and severally, are hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver a final Official Statement in substantially the form of such preliminary Official Statement, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Underwriter is hereby directed to distribute copies of the Official Statement to all actual purchasers of the Series 2021 Bonds. Distribution by the Underwriter of the preliminary Official Statement relating to the Series 2021 Bonds is hereby approved and the Authorized Officers, jointly and severally, are hereby authorized and directed, to execute a certificate confirming that the preliminary Official Statement has been “deemed final” by the Authority for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934.

Section 9. The Authorized Officers and Board members of the Authority are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents and certificates or revise any and all documents approved herein which they deem necessary or advisable in order to consummate the execution and delivery of the documents mentioned herein and otherwise to effectuate the purposes of this Resolution and the transactions contemplated hereby, including but not limited to taking such steps as may be necessary to record or cause to be recorded the Third Supplement to Master Trust Agreement, Third Amendment to Master Facilities Lease and Third Amendment to Master Facilities Sublease in the Office of the Riverside County Recorder, to execute and record or cause to be recorded termination agreements or quitclaims in connection with the refunding of the Series 2015 Bonds and the Series 2016 Bonds in the Office of the Riverside County Recorder, to execute escrow and/or redemption instructions, as may be necessary to refund the Series 2015 Bonds and the Series 2016 Bonds and to obtain bond insurance and/or a reserve fund surety policy to support the Series 2021 Bonds.

Section 10. All actions heretofore taken by the Authorized Officers and other officers and agents of the Authority, or by the members of the Board of Directors of the Authority, with respect to the financing are hereby ratified, confirmed and approved.

Section 11. This Resolution shall take effect from and after its adoption and approval.

APPROVED AND ADOPTED this September 7, 2021.

Chairperson

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel

Attachment: Authority Resolution Moreno Valley 2021 Lease Revenue Bonds (2015 & 2016 Refunding), 4818-0457-3681_3 (5495 :

SECRETARY’S CERTIFICATE

The undersigned, Secretary of the Moreno Valley Public Financing Authority, does hereby certify as follows:

The foregoing resolution is a full, true and correct copy of a resolution duly adopted by a vote of a majority of the Board of Directors of the Moreno Valley Public Financing Authority at a regular meeting of said Board duly and regularly and legally held at the Council Chambers of the City Council, City Hall, 14177 Frederick Street, Moreno Valley, California, on September 7, 2021, of which all of such members had due notice, as follows:

AYES:

NOES:

ABSTAIN:

ABSENT:

An agenda of said meeting was posted at least 72 hours before said meeting at 14177 Frederick Street, Moreno Valley, California, a location freely accessible to members of the public, and a brief description of said resolution appeared on said agenda.

I have carefully compared the foregoing with the original minutes of said meeting on file and of record in my office, and the foregoing is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes.

Said resolution has not been amended, modified or rescinded since the date of its adoption and the same is now in full force and effect.

Dated: _____, 2021

Pat Jacquez-Nares
Secretary of the Moreno Valley Public
Financing Authority

[Seal]

Attachment: Authority Resolution Moreno Valley 2021 Lease Revenue Bonds (2015 & 2016 Refunding), 4818-0457-3681_3 (5495 :

PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 22, 2021**NEW ISSUE—FULL BOOK-ENTRY**

RATINGS: Insured: “_”
Underlying: “_”
See the caption “RATINGS.”

In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, interest on the 2021 Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended. In the further opinion of Bond Counsel, interest on the 2021 Bonds is exempt from State of California personal income tax. See the caption “TAX MATTERS.”

§ _____*

**MORENO VALLEY PUBLIC FINANCING AUTHORITY
LEASE REVENUE REFUNDING BONDS, SERIES 2021 (TAXABLE)**

Dated: Date of Delivery**Due: May 1, as shown on inside front cover page**

The Moreno Valley Public Financing Authority Lease Revenue Refunding Bonds, Series 2021 (Taxable) (the “**Series 2021 Bonds**”) are payable from base rental payments (the “**Base Rental Payments**”) to be made by the City of Moreno Valley (the “**City**”) to the Moreno Valley Public Financing Authority (the “**Authority**”) for the right to use certain real property (collectively, the “**Property**”) pursuant to a Master Facilities Sublease, dated as of December 1, 2015, as amended and supplemented by a First Amendment to Master Facilities Sublease, dated as of December 1, 2016, a Second Amendment to Master Facilities Sublease, dated as of April 1, 2019, and a Third Amendment to Master Facilities Sublease, dated as of October 1, 2021 (collectively, the “**Facilities Sublease**”), each by and between the City, as sublessee, and the Authority, as lessor. See the captions “THE PROPERTY” and “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2021 BONDS.”

The Series 2021 Bonds are secured on a parity with the Moreno Valley Public Financing Authority Lease Revenue Bonds, Series 2019 (Taxable), issued in the aggregate principal amount of \$15,830,000 and currently outstanding in the aggregate principal amount of \$15,830,000 (the “**Series 2019 Bonds**”).

The Series 2021 Bonds are being issued to provide funds: (i) to refund all of the outstanding Moreno Valley Public Financing Authority Lease Revenue Bonds, Series 2015 (Taxable) and Moreno Valley Public Financing Authority Lease Revenue Refunding Bonds, Series 2016 (Taxable); (ii) to purchase a municipal bond insurance policy (the “**Policy**”) from [] (“[]” or the “**Insurer**”) to guarantee the payment of principal of and interest on the Series 2021 Bonds; (iii) to purchase a municipal bond debt service reserve insurance policy (the “**Reserve Policy**”) from the Insurer for deposit in the Reserve Fund for the Series 2021 Bonds; and (iv) to pay costs incurred in connection with the issuance of the Series 2021 Bonds. See the captions “THE REFUNDING PLAN” and “SOURCES AND USES OF FUNDS.”

The City has covenanted under the Facilities Sublease to take such action as may be necessary to include all Base Rental Payments and Additional Payments due thereunder in its annual budgets, and to make necessary annual appropriations for all such Base Rental Payments and Additional Payments. The City’s obligation to make Base Rental Payments is subject to abatement during any period in which by reason of any material damage or destruction (other than by condemnation) there is substantial interference with the use and occupancy of the Property by the City, in the proportion in which the cost of that portion of the Property rendered unusable bears to the cost of the whole of the Property. See the caption “RISK FACTORS—Abatement.”

The Series 2021 Bonds are being issued in fully registered book-entry only form, initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“**DTC**”). Interest on the Series 2021 Bonds is payable semiannually on each May 1 and November 1, commencing _____ 1, 202____. Purchasers will not receive certificates representing their interest in the Series 2021 Bonds. Individual purchases will be in principal amounts of \$5,000 or integral multiples thereof. Principal of and interest and premium, if any, on the Series 2021 Bonds will be paid by Wells Fargo Bank, National Association, as trustee (the “**Trustee**”), to DTC for subsequent disbursement to DTC Participants, who are obligated to remit such payments to the Beneficial Owners of the Series 2021 Bonds. See the caption “THE SERIES 2021 BONDS—Book-Entry Only System.”

The Series 2021 Bonds will be issued pursuant to a Master Trust Agreement, dated as of December 1, 2015, as amended and supplemented by a First Supplement to Master Trust Agreement, dated as of December 1, 2016, a Second Supplement to Master Trust Agreement, dated as of April 1, 2019, and a Third Supplement to Master Trust Agreement, dated as of October 1, 2021 (collectively, the “**Trust Agreement**”) each by and between the Authority and the Trustee. The Series 2021 Bonds, the Series 2019 Bonds and any additional bonds issued pursuant to the Trust Agreement (“**Additional Bonds**”) are collectively referred to as the “**Bonds**.”

The Series 2021 Bonds are subject to optional redemption and mandatory sinking fund redemption prior to maturity and extraordinary redemption from insurance or condemnation proceeds as described herein. See the caption “THE SERIES 2021 BONDS—Redemption.”

The Bonds are limited obligations of the Authority and are payable, as to interest thereon, principal thereof and any premiums upon the redemption of any thereof, solely from the Revenues described herein, and the Authority is not obligated to pay them except from the Revenues. All of the Bonds are equally secured by a pledge of and charge and lien upon the Revenues, and the Revenues constitute a trust fund for the security and payment of the interest on and principal of and redemption premiums, if any, on the Bonds as provided herein.

The Series 2021 Bonds are not a debt of the City, the State of the California (the “State”) or any of its political subdivisions, and neither the City, the State nor any of its political subdivisions is liable thereon, nor in any event shall the Series 2021 Bonds be payable out of any funds or properties other than those of the Authority as described herein. The Series 2021 Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory limitation or restriction.

The scheduled payment of principal of and interest on the Series 2021 Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Series 2021 Bonds by [].

[INSURER LOGO]

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

The Series 2021 Bonds will be offered when, as and if issued and received by the Underwriter, subject to the approval as to them by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, Bond Counsel. Certain legal matters will be passed upon for the City and the Authority by the City Attorney and counsel to the Authority, and by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, as Disclosure Counsel, for the Underwriter by Kutak Rock LLP, Irvine, California, for the Trustee by its counsel and for the Insurer by its counsel. It is anticipated that the Series 2021 Bonds will be available for delivery through the facilities of DTC on or about October [], 2021.



Dated: October __, 2021

DRAFT

Attachment: DRAFT Official Statement Moreno Valley 2021 Lease Revenue Bonds (2015 & 2016 Refunding), 4839-8268-0305_4 (5495 :

\$ _____ *
**MORENO VALLEY PUBLIC FINANCING AUTHORITY
LEASE REVENUE REFUNDING BONDS, SERIES 2021 (TAXABLE)**

MATURITY SCHEDULE

BASE CUSIP®†: 61685P

<i>Maturity Date (May 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Price</i>	<i>CUSIP®†</i>
20__	\$	%	%		

\$ _____ % Term Series 2021 Bonds due _____ 1, 20__ – Yield: __%, Price: __, CUSIP®†: __

DRAFT

* Preliminary, subject to change.

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by S&P Global Market Intelligence. Copyright© CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the Authority, the City, the Underwriter or their agents or counsel assume responsibility for the accuracy of such numbers.

No dealer, broker, salesperson or other person has been authorized by the City or the Authority to give any information or to make any representations in connection with the offer or sale of the Series 2021 Bonds other than those contained herein and, if given or made, such other information or representations must not be relied upon as having been authorized by the City or the Authority. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2021 Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers or Owners of the Series 2021 Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact.

The Underwriter has provided the following sentence for inclusion in this Official Statement:

The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

This Official Statement and the information contained herein are subject to completion or amendment without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City or the Authority or any other parties described herein since the date hereof. These securities may not be sold nor may an offer to buy be accepted prior to the time the Official Statement is delivered in final form. This Official Statement is being submitted in connection with the sale of the Series 2021 Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose, unless authorized in writing by the City. All summaries of documents and laws are made subject to the provisions thereof and do not purport to be complete statements of any or all such provisions.

Certain statements included or incorporated by reference in this Official Statement constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “project,” “budget,” “intend” or similar words. Such forward-looking statements include, but are not limited to, certain statements contained under the captions “CITY FINANCIAL INFORMATION” and “RISK FACTORS.”

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. NEITHER THE CITY NOR THE AUTHORITY PLANS TO ISSUE ANY UPDATES OR REVISIONS TO THE FORWARD-LOOKING STATEMENTS SET FORTH IN THIS OFFICIAL STATEMENT. IN EVALUATING SUCH STATEMENTS, POTENTIAL INVESTORS SHOULD SPECIFICALLY CONSIDER THE VARIOUS FACTORS WHICH COULD CAUSE ACTUAL EVENTS OR RESULTS TO DIFFER MATERIALLY FROM THOSE INDICATED BY SUCH FORWARD-LOOKING STATEMENTS.

IN CONNECTION WITH THE OFFERING OF THE SERIES 2021 BONDS, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR

MAINTAIN THE MARKET PRICE OF THE SERIES 2021 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE SERIES 2021 BONDS TO CERTAIN DEALERS, DEALER BANKS, BANKS ACTING AS AGENT AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICE STATED ON THE INSIDE COVER PAGE HEREOF, AND SAID PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

THE SERIES 2021 BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXEMPTION CONTAINED IN SUCH ACT, AND HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE.

The City maintains a website; however, information presented there is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Series 2021 Bonds.

[INSURER LANGUAGE TO COME].

DRAFT

CITY OF MORENO VALLEY

MAYOR AND MEMBERS OF THE CITY COUNCIL

Dr. Yxstian Gutierrez, Mayor
 Victoria Baca, Mayor Pro Tem
 Vacant, Councilmember, District 2*
 David Marquez, Councilmember, District 3
 Ulises Cabrera, Councilmember, District 4

MORENO VALLEY PUBLIC FINANCING AUTHORITY

Dr. Yxstian Gutierrez, Chair
 Victoria Baca, Vice Chair
 David Marquez, Boardmember
 Ulises Cabrera, Boardmember

STAFF

Mike Lee, City Manager/Authority Executive Director
 Steve Quintanilla, Interim City Attorney
 Brian Mohan, Assistant City Manager and Chief Financial Officer/Authority Treasurer
 Brooke McKinney, Treasury Operations Division Manager
 Jeanette Olko, Electric Utility Division Manager
 Pat Jacquez-Nares, City Clerk/Authority Secretary

SPECIAL SERVICES

Bond Counsel and Disclosure Counsel

Stradling Yocca Carlson & Rauth
 Newport Beach, California

Municipal Advisor

Fieldman Rolapp & Associates, Inc.
 Irvine, California

Trustee

Wells Fargo Bank, National Association
 Los Angeles, California

Verification Agent

Causey Demgen & Moore P.C.
 Denver, Colorado

* This seat is currently vacant. An election to fill the seat is scheduled for November 2, 2021.

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Attachment: DRAFT Official Statement Moreno Valley 2021 Lease Revenue Bonds (2015 & 2016 Refunding), 4839-8268-0305_4 (5495 :

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§ _____ *

**MORENO VALLEY PUBLIC FINANCING AUTHORITY
LEASE REVENUE REFUNDING BONDS, SERIES 2021 (TAXABLE)**

INTRODUCTION

General

This Official Statement, which includes the front cover page, the inside front cover page and the appendices (the “**Official Statement**”), provides certain information concerning the sale and delivery of the \$ _____ * aggregate principal amount of Moreno Valley Public Financing Authority Lease Revenue Refunding Bonds, Series 2021 (Taxable) (the “**Series 2021 Bonds**”). The Series 2021 Bonds are being issued by the Moreno Valley Public Financing Authority (the “**Authority**”) pursuant to a Master Trust Agreement, dated as of December 1, 2015 (the “**2015 Master Trust Agreement**”), as amended and supplemented by a First Supplement to Master Trust Agreement, dated as of December 1, 2016 (the “**First Supplement to the 2015 Master Trust Agreement**”), a Second Supplement to Master Trust Agreement, dated as of April 1, 2019 (the “**Second Supplement to the 2015 Master Trust Agreement**”), and a Third Supplement to Master Trust Agreement, dated as of October 1, 2021 (the “**Third Supplement to the 2015 Master Trust Agreement**,” and together with the 2015 Master Trust Agreement, the First Supplement to the 2015 Master Trust Agreement and the Second Supplement to the 2015 Master Trust Agreement, the “**Trust Agreement**”), each by and between the Authority and the Wells Fargo Bank, National Association, as trustee (the “**Trustee**”).

The net proceeds of the sale of the Series 2021 Bonds will be used: (i) to refund the Moreno Valley Public Financing Authority Lease Revenue Bonds, Series 2015 (Taxable) (the “**Series 2015 Bonds**”), which are currently outstanding in the aggregate principal amount of \$9,425,000, in full, and to refund the Moreno Valley Public Financing Authority Lease Revenue Refunding Bonds, Series 2016 (Taxable) (the “**Series 2016 Bonds**”), which are currently outstanding in the aggregate principal amount of \$20,410,000, in full; (ii) to purchase a municipal bond insurance policy (the “**Policy**”) from [] (“[]” or the “**Insurer**”) to guarantee the payment of principal of and interest on the Series 2021 Bonds; (iii) to purchase a municipal bond debt service reserve insurance policy (the “**Reserve Policy**”) from the Insurer for deposit in the Reserve Fund for the Series 2021 Bonds; and (iv) to pay costs incurred in connection with the issuance of the Series 2021 Bonds. See the captions “THE REFUNDING PLAN,” “BOND INSURANCE” and “SOURCES AND USES OF FUNDS.”

Security for the Series 2021 Bonds

Pursuant to a Master Facilities Lease, dated as of December 1, 2015 (the “**2015 Master Facilities Lease**”), as amended by a First Amendment to Master Facilities Lease, dated as of December 1, 2016 (the “**First Amendment to the 2015 Master Facilities Lease**”), a Second Amendment to Master Facilities Lease, dated as of April 1, 2019 (the “**Second Amendment to the 2015 Master Facilities Lease**”), and a Third Amendment to Master Facilities Lease, dated as of October 1, 2021 (the “**Third Amendment to the 2015 Master Facilities Lease**,” and together with the 2015 Master Facilities Lease, the First Amendment to the 2015 Master Facilities Lease and the Second Amendment to the 2015 Master Facilities Lease, the “**Facilities Lease**”), each by and between the City of Moreno Valley (the “**City**”), as lessor, and the Authority, as lessee, the City has leased and will lease, in connection with the issuance of the Series 2021 Bonds, certain real property and improvements owned by the City (collectively, the “**Property**”) to the Authority in consideration for the Authority’s assistance in issuing the Series 2021 Bonds.

Pursuant to a Master Facilities Sublease, dated as of December 1, 2015 (the “**2015 Master Facilities Sublease**”), as amended and supplemented by a First Amendment to Master Facilities Sublease, dated as of December 1, 2016 (the “**First Amendment to the 2015 Master Facilities Sublease**”), a Second Amendment

* Preliminary, subject to change.

to Master Facilities Sublease, dated as of April 1, 2019 (the “**Second Amendment to the 2015 Master Facilities Sublease**”), and a Third Amendment to Master Facilities Sublease, dated as of October 1, 2021 (the “**Third Amendment to the 2015 Master Facilities Sublease**,” and together with the 2015 Master Facilities Sublease, the First Amendment to the 2015 Master Facilities Sublease and the Second Amendment to the 2015 Master Facilities Sublease, the “**Facilities Sublease**”), the Authority has subleased and will sublease, in connection with the issuance of the Series 2021 Bonds, the Property back to the City in consideration for the payment of rental payments (the “**Base Rental Payments**”) to be made by the City for the right to use the Property.

The Series 2021 Bonds are secured on a parity with the Moreno Valley Public Financing Authority Lease Revenue Bonds, Series 2019 (Taxable), issued in the aggregate principal amount of \$15,830,000 pursuant to the Trust Agreement and currently outstanding in the aggregate principal amount of \$15,830,000 (the “**Series 2019 Bonds**”). Pursuant to the Trust Agreement, the Authority may issue additional bonds (the “**Additional Bonds**”) payable from the Base Rental Payments on a parity with the Series 2021 Bonds and the Series 2019 Bonds. The Series 2021 Bonds, the Series 2019 Bonds and any such Additional Bonds are collectively referred to as the “**Bonds**.” See the caption “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2021 BONDS—Additional Bonds.”

The Bonds are equally and ratably payable from: (i) the Base Rental Payments and other payments paid by the City and received by the Authority pursuant to the Facilities Sublease (but not including Additional Payments as described herein); and (ii) all interest or other income from any investment of any money in any fund or account (other than the Rebate Fund) established pursuant to the Trust Agreement or the Facilities Sublease (collectively, the “**Revenues**”). The Authority has assigned its right, title and interest in the Base Rental Payments and its right to enforce remedies under the Facilities Sublease to the Trustee as security for the payment of the Bonds.

The City has covenanted in the Facilities Sublease to take such action as may be necessary to include all Base Rental Payments and Additional Payments due thereunder in its annual budgets, and to make necessary annual appropriations for all such Base Rental Payments and Additional Payments, subject to abatement as described in this Official Statement.

Revenues of the City’s electric utility (the “**Electric Utility**”) are not pledged as security for the Bonds. However, net revenues of the Electric Utility (revenues remaining after payment of operation and maintenance costs thereof and debt service obligations with respect thereto) are available to pay Base Rental Payments, and the City currently expects to pay all or a portion of Base Rental Payments from such net revenues of the Electric Utility. Notwithstanding the foregoing, the City makes no assurances regarding the amount of net revenues of the Electric Utility or the availability of net revenues of the Electric Utility to pay Base Rental Payments.

The Base Rental Payments and Additional Payments will be abated proportionately, during any period in which by reason of any material damage or destruction (other than by condemnation, which is provided for in the Facilities Sublease) there is substantial interference with the use and occupancy of the Property by the City, in the proportion in which the cost of that portion of the Property rendered unusable bears to the cost of the whole of the Property. See the caption “RISK FACTORS—Abatement.” Abatement of Base Rental Payments under the Facilities Sublease, to the extent that payment is not made from alternative sources as described in this Official Statement, would result in all Bond Owners receiving less than the full amount of principal of and interest on the Bonds. To the extent that proceeds of insurance are available, Base Rental Payments (or a portion thereof) may be made during periods of abatement.

THE SERIES 2021 BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY AND ARE PAYABLE, AS TO INTEREST THEREON, PRINCIPAL THEREOF AND ANY PREMIUMS UPON THE REDEMPTION OF ANY THEREOF, SOLELY FROM THE REVENUES DESCRIBED HEREIN, AND THE AUTHORITY IS NOT OBLIGATED TO PAY THEM EXCEPT FROM THE REVENUES. ALL OF

THE BONDS ARE EQUALLY SECURED BY A PLEDGE OF AND CHARGE AND LIEN UPON THE REVENUES, AND THE REVENUES CONSTITUTE A TRUST FUND FOR THE SECURITY AND PAYMENT OF THE INTEREST ON AND PRINCIPAL OF AND REDEMPTION PREMIUMS, IF ANY, ON THE BONDS AS PROVIDED HEREIN.

THE SERIES 2021 BONDS ARE NOT A DEBT OF THE CITY, THE STATE OF THE CALIFORNIA (THE “STATE”) OR ANY OF ITS POLITICAL SUBDIVISIONS, AND NEITHER THE CITY, THE STATE NOR ANY OF ITS POLITICAL SUBDIVISIONS OTHER THAN THE AUTHORITY) IS LIABLE THEREON, NOR IN ANY EVENT SHALL THE SERIES 2021 BONDS BE PAYABLE OUT OF ANY FUNDS OR PROPERTIES OTHER THAN THOSE OF THE AUTHORITY AS DESCRIBED HEREIN. THE SERIES 2021 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION OR RESTRICTION.

Book-Entry Only System

The Series 2021 Bonds are being issued in fully registered book-entry only form, initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). Interest on the Series 2021 Bonds is payable semiannually on each May 1 and November 1, commencing ____ 1, 20___. Purchasers will not receive certificates representing their interest in the Series 2021 Bonds. Individual purchases will be in principal amounts of \$5,000 or integral multiples thereof. Principal of and interest on the Series 2021 Bonds will be paid by the Trustee to DTC for subsequent disbursement to DTC Participants, which are obligated to remit such payments to the Beneficial Owners of the Series 2021 Bonds. See the caption “THE SERIES 2021 BONDS—Book-Entry Only System.”

Redemption

The Series 2021 Bonds are subject to optional redemption and mandatory sinking fund redemption prior to maturity and extraordinary redemption from insurance or condemnation proceeds as described herein. See the caption “THE SERIES 2021 BONDS—Redemption.”

Bond Insurance

Payment of the principal of and interest on the Series 2021 Bonds will be insured by the Policy to be issued by the Insurer concurrently with the issuance of the Series 2021 Bonds. See the caption “BOND INSURANCE.”

Reserve Fund

A Reserve Fund for the Bonds has been established pursuant to the Trust Agreement. The Insurer has committed to issue, concurrently with the issuance of the Series 2021 Bonds, the Reserve Policy for the benefit of the Series 2021 Bonds in the initial principal amount of \$____, which constitutes the Reserve Fund Requirement with respect to the Series 2021 Bonds. The Reserve Requirement with respect to the Series 2021 Bonds will be in such fixed amount until the final maturity or earlier redemption of the Series 2021 Bonds. The Reserve Policy will be deposited in the Reserve Fund. Neither the Authority nor the City is obligated: (i) to make any additional deposits into the Reserve Fund if Insurer defaults on its obligation to make payments under the Reserve Policy; or (ii) to replace the Reserve Policy if there is a rating downgrade of the Insurer with cash or another surety. The Reserve Policy secures the Series 2021 Bonds alone and is not available for payments on the Series 2019 Bonds or any Additional Bonds. Also on deposit in the Reserve Fund is a reserve policy for the Series 2019 Bonds (issued by [the Insurer]); amounts drawn under this reserve policy cannot be used to make payments on the Series 2021 Bonds. See the caption “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2021 BONDS—Reserve Fund.”

Legal Matters

Wells Fargo Bank, National Association, Los Angeles, California, will act as Trustee with respect to the Series 2021 Bonds. The Series 2021 Bonds will be issued subject to the approval as to their legality by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, Bond Counsel. Certain legal matters will be passed upon for the City and the Authority by Steve Quintanilla, Interim City Attorney and counsel to the Authority, and by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, as Disclosure Counsel, for the Underwriter by Kutak Rock LLP, for the Trustee by its counsel and for the Insurer by its counsel.

Miscellaneous

The City's financial statements for the fiscal year of the City ended June 30, 2020 (each fiscal year of the City ended June 30, a "**Fiscal Year**") set forth in Appendix B have been audited by Rogers, Anderson, Malody & Scott, LLP, San Bernardino, California (the "**Auditor**"). The City's financial statements are public documents and are included within this Official Statement without the prior approval of the Auditor. Accordingly, the Auditor has not performed any post-audit review of the financial condition of the City.

Certain events could affect the ability of the City to make the Base Rental Payments when due. See the caption "RISK FACTORS" for a discussion of certain factors that should be considered, in addition to other matters set forth herein, in evaluating an investment in the Series 2021 Bonds.

The presentation of information, including tables of receipt of revenues, is intended to show recent historical information and, except for a budget discussion for Fiscal Year 2021-22, is not intended to indicate future or continuing trends in the financial position or other affairs of the City. No representation is made that past experience, as it might be shown by such financial and other information, will necessarily continue or be repeated in the future.

The summaries or references to the Trust Agreement, the Facilities Lease, the Facilities Sublease and other documents, agreements and statutes that are referred to herein, and the description of the Series 2021 Bonds that is included in this Official Statement, do not purport to be comprehensive or definitive, and such summaries, references and descriptions are qualified in their entireties by reference to each such document or statute. All capitalized terms used in this Official Statement and not otherwise defined have the meanings set forth in Appendix A.

THE SERIES 2021 BONDS

General

The Series 2021 Bonds will be issued in fully registered form without coupons in denominations of \$5,000 or any integral multiple thereof. The Series 2021 Bonds will be dated as of and bear interest (calculated on the basis of a 360-day year comprised of twelve 30-day months) from the dated date thereof at the rates set forth on the inside front cover page hereof. Interest on the Series 2021 Bonds will be paid semiannually on each May 1 and November 1, commencing _____ 1, 20__ (each, an "**Interest Payment Date**").

The Series 2021 Bonds will bear interest from the Interest Payment Date next preceding the date of registration thereof, unless such date of registration is an Interest Payment Date, in which event they shall bear interest from such date, or unless such date of registration is prior to the first Interest Payment Date, in which event they shall bear interest from their dated date. Payment of interest on the Series 2021 Bonds due on or before the maturity or prior redemption thereof will be paid by check mailed by first class mail on each Interest Payment Date to the person in whose name the Series 2021 Bond is registered as of the applicable Record Date for such Interest Payment Date at the address shown on the registration books maintained by the Trustee

pursuant to the Trust Agreement; provided, however, that interest on any Series 2021 Bonds will be paid by wire transfer or other means to provide immediately available funds to any Holder of at least \$1,000,000 in aggregate principal amount of such Series 2021 Bonds, at its option, according to wire instructions to an account within the United States of America given to the Trustee in writing for such purpose and on file prior to the applicable Record Date preceding the Interest Payment Date.

Interest on any Series 2021 Bond will cease to accrue: (i) on the maturity date thereof, provided that there has been irrevocably deposited with the Trustee an amount sufficient to pay the principal amount thereof, plus interest accrued thereon to such date; or (ii) on the redemption date thereof, provided that there has been irrevocably deposited with the Trustee an amount sufficient to pay the Redemption Price thereof, plus interest accrued thereon to such date. The Holder of such Series 2021 Bond is not entitled to any other payment, and such Series 2021 Bond will no longer be Outstanding and entitled to the benefits of the Trust Agreement, except for the payment of the principal amount or Redemption Price, of such Series 2021 Bond, as appropriate, from moneys held by the Trustee for such payment.

The principal of the Series 2021 Bonds will be payable by check in lawful money of the United States of America at the Principal Office of the Trustee. No payment of principal will be made on any Series 2021 Bond unless and until such Series 2021 Bond is surrendered to the Trustee for cancellation.

Redemption*

Optional Redemption. The Series 2021 Bonds maturing on and after May 1, 2027 are subject to optional redemption prior to their stated Principal Payment Dates, on May 1, 2026 or any date thereafter, in whole or in part, in Authorized Denominations, from and to the extent of prepaid Base Rental Payments paid pursuant to the Facilities Sublease, any such prepayment to be at a Redemption Price equal to the principal amount of the Series 2021 Bonds to be redeemed, plus accrued interest thereon to the Redemption Date, without premium.

Mandatory Sinking Fund Redemption. The Series 2021 Bonds with a stated Principal Payment Date of May 1, 20__ are subject to redemption prior to such stated Principal Payment Date, in part, from Mandatory Sinking Account Payments, on each May 1 specified below, at a Redemption Price equal to the principal amount of the Series 2021 Bonds to be redeemed, plus accrued interest thereon to the Redemption Date, without premium. The principal of such Series 2021 Bonds to be so redeemed and the dates therefor will be as follows:

<i>Mandatory Sinking Fund Payment Date (May 1)</i>	<i>Principal Amount</i>
20__	\$
20__ (maturity)	

Extraordinary Redemption from Condemnation Award or Insurance Proceeds. The City will prepay on any date from insurance and eminent domain proceeds, to the extent provided in the Facilities Sublease, all or any part (in an integral multiple of \$5,000 principal component) of Base Rental Payments then unpaid so that the aggregate annual amounts of Base Rental Payments which are payable after such prepayment date will be as nearly proportional as practicable to the aggregate annual amounts of Base Rental Payments unpaid prior to the prepayment date, at a prepayment amount equal to the principal of and interest on the Bonds to the date of redemption of the Bonds (provided, however, that in the event of partial damage to or destruction of the Property caused by perils covered by insurance, if in the judgment of the Authority the insurance proceeds are sufficient to repair, reconstruct or replace the damaged or destroyed portion of the Property, such proceeds will be held by the Trustee and used to repair, reconstruct or replace the damaged or

* Preliminary, subject to change.

destroyed portion of the Property, pursuant to the procedure set forth in the Facilities Sublease for proceeds of insurance).

The Series 2021 Bonds are subject to redemption by the Authority on any date prior to their respective stated maturities, upon notice as provided in the Trust Agreement, as a whole or in part by lot within each stated maturity in integral multiples of Authorized Denominations, from prepayments from insurance and eminent domain proceeds made by the City pursuant to the Facilities Sublease (as described in the preceding paragraph), at a redemption price equal to the sum of the principal amount thereof, without premium, plus accrued interest thereon to the Redemption Date. Whenever less than all of the Outstanding Bonds are to be redeemed on any one date, the Trustee will select, in accordance with written directions from the Authority, the Bonds to be redeemed in part from the Outstanding Bonds so that the aggregate annual principal amount of and interest on Bonds which are payable after such Redemption Date will be as nearly proportional as practicable to the aggregate annual principal amount of and interest on Bonds Outstanding prior to such Redemption Date.

Selection of Bonds for Redemption. If less than all Outstanding Series 2021 Bonds maturing by their terms on any one date are to be redeemed at any one time, the Trustee will select the Series 2021 Bonds of such maturity date to be redeemed at random and promptly notify the Authority in writing of the numbers of the Series 2021 Bonds so selected for redemption. For purposes of such selection, Series 2021 Bonds will be deemed to be composed of multiples of minimum Authorized Denominations and any such multiple may be separately redeemed. In the event that Term Bonds are designated for redemption, the Authority may designate which sinking account payments are allocated to such redemption, and in the absence of such Authority designation such redemptions will be allocated in inverse order of Mandatory Sinking Account Payment Dates.

Notice of Redemption; Cancellation. Notice of redemption of the Series 2021 Bonds will be mailed by first-class mail by the Trustee, not less than 20 nor more than 60 days prior to the redemption date to: (i) the respective Bondholders of the Series 2021 Bonds designated for redemption at their addresses appearing on the registration books of the Trustee; (ii) the Securities Depositories; and (iii) one or more Information Services. Notice of redemption to the Securities Depositories and the Information Services will be given by registered mail or overnight delivery or facsimile transmission or by such other method acceptable to such institutions. Each notice of redemption will state the date of such notice, the date of issue of the Bonds, the Series, the redemption date, the Redemption Price, the place or places of redemption (including the name and appropriate address of the Trustee), the CUSIP number (if any) of the maturity or maturities, and, if less than all of any such maturity is to be redeemed, the distinctive certificate numbers of the Series 2021 Bonds of such maturity, to be redeemed and, in the case of Series 2021 Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice will also state that on said date there will become due and payable on each of said Series 2021 Bonds the redemption price thereof, together with interest accrued thereon to the redemption date, and that from and after such redemption date interest thereon will cease to accrue, and will require that such Series 2021 Bonds be then surrendered at the address of the Trustee specified in the redemption notice. Failure to receive such notice or any defect in such notice will not invalidate any of the proceedings taken in connection with such redemption.

The Authority may, at its option, prior to the date fixed for redemption in any notice of redemption rescind and cancel such notice of redemption by Written Request to the Trustee and the Trustee will mail notice of such cancellation to the recipients of the notice of redemption being cancelled.

All Series 2021 Bonds redeemed pursuant to the provisions of the Trust Agreement will be cancelled by the Trustee and destroyed with a certificate of destruction furnished to the Authority upon its request and will not be reissued.

Effect of Notice of Redemption. If notice of redemption has been duly given as aforesaid and money for the payment of the redemption price of the Series 2021 Bonds called for redemption is held by the Trustee,

then on the redemption date designated in such notice Series 2021 Bonds so called for redemption become due and payable, and from and after the date so designated interest on such Series 2021 Bonds cease to accrue, and the Bondholders of such Series 2021 Bonds will have no rights in respect thereof except to receive payment of the redemption price thereof.

Book-Entry Only System

General. DTC will act as securities depository for the Series 2021 Bonds. The Series 2021 Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee). One fully-registered Series 2021 Bond will be issued for each maturity of the Series 2021 Bonds, each in the initial aggregate principal amount of such maturity, will be deposited with DTC and will be available to actual purchasers of the Series 2021 Bonds (the "**Beneficial Owners**") in denominations of \$5,000 or any integral multiple thereof. Beneficial Owners will not be entitled to receive physical delivery of the Series 2021 Bonds. See Appendix E for further information with respect to DTC and its book-entry only system.

Transfer and Exchange of Bonds. The following provisions regarding the exchange and transfer of the Series 2021 Bonds apply only during any period in which the Series 2021 Bonds are not subject to DTC's book-entry system. While the Series 2021 Bonds are subject to DTC's book-entry system, their exchange and transfer will be effected through DTC and the Participants and will be subject to the procedures, rules and requirements established by DTC.

Any Series 2021 Bond may, in accordance with its terms, be transferred in the books required to be kept pursuant to the provisions of the Trust Agreement by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Series 2021 Bond for cancellation accompanied by delivery of a duly executed written instrument of transfer in a form acceptable to the Trustee. Whenever any Series 2021 Bond or Bonds are surrendered for transfer, the Authority will execute and the Trustee will authenticate and deliver to the transferee a new Series 2021 Bond or Bonds of the same Series and maturity for a like aggregate principal amount of Authorized Denominations. The Trustee will require the payment by the Bondholder requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer as a condition precedent to the exercise of such privilege.

The Authority and the Trustee may, except as otherwise provided in the Trust Agreement, deem and treat the registered owner of any Series 2021 Bond as the absolute owner of such Series 2021 Bond for the purpose of receiving payment thereof and for all other purposes, whether such Series 2021 Bond is overdue or not, and neither the Authority nor the Trustee will be affected by any notice or knowledge to the contrary; and payment of the interest on and principal of and redemption premium, if any, on such Series 2021 Bond will be made only to such registered owner, which payments will be valid and effectual to satisfy and discharge liability on such Series 2021 Bond to the extent of the sum or sums so paid.

The Trustee is not required to register the transfer of or exchange any Series 2021 Bond which has been selected for redemption in whole or in part, from and after the day of mailing of a notice of redemption of such Series 2021 Bond selected for redemption in whole or in part as provided in the Trust Agreement or during the period established by the Trustee for selection of Series 2021 Bonds for redemption.

Series 2021 Bonds may be exchanged at the Principal Office of the Trustee for a like aggregate principal amount of Series 2021 Bonds of the same Series and maturity of other authorized denominations. The Trustee will require the payment by the Bondholder requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange as a condition precedent to the exercise of such privilege. The Trustee is not required to exchange any Series 2021 Bond which has been selected for redemption in whole or in part, from and after the day of mailing of a notice of redemption of such Series 2021 Bond selected for redemption in whole or in part as provided in the Trust Agreement or during the period established by the Trustee for selection of Series 2021 Bonds for redemption.

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2021 BONDS

Pledge of Revenues

The Series 2021 Bonds will be secured on a parity with the outstanding Series 2019 Bonds and any Additional Bonds which may be issued under the terms of the Trust Agreement. The Bonds are equally and ratably payable from and secured by the Revenues, which consist of: (i) the Base Rental Payments and other payments paid by the City and received by the Authority pursuant to the Facilities Sublease (but not including Additional Payments as described below); and (ii) all interest or other income from any investment of any money in any fund or account (other than the Rebate Fund) established pursuant to the Trust Agreement or the Facilities Sublease.

Base Rental Payments will be paid by the City from any and all legally available funds. See the captions “THE CITY,” “CITY FINANCIAL INFORMATION” and “RISK FACTORS.” The City has covenanted in the Facilities Sublease to take such action as may be necessary to include all Base Rental Payments and Additional Payments due thereunder in its annual budgets, and to make necessary annual appropriations for all such Base Rental Payments and Additional Payments, subject to abatement as described in this Official Statement.

Revenues of the Electric Utility are not pledged as security for the Bonds. However, net revenues of the Electric Utility (revenues remaining after payment of operation and maintenance costs thereof and debt service obligations with respect thereto) are available to pay Base Rental Payments, and the City currently expects to pay all or a portion of Base Rental Payments from such net revenues of the Electric Utility. Notwithstanding the foregoing, the City makes no assurances regarding the amount of net revenues of the Electric Utility or the availability of net revenues of the Electric Utility to pay Base Rental Payments.

The Authority may issue Additional Bonds payable from the Base Rental Payments on a parity with the Series 2021 Bonds and the Series 2019 Bonds. See the caption “—Additional Bonds.”

All Revenues, any other amounts (including proceeds of the sale of the Series 2021 Bonds) held by the Trustee in any fund or account (other than the Rebate Fund) established under the Trust Agreement and any other amounts (excluding Additional Payments) received by the Authority in respect of the Property have been irrevocably pledged to the payment of the interest and premium, if any, on and principal of the Bonds as provided in the Trust Agreement, and the Revenues and other amounts pledged thereunder may not be used for any other purpose while any of the Bonds remain Outstanding; provided, however, that out of the Revenues and other moneys there may be applied such sums for such purposes as are permitted thereunder. Such pledges constitutes a pledge of and charge and first lien upon the Revenues, all other amounts pledged under the Trust Agreement and all other moneys on deposit in the funds and accounts established thereunder for the payment of the interest on and principal of the Bonds in accordance with the terms thereof.

Pursuant to the Trust Agreement, the Authority has assigned its right, title and interest in the Base Rental Payments and its right to enforce remedies under the Facilities Sublease to the Trustee as security for the payment of the Bonds. The City will pay Base Rental Payments directly to the Trustee, as assignee of the Authority. See the caption “—Base Rental Payments” below.

THE SERIES 2021 BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY AND ARE PAYABLE, AS TO INTEREST THEREON, PRINCIPAL THEREOF AND ANY PREMIUMS UPON THE REDEMPTION OF ANY THEREOF, SOLELY FROM THE REVENUES DESCRIBED HEREIN, AND THE AUTHORITY IS NOT OBLIGATED TO PAY THEM EXCEPT FROM THE REVENUES. ALL OF THE BONDS ARE EQUALLY SECURED BY A PLEDGE OF AND CHARGE AND LIEN UPON THE REVENUES, AND THE REVENUES CONSTITUTE A TRUST FUND FOR THE SECURITY AND PAYMENT OF THE INTEREST ON AND PRINCIPAL OF AND REDEMPTION PREMIUMS, IF ANY, ON THE BONDS AS PROVIDED HEREIN.

THE SERIES 2021 BONDS ARE NOT A DEBT OF THE CITY, THE STATE OR ANY OF ITS POLITICAL SUBDIVISIONS, AND NEITHER THE CITY, THE STATE NOR ANY OF ITS POLITICAL SUBDIVISIONS (OTHER THAN THE AUTHORITY) IS LIABLE THEREON, NOR IN ANY EVENT SHALL THE SERIES 2021 BONDS BE PAYABLE OUT OF ANY FUNDS OR PROPERTIES OTHER THAN THOSE OF THE AUTHORITY AS DESCRIBED HEREIN. THE SERIES 2021 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION OR RESTRICTION.

Base Rental Payments

Base Rental Payments will be paid by the City to the Authority for and in consideration of the right to use and occupy the Property and in consideration of the continued right to the quiet use and enjoyment thereof during each Rental Payment Period for which such Base Rental Payments are to be paid. The Base Rental Payments are due and payable on April 25 and October 25 in the amounts set forth in the Facilities Sublease and are for the use and occupancy of the Property during the one-year period ending on the 1st day of each May. All Base Rental Payments received by the Trustee will be deposited by the Trustee in the Revenue Fund established under the Trust Agreement.

Pursuant to the Trust Agreement, all money in the Revenue Fund will be set aside by the Trustee in the following respective special accounts or funds within the Revenue Fund (each of which has been created and each of which the Authority has covenanted and agreed to cause to be maintained) in the following order of priority: (1) Interest Account; and (2) Principal Account.

All money in each of such accounts will be held in trust by the Trustee and will be applied, used and withdrawn only for the purposes authorized in the Trust Agreement. On each Principal Payment Date, following payment of principal of and interest on the Bonds, any excess amount on deposit in the Revenue Fund will be returned to the City as an excess of Base Rental Payments. The Principal Payment Date for the Series 2019 Bonds is May 1.

Interest Account. On or before each Interest Payment Date, the Trustee will set aside from the Revenue Fund and deposit in the Interest Account that amount of money which is equal to the amount of interest becoming due and payable on all Outstanding Bonds on the next succeeding Interest Payment Date. No deposit need be made in the Interest Account if the amount contained therein and available to pay interest on the Bonds is at least equal to the aggregate amount of interest becoming due and payable on all Outstanding Bonds on such Interest Payment Date. All money in the Interest Account will be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it becomes due and payable (including accrued interest on any Bonds purchased or redeemed prior to maturity).

Principal Account. On or before each May 1 or November 1, as applicable, the Trustee will set aside from the Revenue Fund and deposit in the Principal Account an amount of money equal to the amount of all sinking fund payments required to be made on such May 1 or November 1, as applicable, into the respective sinking fund accounts for all Outstanding Term Bonds and the principal amount of all Outstanding Serial Bonds maturing on such May 1 or November 1, as applicable. No deposit need be made in the Principal Account if the amount contained therein and available to pay principal of the Bonds is at least equal to the aggregate amount of the principal of all Outstanding Serial Bonds maturing by their terms on such May 1 or November 1, as applicable, plus the aggregate amount of all sinking fund payments required to be made on such May 1 or November 1, as applicable, for all Outstanding Term Bonds. All money in the Principal Account will be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Bonds as it becomes due and payable, whether at maturity or redemption, except that any money in any Sinking Account created under the Trust Agreement will be used and withdrawn by the Trustee only to purchase or to redeem or to pay Term Bonds for which such Sinking Account was created.

Scheduled Base Rental Payments relating to the Series 2021 Bonds and the outstanding Series 2019 Bonds are set forth below under the caption “BASE RENTAL PAYMENT SCHEDULE.”

Additional Payments

For the right to use and occupy the Property, the Facilities Sublease requires the City to pay, as Additional Payments thereunder, in addition to the Base Rental Payments, and subject to abatement as provided below, such amounts as are required for the payment of all amounts, costs and expenses incurred by the Authority in connection with the execution, performance or enforcement of the Facilities Sublease or any assignment thereof, the Trust Agreement, the Authority’s interest in the Property and the lease of the Property to the City, including but not limited to payment of all fees, costs and expenses and all administrative costs of the Authority related to the Bonds, the Property, including, without limiting the generality of the foregoing, salaries and wages of employees, all expenses, compensation and indemnification payable by the Authority to the Trustee under the Trust Agreement, other amounts due and owing Assured Guaranty Municipal Corp., in its capacity as the insurer of the Series 2019 Bonds (the “**2019 Insurer**”), and the Insurer, in its capacity as insurer of the Series 2021 Bonds (the “**2021 Insurer**”), as set forth in the Facilities Sublease, fees of auditors, accountants, attorneys or architects, and all other necessary administrative costs of the Authority or charges required to be paid by it in order to maintain its existence or to comply with the terms of the Bonds or of the Trust Agreement; but not including in such Additional Payments amounts required to pay the principal or of interest on the Series 2021 Bonds.

Such Additional Payments will be billed to the City by the Authority or the Trustee from time to time, together with a statement certifying that the amount billed has been paid by the Authority or by the Trustee on behalf of the Authority, for one or more of the items above described, or that such amount is then payable by the Authority or the Trustee for such items. Amounts so billed will be paid by the City within 60 days after receipt of the bill by the City. The City reserves the right to audit billings for Additional Payments although exercise of such right will in no way affect the duty of the City to make full and timely payment for all Additional Payments.

The Authority may in the future issue bonds to finance facilities, and may in the future enter into leases with respect to other facilities. The administrative costs of the Authority will be allocated among such other facilities and the Property as provided below. The fees of the Trustee under the Trust Agreement, and any other expenses directly attributable to the Property will be included in the Additional Payments payable under the Facilities Sublease. The fees of any trustee or paying agent under any indenture securing bonds of the Authority or any trust agreement other than the Trust Agreement, and any other expenses directly attributable to any facilities other than the Property, will not be included in the administrative costs of the Property, and will not be paid from the Additional Payments payable under the Facilities Sublease. Any expenses of the Authority not directly attributable to any particular project of the Authority will be equitably allocated among all such projects, including the Property in accordance with sound accounting practice. In the event of any question or dispute as to such allocation, the written opinion of an independent firm of certified public accountants, employed by the Authority to consider the question and render an opinion thereon, will be a final and conclusive determination as to such allocation. The Trustee may conclusively rely upon the Written Request of the Authority, with the approval of the Mayor, Mayor Pro-Tem, City Manager or Chief Financial Officer of the City or any such officer’s duly authorized designee, or a duly authorized representative of the City, endorsed thereon, in making any determination that costs relating to the Authority are payable as Additional Payments under the Facilities Sublease, and is not required to make any investigation as to whether or not the items so requested to be paid are expenses of operation of the Property.

Abatement

The Base Rental Payments and Additional Payments will be abated proportionately, during any period in which by reason of any material damage or destruction (other than by condemnation, which is provided for in the Facilities Sublease) there is substantial interference with the use and occupancy of the Property by the

City, in the proportion in which the cost of that portion of the Property rendered unusable bears to the cost of the whole of the Property. Such abatement will continue for the period commencing with such damage or destruction and ending with the substantial completion of the work of repair or reconstruction. In the event of any such damage or destruction, the Facilities Sublease will continue in full force and effect and the City waives the benefits of California Civil Code Sections 1932(2) and 1933(4) and of Title 11 of the United States Code, Section 365(h) and any and all other rights to terminate the Facilities Sublease by virtue of any such damage or destruction or interference.

Notwithstanding the foregoing, to the extent that moneys are available for the payment of Base Rental Payments and Additional Payments in any of the funds and accounts established under the Trust Agreement (including as a result of the availability of insurance proceeds), such Base Rental Payments and Additional Payments will not be abated as provided above but, rather, will be payable by the City as a special obligation payable solely from said funds and accounts. See the caption “—Insurance” and Appendix A.

Substitution, Addition and Removal of Property

The City and the Authority may add or substitute real property for all or part of, or may release a part of, the Property for purposes of the Facilities Lease and the Facilities Sublease, but only with the consent of the Insurer and the 2019 Insurer and after the City has filed with the Authority and the Trustee, with copies to each rating agency then providing a rating for the Bonds, all of the following:

(i) Executed copies of the Facilities Lease and the Facilities Sublease or amendments thereto containing the amended description of the Property, including the legal description of any real property component of the Property as modified, if necessary.

(ii) A Written Certificate of the City, certifying that the annual fair rental value (which may be based on, but not limited to, the construction or acquisition cost or replacement cost of such facility to the City) of the Property that will constitute the Property after such addition, substitution or withdrawal will be at least equal to 100% of the maximum amount of Base Rental Payments becoming due in the then current Fiscal Year or in any subsequent Fiscal Year. At the sole discretion of the City, in the alternative, in the event of a substitution only, the Written Certificate of the City will certify that the annual fair rental value of the new Property is at least equal to that of the substituted Property.

(iii) With respect to an addition or substitution of property, a leasehold owner’s title insurance policy or policies or a commitment for such policy or policies or an amendment or endorsement to an existing title insurance policy or policies resulting in title insurance with respect to the Property after such addition or substitution in an amount at least equal to the aggregate principal amount of Bonds Outstanding; each such insurance instrument, when issued, will name the Trustee as the insured, and insure the leasehold estate of the Authority in such property subject only to such exceptions as do not substantially interfere with the City’s right to use and occupy such property and as will not result in an abatement of Base Rental Payments payable by the City under the Facilities Sublease.

(iv) A Written Certificate of the City stating that such addition, substitution or withdrawal, as applicable, does not adversely affect the City’s use and occupancy of the Property.

(v) With respect to the substitution of property, a Written Certificate of the City stating that the useful life of the property to be substituted is at least equal to the useful life of the property being released.

(vi) An opinion of Bond Counsel stating that any amendment executed in connection with such addition, substitution or withdrawal, as the case may be: (i) is authorized or permitted under the Facilities Sublease; (ii) will, upon the execution and delivery thereof, be valid and binding upon the Authority and the City; and (iii) will not cause the interest on any tax-exempt Bonds to be included in gross income for federal income tax purposes.

The City and the Authority have agreed that the Property or portion thereof for which other real property is substituted, pursuant to the Facilities Sublease, will be released from the Facilities Lease and the Facilities Sublease, and will no longer be encumbered thereby and hereby or by the Trust Agreement at such time as the City has caused said substitution.

Any sale, substitution, release, transfer, lease, assignment, mortgage or encumbrance with respect to the Property under the Facilities Sublease or Facilities Lease will be subject to the prior written consent of the Insurer and the 2019 Insurer.

Additional Bonds

Conditions for the Issuance of Additional Bonds. The Authority may at any time issue Additional Bonds pursuant to a Supplemental Trust Agreement, payable from the Revenues as provided in the Trust Agreement and secured by a pledge of and charge and lien upon the Revenues as provided therein equal to the pledge, charge and lien securing the Outstanding Series 2021 Bonds and Series 2019 Bonds theretofore issued thereunder, but only subject to the following specific conditions, which have been made conditions precedent to the issuance of any such Additional Bonds:

(a) The Authority is in compliance with all agreements and covenants contained in the Trust Agreement and no Event of Default has occurred and is continuing.

(b) The Supplemental Trust Agreement requires that the proceeds of the sale of such Additional Bonds will be applied to finance or refinance Projects, or for the refunding or repayment of any Bonds then Outstanding, including the payment of costs and expenses of and incident to the authorization and sale of such Additional Bonds. The Supplemental Trust Agreement may also provide that a portion of such proceeds be applied to the payment of the interest due or to become due on said Additional Bonds.

(c) The aggregate principal amount of Bonds issued and at any time Outstanding under the Trust Agreement does not exceed any limit imposed by law, by the Trust Agreement or by any Supplemental Trust Agreement.

(d) The Facilities Sublease has been amended, if necessary, so that the Base Rental Payments payable by the City thereunder in each Fiscal Year at least equal Debt Service, including Debt Service on the Additional Bonds, in each Fiscal Year, and if Base Rental Payments are being increased, a Certificate of the City will be delivered to the Trustee certifying that the annual fair rental value (which may be based on, but not limited to, the construction or acquisition cost or replacement cost of any facility which is or will become part of the Property) will be at least equal to 100% of the maximum amount of Base Rental Payments becoming due in the then current fiscal year or in any subsequent fiscal year.

(e) If additional facilities, if any, are to be leased and are not situated on property described in the Facilities Lease and Facilities Sublease: (1) the Facilities Lease has been amended so as to lease to the Authority such additional real property; and (2) the Facilities Sublease has been amended so as to lease to the City such additional real property.

(f) The Reserve Fund is fully funded at the Reserve Fund Requirement (including the proposed issue) upon the issuance of such Additional Bonds, unless otherwise permitted by the Insurer and the 2019 Insurer.

Proceedings for Authorization of Additional Bonds. Whenever the Authority and the City determine to execute and deliver any Additional Bonds pursuant to the Trust Agreement, the Authority and the Trustee will enter into a Supplemental Trust Agreement providing for the issuance of such Additional Bonds, specifying the maximum principal amount of such Additional Bonds and prescribing the terms and conditions of such Additional Bonds.

The Supplemental Trust Agreement will prescribe the form or forms of such Additional Bonds and, subject to the provisions of the Trust Agreement, will provide for the distinctive designation, denominations, method of numbering, dates, payment dates, interest rates, interest payment dates, provisions for redemption (if desired) and places of payment of principal and interest.

Before such Additional Bonds are issued, the City and the Authority will file or cause to be filed the following documents with the Trustee:

- (a) An Opinion of Counsel setting forth that: (1) such Counsel has examined the Supplemental Trust Agreement and the amendment to the Facilities Sublease and Facilities Lease required by the Trust Agreement; (2) the execution and delivery of the Additional Bonds have been duly authorized by the City and the Authority; and (3) said amendment to the Facilities Sublease and Facilities Lease, when duly executed by the City and the Authority, will be valid and binding obligations of the City and the Authority.
- (b) A Certificate of the Authority stating that the requirements of the Trust Agreement have been met.
- (c) A Certificate of the City stating that the insurance required by the Facilities Sublease is in effect.

Upon the delivery to the Trustee of the foregoing instruments and upon the Trustee's receipt of Certificates of the City and of the Authority stating that all applicable provisions of the Trust Agreement have been complied with (so as to permit the execution and delivery of the Additional Bonds in accordance with the Supplemental Trust Agreement then delivered to the Trustee), the Trustee will authenticate and deliver said Additional Bonds in the aggregate principal amount specified in such Supplemental Trust Agreement to, or upon the Written Request of, the Authority.

The City has no current plans to issue Additional Bonds under the Trust Agreement. See the caption "RISK FACTORS—Substitution, Addition and Removal of Property; Additional Bonds."

Action on Default

Should the City default under the Facilities Sublease, the Trustee, as assignee of the Authority thereunder, may terminate the Facilities Sublease and recover certain damages from the City, or may retain the Facilities Sublease and hold the City liable for all Base Rental Payments thereunder on an annual basis, and the Trustee has the right to re-enter and re-let the Property. In the event that such re-letting occurs, the City would be liable for any resulting deficiency in Base Rental Payments. **BASE RENTAL PAYMENTS MAY NOT BE ACCELERATED UPON A DEFAULT UNDER THE FACILITIES SUBLEASE.** See the caption "RISK FACTORS—Limited Recourse on Default; No Acceleration of Base Rental."

For purposes of certain actions of Bond Owners under the Trust Agreement and the Facilities Sublease, such as certain consents and amendments and the direction of remedies following default, Series 2021 Bond Owners and Series 2019 Bond Owners do not act alone and may not control such matters to the extent that such matters are not supported by the requisite number of the Owners of all Series 2021 Bonds, Series 2019 Bonds and Additional Bonds, if any.

For a description of the events of default and permitted remedies of the Trustee (as assignee of the Authority) contained in the Facilities Sublease and the Trust Agreement, see Appendix A.

Subject to the terms of the Trust Agreement, so long as the Insurer and the 2019 Insurer have not defaulted under their respective bond insurance policies, such insurers have the right to control all remedies for default under the Facilities Lease, the Facilities Sublease and the Trust Agreement.

Reserve Fund

Reserve Fund. The Trustee maintains a separate fund to be known as the “**Reserve Fund.**” Moneys in the Reserve Fund will be used and withdrawn by the Trustee solely for the purposes set forth in the Trust Agreement. In connection with the issuance of the Series 2019 Bonds, the 2019 Insurer issued a debt service reserve insurance policy (the “**2019 Reserve Policy**”) for the benefit of the Series 2019 Bonds in the initial principal amount of \$1,340,707.95, which constituted the Reserve Fund Requirement with respect to the Series 2019 Bonds. The 2019 Reserve Policy is currently on deposit in the Reserve Fund. In connection with the issuance of the Series 2021 Bonds, the Trustee will deposit the Reserve Policy in the initial principal amount of \$_____ into the Reserve Fund in satisfaction of the Reserve Fund Requirement with respect to the Series 2021 Bonds. Upon the delivery of the Series 2021 Bonds and the deposit of the Reserve Policy in the Reserve Fund, the Reserve Fund Requirement will not thereafter be calculated for the purpose of requiring any deposit thereto or replenishment thereof except as may be required in connection with the issuance of Additional Bonds. See the caption “INTRODUCTION—Reserve Fund.”

The City, upon notice to the rating agencies then rating the Series 2021 Bonds, reserves the right to substitute, at any time and from time to time, one or more Reserve Facilities from a financial institution, the long-term unsecured obligations of which are rated in the two highest rating categories of the rating agency in substitution for or in place of all or any portion of the Reserve Policy or the moneys, if any, on deposit in the Reserve Fund, which satisfy the portion of the Reserve Fund Requirement (as such term is defined below) attributable to the Series 2021 Bonds, under the terms of which the Trustee is unconditionally entitled to draw amounts when required for the purposes of the Trust Agreement. Upon deposit by the City with the Trustee of any such Reserve Facility(ies), the Trustee will, on or after the date of such deposit, transfer to the City such amounts as are on deposit in the Reserve Fund in excess of the Reserve Fund Requirement after application of the Reserve Facility(ies) thereto. The City will, subject to any investment instructions contained in the Tax Certificate, if any, use any such amounts transferred from the Reserve Fund for any lawful purpose of the City which will not adversely affect any current or past exclusion from gross income for federal income tax purposes of the interest on the Bonds, if and to the extent such interest is currently or has in the past been so excluded. Any amounts paid pursuant to any Reserve Facility will be deposited in the Reserve Fund. The moneys in the Reserve Fund and any Reserve Facility shall be held in trust by the Trustee and shall be used and disbursed only for the purposes and uses authorized in the Trust Agreement.

The term “**Reserve Fund Requirement**” means, with respect to each Series of Bonds, an amount equal to the least of: (i) maximum prospective annual Base Rental Payments with respect to the Outstanding Bonds of such Series to be made by the City under the Facilities Sublease; (ii) 10% of the proceeds of such Series of Bonds; or (iii) 125% of the average annual Base Rental Payments with respect to the Outstanding Bonds of such Series to be made by the City under the Facilities Sublease.

The Reserve Policy secures the Series 2021 Bonds alone and is not available for payments on the Series 2019 Bonds or Additional Bonds. Similarly, the 2019 Reserve Policy secures the Series 2019 Bonds alone and is not available for payments on the Series 2021 Bonds or Additional Bonds.

Application of Reserve Fund. Amounts on deposit in the Reserve Fund which were not derived from payments under any Reserve Facility credited to the Reserve Fund to satisfy a portion of the Reserve Fund Requirement may be used and withdrawn by the Trustee prior to using and withdrawing any amounts derived from payments under any such Reserve Facility. In order to accomplish such use and withdrawal of such amounts not derived from payments under any such Reserve Facility, the Trustee will, as and to the extent necessary, liquidate any investments purchased with such amounts. If and to the extent that, more than one Reserve Facility is credited to the Reserve Fund to satisfy a portion of the Reserve Fund Requirement, drawings thereunder, and repayment of expenses with respect thereto, will be made on a pro-rata basis (calculated by reference to the policy limits available thereunder), if permitted.

If, on any Interest Payment Date, the amount on deposit in any account within the Interest Account is insufficient to pay the interest due with respect to the corresponding Series of Bonds on such Interest Payment Date, the Trustee will transfer from the corresponding account within the Reserve Fund and deposit in such account within the Interest Account an amount sufficient to make up such deficiency. If a Reserve Facility is credited to the Reserve Fund to satisfy a portion of the Reserve Fund Requirement, the Trustee will make a claim for payment under such Reserve Facility, in accordance with the provisions thereof, in an amount which, together with other available moneys in the Reserve Fund, will be sufficient to make said deposit in the Interest Account on the applicable Series of Bonds.

If, on any Principal Payment Date or any Mandatory Sinking Account Payment Date, the amount on deposit in any account within the Principal Account is insufficient to pay the principal due with respect to the corresponding Series of Bonds on such Principal Payment Date or Mandatory Sinking Account Payment Date, the Trustee will transfer from the corresponding account within the Reserve Fund and deposit in such account within the Principal Account an amount sufficient to make up such deficiency. If a Reserve Facility is credited to the Reserve Fund to satisfy a portion of the Reserve Fund Requirement, the Trustee will make a claim for payment under such Reserve Facility, in accordance with the provisions thereof, in an amount which, together with other available moneys in the Reserve Fund, will be sufficient to make said deposit in the Principal Account on the applicable Series of Bonds.

In the event of any withdrawal or transfer from the Reserve Fund, the Trustee will, within 5 days thereafter, provide written notice to the City of the amount and the date of such transfer. If there are no amounts currently due under any Reserve Facility and the sum of the amount on deposit in the Reserve Fund, plus the amount available under any Reserve Facilities, is reduced below the Reserve Fund Requirement, the first of the Base Rental Payments thereafter received from the City under the Facilities Sublease and not needed to pay the interest and principal of the Bonds on the next Interest Payment Date, Principal Payment Date or Mandatory Sinking Account Payment Date will be used, first, to reinstate the amounts available under the Reserve Facilities that have been drawn upon and, second, to increase the amount on deposit in the Reserve Fund, so that the amount available under the Reserve Facilities, when added to the amount on deposit in the Reserve Fund, equals the Reserve Fund Requirement. In the event there are insufficient funds to remedy any deficiencies in all such accounts, moneys shall be deposited pro rata in each such account.

If at any time the balance in any account within the Reserve Fund is in excess of the Reserve Fund Requirement for such fund after accounting for the principal amounts of any Reserve Facilities, the Trustee will transfer such excess to any other account within the Reserve Fund with a balance less than the Reserve Fund Requirement for such fund to make up such deficiency, and thereafter to the Revenue Fund.

At the termination of the Facilities Sublease in accordance with its terms, any balance remaining in the Reserve Fund will be released and may be transferred to such other fund or account of the City, or otherwise used by the City for any other lawful purposes, as the City may direct. For purposes of determining the amount on deposit in the Reserve Fund, all investments will annually be valued at the cost thereof (exclusive of accrued but unpaid interest, but inclusive of commissions). Except as provided in the Trust Agreement from Base Rental Payments not needed to pay the interest and principal of the Bonds, the City has no obligation to replenish the Reserve Fund.

Insurance

The Facilities Sublease requires the City to maintain or cause to be maintained fire, lightning and special extended coverage insurance (which includes coverage for vandalism and malicious mischief, but need not include coverage for earthquake damage) on all improvements constituting any part of the Property in an amount equal to the greater of 100% of the replacement cost of such improvements or 100% of the outstanding principal amount of the Bonds. As an alternative to providing such insurance or any portion thereof, the City may provide a self-insurance method or plan of protection if and to the extent that such self-insurance method or plan of protection affords reasonable protection to the Authority, the Bond Holders and the Trustee, in light

of all circumstances, giving consideration to cost, availability and similar plans or methods of protection adopted by public entities in the State other than the City.

The Facilities Sublease requires the City to maintain rental interruption or use and occupancy insurance to cover loss, total or partial, of the rental income from or the use of the Property as the result of any of the hazards covered by the insurance described in the preceding paragraph, in an amount sufficient to pay the maximum annual Base Rental Payments for any two year period, except that such insurance may be subject to a deductible clause of not to exceed \$25,000. Any proceeds of such insurance will be used by the Trustee to reimburse to the City any rental theretofore paid by the City under the Facilities Sublease attributable to such structure for a period of time during which the payment of rental under the Facilities Sublease is abated, and any proceeds of such insurance not so used will be applied as provided in the Facilities Sublease (to the extent required for the payment of Base Rental Payments and Additional Payments). See the caption “—Abatement.” The City does not maintain earthquake insurance.

The Facilities Sublease requires the City to maintain or cause to be maintained, throughout the term thereof, a standard commercial general liability insurance policy or policies in protection of the City, the Authority and their respective members, officers, agents and employees and the Trustee, with minimum liability limits of \$1,000,000 for personal injury or death of each person and \$3,000,000 for personal injury or deaths of two or more persons in each accident or event, and in a minimum amount of \$200,000 for damage to property resulting from each accident or event, and worker’s compensation insurance.

See the summary of the Facilities Sublease set forth in Appendix A for further information with respect to the insurance coverage required to be maintained by the City under the Facilities Sublease.

A description of insurance coverages maintained by the City is set forth under the caption “THE CITY—Risk Management.”

The Facilities Sublease also requires the City to provide, at its own expense, an ALTA leasehold owner’s title insurance policy or policies for the Property, in the aggregate amount of not less than the initial aggregate principal amount of the Bonds. Such insurance instrument, when issued, will name the Trustee as the insured, and will insure the leasehold estate of the Authority subject only to such exceptions as do not substantially interfere with the City’s right to use and occupy the Property and as will not result in an abatement of Base Rental Payments payable by the City under the Facilities Sublease.

BOND INSURANCE

The information under this caption has been prepared by the Insurer for inclusion in this Official Statement. None of the Authority, the City or the Underwriter has reviewed this information, nor do the Authority, the City or the Underwriter make any representation with respect to the accuracy or completeness thereof. The following information is not a complete summary of the terms of the Policy (as such term is defined below) and reference is made to Appendix G for a specimen of the Policy.

[TO COME FROM BOND COUNSEL]

SOURCES AND USES OF FUNDS

The sources and uses of funds with respect to the Series 2021 Bonds are shown below.

Sources

Principal Amount of Series 2021 Bonds	\$
Plus/Less Net Original Issue Premium/Discount	_____
Total Sources	\$ _____

Uses

Deposit to 2015 Escrow Fund	\$
Deposit to 2016 Escrow Fund	
Costs of Issuance ⁽¹⁾	_____
Total Uses	\$ _____

⁽¹⁾ Includes certain fees of Bond Counsel, Disclosure Counsel, the Municipal Advisor, S&P and the Trustee, Underwriter's discount, premium for the Policy and the Reserve Policy, printing costs and other miscellaneous costs of issuance.

BASE RENTAL PAYMENT SCHEDULE

The annual schedule of Base Rental Payments due with respect to the Series 2021 Bonds and the Series 2019 Bonds is set forth below. The below table assumes no optional redemptions.

<i>Period Ending May 1</i>	<i>Series 2021 Bonds Principal</i>	<i>Series 2021 Bonds Interest</i>	<i>Series 2021 Bonds Total Debt Service</i>	<i>Series 2019 Bonds Total Debt Service</i>	<i>Total Base Rental Payments⁽¹⁾</i>
2022	\$	\$	\$	\$ 633,200.00	\$
2023				633,200.00	
2024				633,200.00	
2025				633,200.00	
2026				633,200.00	
2027				633,200.00	
2028				633,200.00	
2029				633,200.00	
2030				633,200.00	
2031				633,200.00	
2032				633,200.00	
2033				633,200.00	
2034				633,200.00	
2035				633,200.00	
2036				633,200.00	
2037				633,200.00	
2038				633,200.00	
2039				1,658,200.00	
2040				1,652,200.00	
2041				1,659,800.00	
2042				1,655,400.00	
2043				1,659,400.00	
2044				1,656,400.00	
2045				1,661,600.00	
2046				1,659,600.00	
2047				2,300,600.00	
2048				2,303,800.00	
2049				<u>2,303,600.00</u>	
Total	\$ _____	\$ _____	\$ _____	\$ 30,935,000.00	\$ _____

⁽¹⁾ Equal to the Series 2021 Bonds Total Debt Service column plus the Series 2019 Bonds Total Debt Service column. Source: Underwriter.

Attachment: DRAFT Official Statement Moreno Valley 2021 Lease Revenue Bonds (2015 & 2016 Refunding), 4839-8268-0305_4 (5495 :

THE REFUNDING PLAN

Series 2015 Bonds

The Authority issued the Series 2015 Bonds, which are currently outstanding in the aggregate principal amount of \$9,425,000, pursuant to the 2015 Master Trust Agreement. The Series 2015 Bonds are payable from lease payments made by the City under the 2015 Master Facilities Sublease.

The Authority plans to apply a portion of the proceeds of the Series 2021 Bonds to refund all of the outstanding Series 2015 Bonds on October [], 2021 (the “**Redemption Date**”) at a redemption price equal to the outstanding principal amount of the Series 2015 Bonds, plus accrued interest to such date, without premium.

Under an Escrow Agreement (2015 Bonds), dated as of October 1, 2021 (the “**2015 Escrow Agreement**”), by and among the City, the Authority and the Trustee, the Authority will deliver a portion of the proceeds of the Series 2021 Bonds to the Trustee for deposit in the escrow fund established under the 2015 Escrow Agreement (the “**2015 Escrow Fund**”). The Trustee will hold the moneys so deposited in the 2015 Escrow Fund uninvested. From the moneys on deposit in the 2015 Escrow Fund, the Trustee will pay on the Redemption Date the principal of the Series 2015 Bonds maturing after the Redemption Date, plus interest accrued to the Redemption Date, without premium.

Sufficiency of the deposits in the 2015 Escrow Fund for such purposes will be verified by Causey Demgen & Moore P.C., Denver, Colorado (the “**Verification Agent**”). Assuming the accuracy of such computations, as a result of the deposit and application of funds as provided in the 2015 Escrow Agreement, the Series 2015 Bonds will be defeased pursuant to the provisions of the 2015 Master Trust Agreement as of the date of issuance of the Series 2021 Bonds. Upon the issuance of the Series 2021 Bonds, the Verification Agent will deliver a report on the mathematical accuracy of certain computations based upon certain information and assertions provided to it by the Underwriter relating to the adequacy of the moneys deposited in the 2015 Escrow Fund to pay the redemption price of the Series 2015 Bonds.

The amounts delivered to the Trustee to redeem the Series 2015 Bonds are pledged solely to the redemption of such Series 2015 Bonds. Neither such moneys nor any related interest will be available for the payments of principal of and interest on the Series 2021 Bonds.

Series 2016 Bonds

The Authority issued the Series 2016 Bonds, which are currently outstanding in the aggregate principal amount of \$20,410,000, pursuant to the 2015 Master Trust Agreement, as amended and supplemented by the First Supplement to the 2015 Master Trust Agreement. The Series 2016 Bonds are payable from lease payments made by the City under the 2015 Master Facilities Sublease, as amended and supplemented by the First Amendment to the 2015 Master Facilities Sublease.

The Authority plans to apply a portion of the proceeds of the Series 2021 Bonds to refund all of the outstanding Series 2016 Bonds on the Redemption Date at a redemption price equal to the outstanding principal amount of the Series 2016 Bonds, plus accrued interest to such date, without premium.

Under an Escrow Agreement (2016 Bonds), dated as of October 1, 2021 (the “**2016 Escrow Agreement**”), by and among the City, the Authority and the Trustee, the Authority will deliver a portion of the proceeds of the Series 2021 Bonds to the Trustee for deposit in the escrow fund established under the 2016 Escrow Agreement (the “**2016 Escrow Fund**”). The Trustee will hold the moneys so deposited in the 2016 Escrow Fund uninvested. From the moneys on deposit in the 2016 Escrow Fund, the Trustee will pay on the Redemption Date the principal of the Series 2016 Bonds maturing after the Redemption Date, plus interest accrued to the Redemption Date, without premium.

Sufficiency of the deposits in the 2016 Escrow Fund for such purposes will be verified by the Verification Agent. Assuming the accuracy of such computations, as a result of the deposit and application of funds as provided in the 2016 Escrow Agreement, the Series 2016 Bonds will be defeased pursuant to the provisions of the 2015 Master Trust Agreement, as amended and supplemented by the First Supplement to the 2015 Master Trust Agreement, as of the date of issuance of the Series 2021 Bonds. Upon the issuance of the Series 2021 Bonds, the Verification Agent will deliver a report on the mathematical accuracy of certain computations based upon certain information and assertions provided to it by the Underwriter relating to the adequacy of the moneys deposited in the 2016 Escrow Fund to pay the redemption price of the Series 2016 Bonds.

The amounts delivered to the Trustee to redeem the Series 2016 Bonds are pledged solely to the redemption of such Series 2016 Bonds. Neither such moneys nor any related interest will be available for the payments of principal of and interest on the Series 2021 Bonds.

THE PROPERTY

The Property constitutes the subject matter of the Facilities Lease and the Facilities Sublease. The Property is described below.

The Property includes: (a) two electric power substations: (i) the Moreno Beach Substation and (ii) the Kitching Substation (collectively, the “**Substations**”); (b) the City’s Conference and Recreation Center; and (c) the City’s Corporate Yard (as such terms are defined below).

Electric Power Substations

The Moreno Beach Substation is a City-owned 115 kilovolt (“**kV**”) to 12kV Distribution Class power substation located on an approximately 8.75 acre parcel at the southwest corner of Moreno Beach Drive and Cottonwood Avenue in the City. The Moreno Beach Substation includes equipment foundations, transformers, capacitors, switchgear, electric bus, a relay control house, cable, wire, appurtenances and other related facilities (the “**Moreno Beach Substation Improvements**”).

A 115kV to 12kV Transmission Class switchyard (the “**Moreno Beach Switchyard**”), which has been dedicated to Southern California Edison (“**SCE**”), is also on the site. The Moreno Beach Switchyard is located adjacent to the Moreno Beach Substation. Moreno Beach Switchyard improvements include equipment foundations, switchgear, electrical bus, relay control house, cable, wire, appurtenances and other related facilities associated with physical connection to SCE’s 115kV distribution system. The Moreno Beach Switchyard improvements do not constitute part of the Substations.

The Moreno Beach Substation was energized in 2007. The City estimates the total cost of the Moreno Beach Substation Improvements (excluding the Moreno Beach Switchyard and other improvements owned or dedicated to SCE) to be approximately \$10,817,611. The City estimates the Moreno Beach Substation Improvements have a useful remaining life of approximately 26 years.

The Kitching Substation is a City-owned 115kV to 12kV Distribution Class power substation located on an approximately 1.87 acre parcel at the northwest corner of Kitching Drive and Edwin Road in the City. The Kitching Substation includes equipment foundations, transformers, capacitors, switchgear, electric bus, a relay control house, cable, wire, appurtenances and other related facilities (the “**Kitching Substation Improvements**”).

The Kitching Substation Improvements include: (i) approximately 40,000 lineal feet of conduit; (ii) approximately 40,000 lineal feet of high voltage cable; (iii) two 40 Megavolt Amp transformers; (iv) five 115 kV group operated disconnect switches; (v) two twelve kV Megavolt Amp capacitor banks; (vi) one switchgear assembly and (vii) other miscellaneous structures.

The Kitching Substation is adjacent to a 115kV to 12kV Transmission Class switchyard (the “**Kitching Switchyard**”) which has been dedicated to SCE. Kitching Switchyard improvements include equipment foundations, switchgear, electrical bus, relay control house, cable, wire, appurtenances and other related facilities associated with a physical connection to SCE’s 115kV distribution system. The Kitching Switchyard improvements do not constitute part of the Substations.

The City estimates the total cost of the Kitching Substation Improvements (excluding the Kitching Switchyard and other improvements owned or dedicated to SCE) to be approximately \$10,965,000. The City estimates the Kitching Substation Improvements has a useful remaining life of approximately 36 years.

Conference and Recreation Center

The City’s Conference and Recreation Center (the “**Conference and Recreation Center**”), which is located on Alessandro Boulevard, is an approximately 42,413 square foot municipal conference and banquet facility that is operated by the City. The Conference and Recreation Center includes an 8,200 square foot ballroom, the Grand Valley Ballroom, which can accommodate groups of up to 400 people and includes a full kitchen, a reception patio, an outdoor banquet patio, a stage with two dressing rooms and a video and movie screen. Other facilities at the Conference and Recreation Center include two smaller meeting rooms. The Conference and Recreation Center hosts private events, community programs and public meetings. The facility also includes space for a childcare/daycare area, a gymnasium, two activity rooms and the office space for the City’s Parks and Community Services Department staff. The Conference and Recreation Center was constructed in 2005 and comprises approximately 18.64 acres. For purposes of the Facilities Sublease, the City has ascribed a value of approximately \$14,075,840 to the Conference and Recreation Center. The City estimates the Conference and Recreation Center has a useful remaining life of approximately 30 years.

The City’s Parks and Community Services Department operates five facilities located at the various parks throughout the City, including Bethune Park, Woodland Park, the Conference and Recreation Center, a senior center, and two community centers, which facilities provide 79 youth programs, 88 senior programs and 31 adult programs serving an estimated 417,180 City youths and adults annually for baseball, softball and soccer play. The Parks and Community Services Department also hosts activities for 38 school sites and assists the City’s nonprofit sports organizations in hosting regional and national sports tournaments, resulting in a positive economic impact to City businesses. The value that the City’s parks and recreation facilities bring to the local community has been repeatedly recognized. The Press-Enterprise newspaper previously rated the City “Number One in Riverside County for Family Recreation.” The City was the recipient of the 2005 California Parks and Recreation Society Award for “Facility Design and Park Planning” for the Conference and Recreation Center, and in 1997 the City earned the Southern California Municipal Athletic Federation’s “Gold Shield Award” for providing outstanding leadership. The City remains committed to sustained community participation and use of facilities throughout the City’s park system.

Corporate Yard

The City’s Corporate Yard (the “**Corporate Yard**,” and together with the Substations and the Conference and Recreation Center, the “**Property**”, which have been leased to the Authority pursuant to the Facilities Lease and subleased by the Authority back to the City pursuant to the Facilities Sublease), will constitute a portion of the leased Property.

The Corporate Yard is located at 15670 Perris Boulevard and is the center of activity for the City’s street and infrastructure maintenance programs. The Corporate Yard totals approximately 18 acres with the primary building, constructed in 1970 and made of concrete block and metal siding, totaling 57,876 square feet. The Corporate Yard houses staff that perform the functions of Purchasing/Stores, Street Maintenance, Fleet Maintenance and Parks Maintenance. The Corporate Yard is also used for the storage of city vehicles, various road materials and replacement parts for City equipment such as traffic signals, electric utility equipment, etc. In 2011, improvements were completed to the Corporate Yard that totaled approximately \$4.8

million. For purposes of the Facilities Sublease, the City has ascribed a value of approximately \$12,906,488 to the Corporate Yard. The City estimates the Corporate Yard has a useful remaining life of approximately 30 years.

In connection with the issuance of the Series 2021 Bonds, the City will certify that the annual fair rental value of the Property is at least equal to the annual Base Rental Payments. The City makes no assurances regarding the ability to relet any component of the Property or the amount of rental income to be received in the event that any component of the Property is relet.

Base Rental Payments under the Facilities Sublease, including those allocable to the Corporate Yard, secure on a parity basis the Series 2021 Bonds, Series 2019 Bonds and any Additional Bonds issued pursuant to the Trust Agreement, if any. See the caption “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2021 BONDS—Base Rental Payments.”

Summary of Property

The table below summarizes certain attributes of the Property. No portion of the Property is currently securing lease payments other than those that will be paid in connection with the Series 2021 Bonds and the Series 2019 Bonds.

**CITY OF MORENO VALLEY
DESCRIPTION OF PROPERTY**

<i>Property</i>	<i>Description</i>	<i>Land Area⁽¹⁾</i>	<i>Building Size⁽¹⁾</i>	<i>Location</i>	<i>Asset and Land Value⁽¹⁾</i>
Moreno Beach Substation	115kV to 12kV Distribution Class power substation and all related City-owned improvements	8.75 acres	N/A	Moreno Beach Drive and Cottonwood Avenue	\$10,817,611
Kitching Substation	115kV to 12kV Distribution Class power substation and all related City-owned improvements	1.87 acres	N/A	Kitching Drive and Edwin Road	\$10,965,000
Conference and Recreation Center	Municipal conference and banquet facility; includes 8,200 square foot ballroom with full kitchen, reception patio, outdoor banquet patio, stage with two dressing rooms and video and movie screen; meeting rooms; office space for City’s Parks and Recreation Department	18.64 acres	42,413 square feet	Alessandro Boulevard	\$14,075,840
Corporate Yard	Corporate yard used for Purchasing/Stores, Street Maintenance, Fleet Maintenance and Parks Maintenance services	18.00 acres	57,876 square feet	Perris Boulevard	\$12,906,488
Total					\$48,764,939⁽²⁾

(1) Figures are approximate.

(2) Such amount is greater than the principal amount of the Series 2021 Bonds and the outstanding Series 2019 Bonds.

Attachment: DRAFT Official Statement Moreno Valley 2021 Lease Revenue Bonds (2015 & 2016 Refunding), 4839-8268-0305_4 (5495 :

The estimated value of the Property set forth above is based upon existing conditions. In connection with the issuance of the Series 2021 Bonds, the City will certify that the annual fair rental value of the Property is at least equal to the annual Base Rental Payments.

The City has the right to issue additional bonds and substitute or release all or a portion of the Property subject to certain conditions precedent. See the caption “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2021 BONDS—Substitution, Addition and Removal of Property.”

THE AUTHORITY

The Authority is a public body that is duly organized and existing under the Joint Exercise of Powers Agreement, dated as of October 28, 1997 (the “**JPA Agreement**”), by and between the City and the Community Redevelopment Agency of the City of Moreno Valley (the “**Agency**”), and under the Constitution and laws of the State. The Authority was formed for the purpose of assisting the City in the financing and refinancing of public capital improvements by exercising the powers referred to in the JPA Agreement, including the power to issue bonds to pay the costs of public improvements. Neither the City nor the Agency is responsible for repayment of the obligations of the other. The members of the Board of Directors of the Authority are the members of the City Council of the City. The Authority has no employees and all staff work is done by City staff or by consultants to the Authority. The Authority has acted as a conduit issuer for the City for a variety of financings.

THE CITY

General

The City is located in western Riverside County (the “**County**”), approximately 66 miles east of Los Angeles and 100 miles north of San Diego, California. The City had a population of approximately 209,426 as of January 1, 2021 and covers approximately 51.5 square miles. The City was incorporated on December 3, 1984 and is a general law city operating under a council/manager form of government. Further information concerning the City is set forth below and in Appendix F.

The City had approximately 251 full and part-time employees as of June 30, 2021. City employees are represented by three labor associations, the Moreno Valley City Employees Association (the “**MVCEA**”), which represented approximately 161 employees as of June 30, 2021, the Moreno Valley Management Association (the “**MVMA**”), which represented approximately 68 employees as of June 30, 2021, and the Moreno Valley Confidential Management Employee Association (the “**MVCMEA**”) which represented approximately 6 employees as of June 30, 2021. Relations between the City and the MVCEA, MVMA and MVCMEA are governed by memoranda of understanding that expire on June 30, 2023. A total of approximately 16 management and confidential employees are exempt from collective bargaining. Salaries for exempt employees are set by the City Council. The City has never experienced a strike, slowdown or work stoppage.

The City provides or contracts for many municipal services for its residents, including libraries, parks, recreation, street and storm drain maintenance and electric utility services. The City contracts with the Riverside County Sheriff’s Department for police services and with the County for fire protection services, which services are provided by the California Department of Forestry and Fire Protection. Water and sewer service is provided by Eastern Municipal Water District and Box Springs Mutual Water Company.

Largest Employers

The largest employer located in the City is the March Air Reserve Base, which currently employs approximately 9,600 people, representing approximately 10.08% of the total City employment. March Air Reserve Base is the home to the Air Force Reserve Command’s 4th Air Force Headquarters and the 452nd Air

Mobility Wing, the largest air mobility wing of the 4th Air Force. In addition to multiple units of the Air Force Reserve Command, the base supports the Air Mobility Command, Air Combat Command and Pacific Air Forces, and is home to units from the Army Reserve, Navy Reserve, Marine Corps Reserve and California Air National Guard.

Other large employers in the City include Amazon.com, which currently employs approximately 7,500 employees, the Riverside County Regional Medical Center, which currently employs approximately 3,400 employees, and the Moreno Valley Unified School District, which currently employs approximately 3,100 employees. Based on its close proximity to the counties of Los Angeles, Orange and San Diego, the City serves as a regional logistics and major distribution hub for many large manufacturers and retail companies, including Skechers USA, Inc., Deckers, Walgreen Company, Ross Dress for Less, Inc. and Harbor Freight Tools. Several large companies await completion of or have recently completed construction of distribution sites and fulfillment centers within the City limits, including e-retailer Amazon (NASDAQ symbol: AMZN), Deckers Outdoor Corporation (NASDAQ symbol: DECK), which designs, manufactures and markets Teva, UGG Australia, and other footwear brands, and Aldi, Inc., a European discount grocery retailer chain that has over 8,000 stores worldwide (including over 1,000 stores in the United States).

The table below sets forth the largest employers within the City as of June 30, 2020, the latest date for which such information is available.

**CITY OF MORENO VALLEY
LARGEST EMPLOYERS – FISCAL YEAR 2020**

<i>Employer</i>	<i>Number of Employees</i>	<i>Type of Business</i>
March Air Reserve Base	9,600	Military
Amazon.com, Inc.	7,500	Fulfillment
Riverside University Health Systems Medical Center	3,400	Medical
Moreno Valley Unified School District	3,100	Public Agency
Ross Dress for Less / D D's Discounts	2,400	Distribution
Moreno Valley Mall (excludes major tenants)	1,500	Retail
Kaiser Permanente Community Hospital	1,457	Medical
Skechers USA	1,200	Distribution
Harbor Freight Tools	788	Distribution
Deckers Outdoor	700	Distribution

Source: City of Moreno Valley Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2020.

Government and Administration

The City operates under a council-manager form of government. Councilmembers are elected by district for four-year alternating terms and the Mayor is elected at large. The City Manager, appointed by the City Council, serves as the City's chief administrative officer and is responsible for overseeing the daily operations of City departments and efficient management of all City business. Functions of the City Manager's Office include coordination of the implementation of City Council policies and programs; providing overall direction to the departments that administer City programs and services; coordinating intergovernmental relations and legislative advocacy; and administration of the City's communications, media relations and public information programs.

Mike Lee has served as the City Manager since June 2020. In this capacity he leads the daily operation of City government. Mr. Lee began working for the City in 2015, initially serving as the Community and Economic Development Director before being appointed Interim City Manager in December 2019. Mr. Lee's 25-year career in local government has included senior management positions at the cities of West Covina and Pomona. Mr. Lee has a Bachelor of Science degree in Urban and Regional Planning from

California State Polytechnic University, Pomona, and a Masters in Public Administration degree from the University of LaVerne.

Other key personnel responsible for management of the City include the Assistant City Manager/Chief Financial Officer/City Treasurer, the Treasury Operations Division Manager and the Electric Utility Division Manager. In addition, the City Attorney provides legal services to the City and the Authority.

Brian Mohan serves as the Assistant City Manager, Chief Financial Officer and Treasurer of the City. Mr. Mohan began working for the City in 2017, initially serving as the Financial Resources Division Manager. Mr. Mohan's 24-year career in local government has included senior management positions with the San Bernardino County Employees Retirement Association and the city of Rialto. Mr. Mohan has a Bachelor of Science degree in Business and Administration from California State University, San Bernardino.

Brooke McKinney is the Treasury Operations Division Manager of the City. Mr. McKinney was appointed Treasury Operations Division Manager in April 2002. Mr. McKinney has over 34 years of experience in municipal government and has held a variety of management positions in finance and administration of city and county government. Mr. McKinney has worked in a variety of management positions in the City's Finance Department over the past 19 years, including Revenue Officer, Assistant Treasurer and Treasury Operations Division Manager. Prior to his tenure at the City, Mr. McKinney worked for over 17 years as the Hospital Fiscal Officer at the Riverside County Regional Medical Center. Mr. McKinney holds a Bachelor's Degree in Business Administration from The Master's University in Santa Clarita, California.

Jeannette Olko is the Electric Utility Division Manager of the City. Ms. Olko was appointed the interim Electric Utility Division Manager of the City in July 2010, and the permanent Division Manager in November 2010. Ms. Olko has been working in the electric utility industry for over twenty years managing all utility aspects, including operations, customer billing, rates, power resources and finance. Prior to her tenure at the City, Ms. Olko served the City of Colton as the Electric Utility General Manager for 6 years. Ms. Olko obtained her Master's Degree in Business Administration and Bachelor's Degree from the University of California at Riverside.

Steve Quintanilla, President and owner of the Law Offices of Quintanilla & Associates, has served as contract Interim City Attorney and contract Interim General Legal Counsel for the City's affiliated agencies in 2014-2015, and recently from March 2020 to the present. Mr. Quintanilla has been an attorney for more than 25 years in private practice specializing in municipal law. He graduated with a juris doctorate from the University of California, Los Angeles School of Law.

Risk Management

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The City has established two self-insurance funds to finance uninsured risks of loss up to a maximum of \$300,000 for each workers' compensation claim and \$250,000 for each general liability claim. For workers' compensation, the City participates in the CSAC Excess Insurance Authority, a joint powers authority, for claims in excess of coverage provided by its internal funds up to the statutory requirements. For general liability, the City participates in the Public Entity Risk Management Authority ("PERMA"), a joint powers authority, for claims in excess of coverage provided by its internal funds up to \$50,000,000. Claims have not exceeded the City's insurance coverage in any of the last three years.

The City purchases all-risk, replacement cost value property insurance coverage through PERMA up to a maximum amount of \$100,000,000. All property and improvements at the Property are insured under the City's property insurance coverage. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2021 BONDS—Insurance."

No assurance can be given as to the adequacy of the insurance maintained now or in the future by the City to fund necessary repairs or replacement of any portion of the Property, and the City does not have any obligation under the Facilities Sublease to maintain earthquake coverage or other coverage in the current coverage amounts. Significant damage to any of the Property could cause Base Rental Payments to be abated. See the captions “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2021 BONDS—Abatement” and “RISK FACTORS—Natural Disasters.”

COVID-19 Outbreak

The spread of the novel strains of coronavirus collectively called SARS-CoV-2, which cause the disease known as COVID-19 (“COVID-19”), and local, State and federal actions in response to COVID-19, have impacted the City’s operations and finances. In response to the increasing number of COVID-19 infections and fatalities, health officials and experts recommended, and some governments mandated, a variety of responses ranging from travel bans and social distancing practices to complete shutdowns of certain services and facilities. The World Health Organization has declared the COVID-19 outbreak to be a pandemic and, on March 4, 2020, as part of the State’s response to address the outbreak, the Governor declared a state of emergency. On March 13, 2020, the President declared a national emergency, freeing up funding for federal assistance to state and local governments. Many school districts across the State temporarily closed some or all school campuses (including schools within the City) in response to local and State directives or guidance.

On March 19, 2020, the Governor issued Executive Order N-33-20, a mandatory Statewide shelter-in-place order applicable to all non-essential services. Certain aspects of the shelter-in-place directives were extended indefinitely until indicators for modifying the stay-at-home order were met. The County also declared a state of emergency in response to the COVID-19 outbreak. On May 4, 2020, the Governor issued an executive order informing local health jurisdictions and industry sectors that they could gradually re-open under new modifications and guidance provided by the State. A phased re-opening of various sectors was underway since mid-2020 in accordance with a four-stage re-opening plan that ended with a full reopening of the economy on June 15, 2021. Although pursuant to the re-opening plan certain restrictions on activities were eased, restrictions were also re-imposed in various jurisdictions (including the County) as local conditions warranted, and such restrictions may be renewed as the pandemic continues.

In addition, the Governor extended the deadline to file and pay spring 2020 property taxes for residential and certain commercial property owners and first quarter 2020 sales and use tax returns by 90 days for all but the very largest taxpayers. As a result of the extended deadline to file sales and use tax returns, it is estimated that up to 361,000 California businesses with less than \$5 million in taxable annual sales were permitted to defer up to \$50,000 in sales tax and enter into 12-month payment plans at zero interest. These actions have resulted in delays in the receipt by the City of its portion of such tax payments.

On March 27, 2020, the President signed the \$2.2 trillion Coronavirus Aid, Relief, and Economic Stabilization Act (the “CARES Act”) which provides, among other measures, \$150 billion in financial aid to states, tribal governments and local governments to provide emergency assistance to those most significantly impacted by COVID-19. Under the CARES Act, local governments are eligible for reimbursement of certain costs which were expended to address the impacts of the pandemic. The City received a total reimbursement of \$2,578,550 under the CARES Act. The funds received by the City under the CARES Act are not available for payment of the Series 2021 Bonds and cannot be used to backfill any City revenue losses related to COVID-19.

On December 27, 2020, the President signed the \$900 billion Coronavirus Response and Relief Supplemental Appropriations Act. Although the act did not provide additional financial assistance to state and local governments, it did extend the deadline (to October 2021) for them to use unspent funds that were previously approved under the CARES Act.

On March 11, 2021, the President signed the American Rescue Plan Act of 2021 (the “ARP Act”), a \$1.9 trillion economic stimulus package designed to help the United States’ economy recover from the adverse impacts of the COVID-19 pandemic. The ARP Act includes approximately \$350 billion in aid to state and local governments such as the City, consisting of both direct funding from the United States Department of Treasury and program moneys that will flow from other federal agencies. Half of the aid to state and local governments will be distributed in spring 2021, with the other half following in 2022. The City has been allocated a total of approximately \$48.3 million, of which approximately half was received in spring 2021. This funding is available for a broad range of uses, including responding directly to the health emergency, addressing its negative economic impacts with assistance to households and small businesses, restoring government services that were reduced in response to pandemic-related revenue losses and making certain necessary infrastructure improvements. The City has not yet determined how the ARP Act funds that it has received and expects to receive will ultimately be spent, but planning efforts are underway.

The effects of the COVID-19 outbreak and governmental actions responsive to it have altered the behavior of businesses and people in a manner that has had significant negative impacts on global and local economies. In addition, financial markets in the United States and globally have experienced significant volatility attributed to COVID-19 concerns. Volatility in the financial markets caused the California Public Employees Retirement System’s (“CalPERS”) earnings to fall below its investment targets in Fiscal Year 2020, which could result in increases in the City’s unfunded pension liability and future pension costs commencing in Fiscal Year 2023. See the caption “CITY FINANCIAL INFORMATION—Retirement Contributions.” The outbreak resulted in increased pressure on State finances as budgetary resources were directed towards containing the pandemic and tax revenues sharply declined in early 2020. Identified cases of COVID-19 and deaths attributable to the COVID-19 outbreak continue to occur throughout the United States, including the County.

Potential impacts to the City associated with the COVID-19 outbreak include, but are not limited to, increasing costs and challenges to the public health system in and around the City, cancellations of public events and disruption of the regional and local economy, with corresponding decreases in General Fund revenues, including as a result of reduced sales which are subject to sales taxes, reduced hotel occupancy, which is subject to transient occupancy taxes, fewer business license applications and potential declines in property values. See the captions “CITY FINANCIAL INFORMATION—Sales Taxes,” “CITY FINANCIAL INFORMATION—Property Taxes” and “CITY FINANCIAL INFORMATION—Other Taxes.”

In response to the COVID-19 outbreak, the City declared a Local State of Emergency on March 17, 2020. The declaration empowered a Disaster Council (consisting of the Mayor, City Manager/Director of Emergency Services and Fire Chief) to convene in order to develop proposed responses to the outbreak for City Council consideration. The declaration of the Local State of Emergency enabled the City to streamline, and in certain cases, waive, its procurement procedures in order to ensure that the City is able to purchase supplies and enter into contracts on an expedited basis. The declaration also provided budget flexibility to the City Manager, which has allowed the City to respond to continually changing conditions arising from the pandemic that are difficult to forecast. As discussed in detail below, although the impact of the COVID-19 outbreak on City finances has not been as significant or long-lasting as initially expected, the City Council has extended the Local State of Emergency several times since March 17, 2020 in order to continue to provide City leadership with the flexibility to respond to the effects of the pandemic in a timely manner. City staff expect to continue to recommend that the City Council extend the Local State of Emergency declaration for the foreseeable future.

In addition, the City has modified its operations to implement remote work opportunities for employees and provide City services online, temporarily closed many City facilities to the public, cancelled many programs, rentals and community events and deferred several non-essential capital improvement projects. With improvements in local case rates, the City has phased in the resumption of normal operations and activities while complying with public health orders and California Occupational Safety and Health Administration COVID-19 Prevention Plan mandates. Large gatherings of City personnel at any one time

were prohibited for much of 2020 and early 2021 per health officer orders and on-site personnel wore masks and practiced social distancing while working. City Council and other board meetings occurred via teleconference, and public comment and participation for City Council meetings was also conducted via teleconference and electronic means. The City has not experienced and does not at this time foresee a future negative impact on the execution of City services as a result of the COVID-19 outbreak. The City has worked diligently to provide its employees with personal protective equipment and voluntary access to vaccinations. To date, there has been no evidence of employee-to-employee transmission or contraction of COVID-19 from members of the public in the course of an employee's work. However, there can be no assurance that absences of employees or City leadership due to COVID-19 will not adversely impact City operations.

The COVID-19 outbreak is ongoing, and the duration and severity of the outbreak and the economic and other actions that may be taken by governmental authorities to contain the outbreak or to treat its impact are uncertain. The ultimate impact of COVID-19 on the operations and finances of the City and the General Fund is unknown.

The City reports that Fiscal Year 2019-20 General Fund expenditures were lower than originally budgeted by approximately \$4.2 million (3.9%) as the City implemented measures to reduce expenditures in response to the COVID-19 pandemic in the last quarter of the Fiscal Year. However, Fiscal Year 2019-20 General Fund revenues came in higher than budgeted by approximately \$2.7 million (2.4%) as revenues from taxes, licenses and permits, use of money and property and charges for services were not affected as drastically as originally anticipated. As a result, the overall effect of the COVID-19 outbreak on the General Fund in Fiscal Year 2019-20 was not material. See the caption "CITY FINANCIAL INFORMATION—Budget Procedure, Current Budget and Historical Budget Information."

Fiscal Year 2020-21, as the second year of a two-year budget cycle adopted by the City Council, was developed conservatively, and the budget was amended prior to the beginning of the Fiscal Year to account for the projected impacts of the continuing COVID-19 outbreak. As amended, the Fiscal Year 2020-21 budget reflected: (i) an increase in General Fund expenditures of approximately \$3.8 million (3.7%) above audited Fiscal Year 2019-20 General Fund expenditures; and (ii) a decrease in General Fund revenues of approximately \$5.1 million (4.5%) from audited Fiscal Year 2019-20 General Fund revenues. Based on available information to date, the City is currently estimating that Fiscal Year 2020-21 General Fund expenditures will be approximately \$8.8 million lower than budgeted (and approximately \$5.0 million lower than audited Fiscal Year 2019-20 General Fund expenditures), while Fiscal Year 2020-21 General Fund revenues will be approximately \$15.4 million higher than budgeted (and approximately \$10.2 million higher than Fiscal Year 2019-20 audited General Fund revenues). See the captions "CITY FINANCIAL INFORMATION—General Economic Condition and Outlook of the City" and "CITY FINANCIAL INFORMATION—Budget Procedure, Current Budget and Historical Budget Information."

The City continues to actively monitor General Fund revenues and expenditures so that any further impacts of the COVID-19 pandemic can be anticipated. The City does not currently expect that the COVID-19 outbreak will have a material adverse effect on the City's ability to repay the Series 2021 Bonds.

CITY FINANCIAL INFORMATION

Accounting and Financial Reporting

The City maintains its accounting records in accordance with Generally Accepted Accounting Principles and the standards established by the Governmental Accounting Standards Board ("GASB"). On a quarterly basis, a report is prepared for the City Council and City staff which reviews fiscal performance to date against the budget. Combined financial statements of the City and its component units are produced following the close of each Fiscal Year.

The City Council employs an independent certified public accountant who examines at least annually the financial statements of the City in accordance with generally accepted auditing standards, including tests of the accounting records and other auditing procedures as such accountant considers necessary. As soon as practicable, after the end of the Fiscal Year, a final audit and report is submitted by the independent accountant to the City Council.

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The City's government-wide financial statements are reported using the economic resource measurement focus and the accrual basis of accounting, under which revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

The City's governmental fund (including the General Fund) financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting, under which revenues are recognized as soon as they are both measurable and available (i.e. collectible within the current period or soon enough thereafter to pay liabilities of the current period), and expenditures are recorded when a liability is incurred.

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those that are required to be accounted for in another fund. Base Rental Payments will be paid from any legally available funds of the City, though such payments are expected to be paid from the net revenues of the Electric Utility. Tables 1 through 4 below set forth certain historical and current Fiscal Year budget information for the General Fund. Information on the remaining governmental funds of the City as of June 30, 2020 is set forth in Appendix B.

General Economic Condition and Outlook of the City

Fiscal Policies. In 2017, the City adopted a comprehensive financial reserve policy (the “**Reserve Policy**”) to direct the City's \$306 million in reserves for specific purposes. This policy is anticipated to help maintain the City's financial stability, protect against future economic downturns which bring unpredictable shortfalls in tax revenue and better prepare the City, its residents and its businesses for a catastrophic natural disaster.

The Reserve Policy categorizes the City's reserves into a Cash Flow fund, a Rainy Day fund (also called the Economic Uncertainty Reserve) and an Emergency fund (also called the Operating Reserve). The Cash Flow fund's target level is 17% of General Fund expenses, which allows the City to provide services before the receipt of the City's first tranche of property tax payments (seven months after the start of the Fiscal Year).

The Rainy Day fund's target level is 10% of the City's General Fund, which is intended to ensure that the City has the flexibility to continue to deliver quality services during economic downturns, which can reduce sales and property tax revenues which support the full range of services provided to residents.

The Emergency fund's target level is 12% of the City's General Fund, which is intended to ensure that the City can respond to a catastrophic earthquake, flood, fire or other disaster. The fund also provides a financial buffer in the event that the City is forced to wait for receipt of federal disaster relief funds.

The amounts that are currently held in the Cash Flow, Rainy Day and Emergency funds meet the above-described target levels. The City has not applied any of its reserves to cover funding shortfalls during the COVID-19 pandemic.

Strategic Plan. In 2016, after soliciting significant public input via public meetings, online surveys and other community outreach efforts, the City adopted a strategic plan, known as “Momentum MoVal.” Momentum MoVal aligns the City’s resources and creative energy toward meeting six objectives identified by community stakeholders and approved by elected leaders. Momentum MoVal was intended to govern the first five years after adoption while allowing the City Council to adjust priorities as needed to address emerging issues.

Momentum MoVal identified the following City priorities:

- *Economic Development*, including attracting new businesses to the City, creating jobs, entering into strategic partnerships and developing the City’s workforce.
- *Public Safety*, including reducing crime, preparing for emergencies and exploring cost-effective solutions.
- *Library*, including both traditional and virtual methods of delivering services to residents.
- *Infrastructure*, including managing infrastructure and exploring cost-effective solutions to maintaining existing assets.
- *Beautification, Community Engagement and Quality of Life*, including caring for the environment and providing cultural and recreational opportunities.
- *Youth Programs*, including expanding healthy lifestyle choices and learning opportunities.

Momentum MoVal also sets forth detailed means of achieving the above objectives, as well the timeline to undertake each task.

The City continues to focus on the priorities established through Momentum MoVal and, during the most recent and future budgeting cycles, projects will be identified with these priorities in mind.

Summary of General Fund Results and Budgets. As of June 30, 2021, based on unaudited information that is available to date, the General Fund had a year-end surplus (revenues in excess of expenditures) of approximately \$25.2 million (exclusive of interfund transfers), which was more than the year-end surplus of \$1.0 million that was projected in the Fiscal Year 2020-21 General Fund budget. The budget surplus was the result of renewed economic activity during the second half of Fiscal Year 2021 as the COVID-19 outbreak that is discussed under the caption “THE CITY—COVID-19 Outbreak” waned in the City’s region.

For Fiscal Year 2021-22, the adopted General Fund operating budget projects revenues of \$118.5 million, which is approximately \$5.5 million (4.5%) below actual Fiscal Year 2020-21 revenues. The adopted Fiscal Year 2021-22 General Fund operating budget projects expenditures of \$114.6 million (excluding transfers out), which is approximately \$15.7 million (15.9%) above actual Fiscal Year 2020-21 expenditures.

For Fiscal Year 2022-23, the adopted General Fund operating budget projects revenues of \$124.5 million, which is approximately \$6 million (5.1%) above budgeted Fiscal Year 2021-22 revenues. The adopted Fiscal Year 2022-23 General Fund operating budget projects expenditures of \$124.5 million, which is approximately \$6 million (5.1%) above budgeted Fiscal Year 2021-22 expenditures.

See the caption “—Budget Procedure, Current Budget and Historical Budget Information” for additional information relating to the adopted budget for Fiscal Years 2021-22 and 2022-23.

Budget Procedure, Current Budget and Historical Budget Information

Budget Timeline. The City currently operates on a two-year operating budget cycle. The current budget was approved on May 4, 2021 and governs the period beginning on July 1, 2021 for Fiscal Years 2021-22 and 2022-23. The budget includes all funding sources of the City, including the General Fund, Community Services District and the Successor Agency of the former Redevelopment Agency. The City’s budget process is described below.

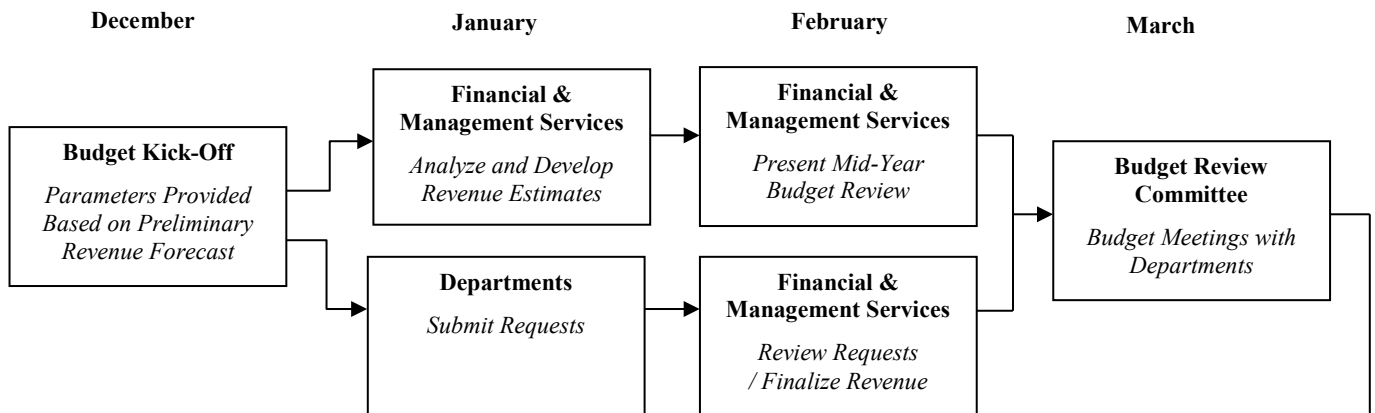
At such time as the City Manager determines, each department head must furnish to the City Manager an estimate of revenues and expenditures for the applicable department for the ensuing two Fiscal Years, detailed in such manner as may be prescribed by the City Manager. In preparing the proposed budget, the City Manager reviews the estimates, holds conferences regarding the estimates with the respective department heads and revises the estimates as the City Manager deems advisable. The City Council has directed staff to develop a balanced budget.

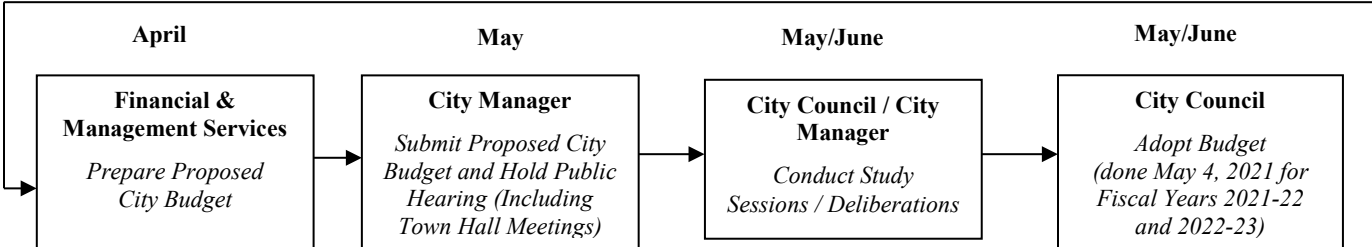
Prior to June 30 of every second Fiscal Year, the City Manager submits to the City Council a proposed budget for the two year period commencing the following July 1. The budget includes proposed expenditures and the means of financing them. Prior to June 30 of the applicable Fiscal Year, public hearings are conducted to obtain public comments and the budget is legally enacted through the passage of a resolution. The budget is subject to amendment throughout the two year period to reflect actual financial performance.

From the effective date of the budget, the amounts stated as proposed expenditures become appropriated to the several departments, offices and agencies for the objects and purposes named. The City Manager is authorized to transfer budgeted amounts between line items within a department or activity, and between departments and programs within the same fund, provided that the total appropriation does not exceed the budgeted amount. All other transfers or amendments require City Council approval. The City Manager and affected department heads are mutually responsible for controlling expenditures within budgeted appropriations. All appropriations lapse at the end of the Fiscal Year to the extent that they have not been expended or lawfully encumbered. At a public meeting after the adoption of the budget the City Council may amend or supplement the budget by motion adopted by three affirmative votes of members of the City Council. Following the end of the first Fiscal Year of the two-year budget cycle, the City Manager proposes interim changes, if any, to the City Council in July of such Fiscal Year.

A summary of the actions taken during the budgetary process is set forth below:

**CITY OF MORENO VALLEY
BUDGET PROCESS**





Source: City.

The City conducts its annual financial audit between August and November each year, and such audit is typically accepted by the City Council by December of such year. In recognition of its financial reporting excellence, the Government Finance Officers Association of the United States and Canada has awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for over 20 consecutive years.

Current Budget. For Fiscal Year 2021-22, the adopted General Fund operating budget projects revenues of \$118.5 million, which is approximately \$5.5 million (4.5%) below actual Fiscal Year 2020-21 revenues. The adopted Fiscal Year 2021-22 General Fund operating budget projects expenditures of \$114.6 million (excluding transfers out), which is approximately \$15.7 million (15.9%) above actual Fiscal Year 2020-21 expenditures.

For Fiscal Year 2022-23, the adopted General Fund operating budget projects revenues of \$124.5 million, which is approximately \$6 million (5.1%) above budgeted Fiscal Year 2021-22 revenues. The adopted Fiscal Year 2022-23 General Fund operating budget projects expenditures of \$124.5 million (including transfers out), which is approximately \$6 million (5.1%) above budgeted Fiscal Year 2021-22 expenditures.

The General Fund operating budget for Fiscal Years 2021-22 and 2022-23 reflects the following significant assumptions: (a) the City will not hire any additional employees; (b) assessed valuations of property will increase by 8.9% and 6.2% in Fiscal Years 2021-22 and 2022-23, respectively; (c) sales tax revenues will increase by 5.7% and 3.5% (before adjustments) in Fiscal Years 2021-22 and 2022-23, respectively; (d) utility taxes will remain relatively flat compared to Fiscal Year 2020-21 amounts; (e) transient occupancy tax revenues will increase 34% and 11% in Fiscal Years 2021-22 and 2022-23, respectively, given the construction of new hotels within the City; and (f) miscellaneous revenues, including fees for services, licenses and permits and fines and forfeitures, are conservatively estimated to decrease by 11.1% in Fiscal Year 2021-22 compared to audited Fiscal Year 2019-20 amounts.

Attachment: DRAFT Official Statement Moreno Valley 2021 Lease Revenue Bonds (2015 & 2016 Refunding), 4839-8268-0305_4 (5495 :

Set forth in Table 1 are recent General Fund budgets and results of the City, excluding transfers in and out. During the course of each Fiscal Year, the budget is amended and revised as necessary by the City Council.

**TABLE 1
CITY OF MORENO VALLEY
GENERAL FUND BUDGETS AND RESULTS**

	<i>Fiscal Year 2017-18 Final Budget</i>	<i>Fiscal Year 2017-18 Audited Results</i>	<i>Fiscal Year 2018-19 Final Budget</i>	<i>Fiscal Year 2018-19 Audited Results</i>	<i>Fiscal Year 2019-20 Final Budget</i>	<i>Fiscal Year 2019-20 Audited Results</i>	<i>Fiscal Year 2020-21 Final Budget</i>	<i>Fiscal Year 2020-21 Unaudited Results</i>	<i>Fiscal Year 2021-22 Adopted Budget</i>
Revenues									
Property Taxes	\$ 13,930,000	\$ 14,696,576	\$ 14,704,000	\$ 15,623,696	\$ 16,208,300	\$ 17,217,684	\$ 16,637,300	\$ 18,432,636	\$ 18,026,000
Property Taxes in lieu ⁽¹⁾	18,300,000	18,406,258	19,600,000	19,577,636	20,730,000	21,232,068	21,290,000	22,738,372	23,855,000
Utility Taxes	16,200,000	15,629,102	16,000,000	15,483,806	15,617,540	15,499,534	15,717,540	16,275,808	15,717,540
Sales Taxes	18,275,000	19,192,515	19,918,810	21,208,442	16,376,010	20,498,386	17,924,103	28,523,710 ⁽⁵⁾	22,225,000
Other Taxes ⁽²⁾	12,262,037	11,764,029	12,599,000	12,303,492	11,728,787	12,970,014	12,627,832	15,018,631	15,233,780
Licenses & Permits	3,400,277	3,020,868	4,717,072	3,468,511	5,197,135	3,843,038	5,173,535	4,193,378	5,363,130
Intergovernmental	930,827	965,854	684,061	722,703	336,480	536,799	3,016,243	3,145,436	418,220
Charges for Services	12,770,824	13,673,162	13,137,033	13,650,496	11,859,947	11,947,306	11,400,533	12,516,707	12,531,980
Use of Money & Property	6,171,858	4,914,487	4,222,858	7,195,588	4,970,806	9,048,856	4,413,853	1,560,122	4,466,850
Fines & Forfeitures	662,050	612,357	662,050	729,939	449,500	573,901	301,343	764,279	499,500
Miscellaneous	97,197	250,155	69,647	223,303	172,336	416,775	165,600	864,339	166,000
Total Revenues	\$ 103,000,070	\$ 103,125,363	\$ 106,314,531	\$ 110,187,612	\$ 103,646,841	\$ 113,784,361	\$ 108,667,882	\$ 124,033,418	\$ 118,503,000
Expenditures									
Personnel Services	\$ 19,930,362	\$ 21,317,221	\$ 22,223,524	\$ 22,566,192	\$ 24,916,106	\$ 27,238,552	\$ 23,092,443	\$ 21,039,318	\$ 24,444,900
Contractual Services	67,304,151	63,611,354	71,242,099 ⁽³⁾	64,236,360	70,407,080	67,759,976	75,326,625	69,416,701	82,714,890
Materials & Supplies	5,784,998	4,476,098	5,421,077	2,895,779	5,771,579	3,249,489	4,252,613	3,052,290	1,240,580
Fixed Charges	6,176,169	5,961,968	5,909,611	5,631,501	4,934,911	5,540,701	4,934,910	5,282,096	6,166,820
Fixed Assets	366,678	243,806	74,680	-	355,878	64,888	57,546	48,944	-
Total Expenditures	\$ 99,562,358	\$ 95,610,447	\$ 104,870,991	\$ 95,329,832	\$ 106,385,554	\$ 103,853,606	\$ 107,664,137	\$ 98,839,349	\$ 114,567,200
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 3,437,712	\$ 7,514,916	\$ 1,443,540	\$ 14,857,780	\$ (2,738,713)⁽⁴⁾	\$ 9,930,755	\$ 1,003,745	\$ 25,194,069	\$ 3,935,800

(1) See the caption “—State of California Motor Vehicle In-Lieu Payments.”
 (2) Includes franchise fees, business license fees and transient occupancy tax revenues. See the caption “—Other Taxes.”
 (3) The increase in contractual services primarily reflects increased budgeted costs related to cannabis services, fire services and police protection services.
 (4) The budgeted deficiency in Fiscal Year 2019-20 reflected conservative budgeting and the anticipation that City reserves would be used to balance the budget in light of the COVID-19 outbreak.
 (5) Increase reflects restructured ownership of certain fulfillment centers and logistics warehouses in the City, as a result of which sales tax revenues were delivered directly to the City rather than to the County sales tax pool in Fiscal Year 2020-21. The City notes that the delivery of such revenues directly to the City may not recur in future Fiscal Years and believes that it is prudent to defer a portion of these revenues as a conservative budgeting measure. For these reasons, the City expects that final audited Fiscal Year 2020-21 sales tax revenues amounts will be lower than shown in the table.

Sources: Adopted budgets of the City for Fiscal Years 2017-18 through 2021-22; audited financial statements of the City for Fiscal Years 2017-18 through 2019-20; City for Fiscal Years 2020-21 and 2021-22.

Change in Fund Balance of the City General Fund

Set forth in Table 2 are the City's General Fund statements of revenues, expenditures and changes in fund balance for the last five Fiscal Years.

TABLE 2
CITY OF MORENO VALLEY
GENERAL FUND STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

	<i>Fiscal Year Ended June 30,</i>				
	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021⁽¹⁾</i>
Revenues					
Taxes					
Property Taxes	\$ 13,593,075	\$ 14,696,576	\$ 15,623,696	\$ 17,217,684	\$ 18,432,636
Property Taxes in lieu ⁽²⁾	17,430,250	18,406,258	19,577,636	21,232,068	22,738,372
Utility Taxes	15,613,484	15,629,102	15,483,806	15,499,534	16,275,808
Sales Taxes	18,395,442	19,192,515	21,208,442	20,498,386	28,523,710 ⁽⁴⁾
Other Taxes ⁽³⁾	10,537,023	11,764,029	12,303,492	12,970,014	15,018,631
Licenses & Permits	2,860,486	3,020,868	3,468,511	3,843,038	4,193,378
Intergovernmental	548,813	965,854	722,703	536,799	3,145,436
Charges for Services	11,235,601	13,673,162	13,650,496	11,947,306	12,516,707
Use of Money & Property	1,495,992	4,914,487	7,195,588	9,048,856	1,560,122
Fines & Forfeitures	588,449	612,357	729,939	573,901	764,279
Miscellaneous	241,368	250,155	223,303	416,775	864,339
Total Revenues	<u>\$ 92,539,983</u>	<u>\$103,125,363</u>	<u>\$110,187,612</u>	<u>\$113,784,361</u>	<u>\$124,033,418</u>
Expenditures					
Current					
General Government	\$ 16,138,505	\$ 14,885,630	\$ 15,109,570	\$ 18,262,308	\$ 15,921,654
Public Safety	55,989,631	61,170,062	60,540,145	63,893,676	64,055,602
Community Development	6,581,760	10,280,985	11,402,636	11,931,934	10,124,249
Public Works	5,505,869	5,874,494	6,666,003	7,817,557	6,585,434
Capital Outlay	2,685,494	3,399,276	1,611,478	1,948,131	2,152,410
Total Expenditures	<u>\$ 86,901,259</u>	<u>\$ 95,610,447</u>	<u>\$ 95,329,832</u>	<u>\$103,853,606</u>	<u>\$ 98,839,349</u>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	<u>\$ 5,638,724</u>	<u>\$ 7,514,916</u>	<u>\$ 14,857,780</u>	<u>\$ 9,930,755</u>	<u>\$ 25,194,069</u>
Other Financing Sources (Uses)					
Transfers In	\$ 2,547,650	\$ 3,712,478	\$ 2,103,241	\$ 217,760	\$ 753,216
Transfers Out	<u>(3,176,672)</u>	<u>(11,673,178)</u>	<u>(6,949,286)</u>	<u>(5,411,389)</u>	<u>(4,820,216)</u>
Total Other Financing Sources (Uses)	<u>\$ (629,022)</u>	<u>\$ (7,924,700)</u>	<u>\$ (4,846,045)</u>	<u>\$ (5,193,629)</u>	<u>\$ (4,067,000)</u>
Net Change in Fund Balances	<u>\$ 5,009,702</u>	<u>\$ (409,784)</u>	<u>\$ 10,011,735</u>	<u>\$ 4,737,126</u>	<u>\$ 21,127,069</u>
Fund Balances, Beginning of Year	<u>\$ 51,122,035</u>	<u>\$ 56,131,738</u>	<u>\$ 55,721,954</u>	<u>\$ 65,733,689</u>	<u>\$ 70,470,815</u>
Fund Balances, End of Year	<u>\$ 56,131,737</u>	<u>\$ 55,721,954</u>	<u>\$ 65,733,689</u>	<u>\$ 70,470,815</u>	<u>\$ 91,597,884</u>

(1) Reflects unaudited actual results based on available information to date. Subject to change.

(2) See the caption "—State of California Motor Vehicle In-Lieu Payments."

(3) Includes franchise fees, business license fees and transient occupancy tax revenues. See the caption "—Other Taxes."

(4) Increase reflects restructured ownership of certain fulfillment centers and logistics warehouses in the City, as a result of which sales tax revenues were delivered directly to the City rather than to the County sales tax pool in Fiscal Year 2020-21. The City notes that the delivery of such revenues directly to the City may not recur in future Fiscal Years and believes that it is prudent to defer a portion of these revenues as a conservative budgeting measure. For these reasons, the City expects that final audited Fiscal Year 2020-21 sales tax revenues amounts will be lower than shown in the table.

Sources: Audited financial statements of the City for Fiscal Years 2016-17 through 2019-20; City for Fiscal Year 2020-21.

General Fund Balance Sheets of the City

Set forth in Table 3 are the City's General Fund balance sheets for the last five Fiscal Years.

TABLE 3
CITY OF MORENO VALLEY
GENERAL FUND BALANCE SHEETS

	<i>Fiscal Year Ended June 30,</i>				
	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021⁽¹⁾</i>
Assets					
Pooled Cash and Investments	\$ 59,667,770	\$ 61,538,811	\$ 64,534,397	\$ 68,767,430	\$ 70,272,457
Receivables					
Accounts	2,126,501	2,147,268	2,081,202	2,207,456	2,422,637
Notes to Successor Agency	14,042,341	13,279,341	12,516,341	11,753,341	10,990,341
Interest	573,221	957,808	1,160,418	991,399	661,485
Other	-	-	-	7,336	7,336
Prepaid Costs	221,555	197,263	339,973	409,162	475,360
Due from Other Governments	4,632,696	4,900,166	5,608,118	4,873,657	6,238,761
Due from Other Funds	5,097,520	1,567,361	1,867,562	2,966,880	28,335,655
Advances to Other Funds	4,390,500	4,809,000	4,400,000	4,700,000	5,050,000
Land Held for Resale	-	2,860,044	2,860,044	2,860,044	2,856,471
Total Assets	<u>\$ 90,752,104</u>	<u>\$ 92,257,062</u>	<u>\$ 95,368,055</u>	<u>\$ 99,536,705</u>	<u>\$ 127,310,503</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts Payable	\$ 21,189,864	\$ 22,614,012	\$ 16,492,002	\$ 10,751,549	\$ 11,650,079
Accrued Liabilities	1,474,388	1,138,299	1,438,182	3,235,422	1,326,556
Deposit Payable	-	-	-	-	7,348,471
Unearned Revenues	899,810	1,149,339	643,741	432,970	623,312
Due to Other Governments	5,894	26,380	1,557	4,742,713	4,341,208
Total Liabilities	<u>\$ 23,569,956</u>	<u>\$ 24,928,030</u>	<u>\$ 18,575,482</u>	<u>\$ 19,162,654</u>	<u>\$ 25,289,626</u>
Deferred Inflows of Resources					
Unavailable Revenues	\$ 11,050,411	\$ 11,607,078	\$ 11,058,884	\$ 9,903,236	\$ 10,199,923
Total Deferred Inflows of Resources	<u>\$ 11,050,411</u>	<u>\$ 11,607,078</u>	<u>\$ 11,058,884</u>	<u>\$ 9,903,236</u>	<u>\$ 10,199,923</u>
Fund Balances					
Nonspendable					
Prepaid Costs	\$ 221,555	\$ 197,263	\$ 339,973	\$ 416,498	\$ 475,360
Land Held for Resale	-	2,860,044	2,860,044	2,860,044	2,856,471
Notes to Successor Agency	3,783,003	3,578,367	3,373,731	3,169,095	3,169,095
Advances to Other Funds	4,390,500	4,809,000	4,400,000	4,700,000	5,050,000
Committed to					
Revolving Line of Credit	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000
Maintenance of Pedestrian Bridge	167,954	180,763	195,276	195,276	225,234
Operating Reserve ⁽²⁾	10,591,737	11,063,331	13,392,552	13,392,552	13,392,552
Assigned to					
Economic Uncertainty Reserve ⁽³⁾	8,826,447	9,219,443	11,160,460	11,160,460	11,160,460
Continuing Appropriations	1,180,748	1,523,491	4,454,344	1,480,786	1,640,622
GASB 31	-	-	818,768	4,854,105	2,263,612
Unassigned	24,369,793	19,690,252	22,138,541	25,641,999	48,987,548
Total Fund Balances	<u>\$ 56,131,737</u>	<u>\$ 55,721,954</u>	<u>\$ 65,733,689</u>	<u>\$ 70,470,815</u>	<u>\$ 91,820,954</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 90,752,104</u>	<u>\$ 92,257,062</u>	<u>\$ 95,368,055</u>	<u>\$ 99,536,705</u>	<u>\$ 127,310,503</u>

⁽¹⁾ Reflects unaudited actual results based on available information to date. Subject to change.

⁽²⁾ Also referred to in the Reserve Policy as the Emergency fund. See the caption "—General Economic Condition and Outlook of the City—Fiscal Policies."

⁽³⁾ Also referred to in the Reserve Policy as the Rainy Day fund. See the caption "—General Economic Condition and Outlook of the City—Fiscal Policies."

Sources: Audited financial statements of the City for Fiscal Years 2016-17 through 2019-20; City for Fiscal Year 2020-21.

Property Taxes

Property tax receipts of \$17,217,684 (excluding motor vehicle license fee in-lieu payments, which are discussed under the caption “—State of California Motor Vehicle In-Lieu Payments”), provided the third largest tax revenue source of the City in Fiscal Year 2019-20, contributing approximately 19.69% of General Fund tax revenues and approximately 15.13% of total General Fund revenues during Fiscal Year 2019-20.

The City’s Fiscal Year 2020-21 budget reflected the receipt of \$16,637,300 in property tax revenues, approximately 2.6% higher than the Fiscal Year 2019-20 budgeted amount. However, based on available information to date, the City currently estimates that actual Fiscal Year 2020-21 property tax receipts will be \$18,432,636.

Property in the State which is subject to *ad valorem* taxes is classified as “secured” or “unsecured.” The secured classification includes property on which any property tax levied by a county becomes a lien on that property. A tax that is levied on unsecured property may become a lien on certain other property owned by the taxpayer. Every tax which becomes a lien on secured property has priority over all other liens arising pursuant to State law on the secured property, regardless of the time of the creation of other liens.

The exclusive means of compelling the payment of delinquent taxes with respect to secured property is the sale of the property securing the taxes for the amount of taxes that are delinquent. The taxing authority has three methods of collecting unsecured personal property taxes: (1) filing a civil action against the taxpayer; (2) obtaining a judgment lien on certain property of the taxpayer from the county clerk or county recorder; and (3) seizing and selling personal property, improvements or possessory interests belonging or taxable to the assessee.

A 10% penalty is added to delinquent taxes which have been levied with respect to property on the secured roll. In addition, beginning on the July 1 following a delinquency, interest begins accruing at the rate of 1.5% per month on the amount delinquent. If taxes are unpaid for a period of five years or more, the property is deeded to the State and then is subject to sale by the county tax collector. A 10% penalty also applies to the delinquent taxes or property on the unsecured roll, and further, an additional penalty of 1.5% per month accrues with respect to such taxes beginning on the varying dates related to the tax billing date.

In an attempt to mitigate the effects of the COVID-19 pandemic on State property taxpayers, on May 6, 2020, the Governor signed Executive Order N-61-20 (“**Order N-61-20**”). Under Order N-61-20, certain provisions of the State Revenue and Taxation Code were suspended until May 6, 2021 to the extent that they required a tax collector to impose penalties, costs or interest for the failure to pay secured or unsecured property taxes, or to pay a supplemental bill, before the date that such taxes become delinquent. Such penalties, costs and interest were cancelled under the conditions provided for in Order N-61-20, including if the property was residential real property occupied by the taxpayer or qualified as a small business under certain State laws, the taxes were not delinquent prior to March 4, 2020, the taxpayer filed a claim for relief with the tax collector and the taxpayer demonstrates economic hardship or other circumstances that have arisen due to the COVID-19 pandemic or due to a local, state, or federal governmental response thereto. See the caption “THE CITY—COVID-19 Outbreak.” These actions prevented the City from receiving penalties and interest on delinquent property tax payments in 2020 and 2021, but did not have a material impact on total property tax revenues received by the City during such period.

State law also provides for the supplemental assignment and taxation of property as of the occurrence of a change in ownership or completion of new construction. Collection of taxes based on supplemental assessments occurs throughout the year. Taxes due are prorated according to the amount of time remaining in the tax year.

See the caption “RISK FACTORS—Split Roll Initiative” for a discussion of an initiative that appeared on the November 2020 Statewide ballot which sought to amend provisions of State law relating to property taxes, including the provisions that are discussed above.

For a number of years, the State Legislature shifted property taxes from cities, counties and special districts to the Educational Revenue Augmentation Fund (“ERAF”). In Fiscal Years 1993 and 1994, in response to serious budgetary shortfalls, the State Legislature and administration permanently redirected over \$3 billion of property taxes from cities, counties, and special districts to schools and community college districts pursuant to ERAF shifts. The Fiscal Year 2004-05 State Budget included an additional \$1.3 billion shift of property taxes from certain local agencies, including the City, in Fiscal Years 2004-05 and 2005-06.

On July 27, 2009, the Governor signed a revised Fiscal Year 2010 State budget that included an ERAF shift of approximately 8% of 1% *ad valorem* property tax revenues from certain local agencies, including the City.

On November 2, 2010, State voters approved Proposition 22, which: (i) prohibits the State of California from shifting or delaying the distribution of funds from special districts to schools and community colleges; (ii) eliminates the authority to shift property taxes temporarily during a severe financial hardship of the State; and (iii) restricts the State’s authority to use fuel tax revenues to pay debt service on transportation bonds, to borrow or change the distribution of fuel tax revenues or to use vehicle license fee revenues to reimburse local governments for state-mandated costs.

Despite the passage of Proposition 22, there can be no assurance that 1% *ad valorem* property tax revenues which the City currently expects to receive will not be temporarily shifted from the City or reduced pursuant to State legislation enacted in the future, including in response to State budget deficits in the wake of the COVID-19 pandemic. See the caption “STATE OF CALIFORNIA BUDGET INFORMATION.” If the property tax formula is permanently changed in the future, it could have a material adverse effect on the receipt of its share of 1% property tax revenues by the City.

Set forth in Table 4 are the secured and unsecured assessed valuations for property in the City for the last five Fiscal Years.

**TABLE 4
CITY OF MORENO VALLEY
ASSESSED VALUATION HISTORY⁽¹⁾**

<i>Fiscal Year</i>	<i>Secured Value</i>	<i>Unsecured Value</i>	<i>Total Assessed Value</i>	<i>Less Exemptions</i>	<i>Taxable Assessed Value</i>	<i>Direct Tax Rate</i>
2017	\$13,703,128	\$609,642	\$14,312,770	\$(265,286)	\$14,047,484	0.00172%
2018	14,517,849	584,791	15,102,640	(273,025)	14,829,615	0.00169
2019	15,490,166	637,631	16,127,798	(360,916)	15,766,881	0.00166
2020	16,780,625	718,741	17,499,366	(494,977)	17,004,389	0.00162
2021	17,993,472	744,145	18,737,617	(396,784)	18,340,823	0.00160

⁽¹⁾ Figures are in thousands of dollars.

Sources: Comprehensive Annual Financial Report of the City for Fiscal Year Ended June 30, 2020; County Assessor’s Office.

Set forth in Table 5 are property tax collections (including amounts that do not constitute General Fund moneys) and delinquencies in the City as of June 30 for the last five Fiscal Years. Although the County has not formally adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (known as the Teeter Plan), as provided for in Section 4701 *et seq.* of the Revenue and Taxation Code of the State, under a longstanding County policy, the County Auditor-Controller distributes 100% of property tax revenues allocated to each city in the County without regard to delinquencies in the payment of property taxes. As a result of this allocation method, the City receives no adjustments for redemption

payments on delinquent collections. The City does receive supplemental taxes. There can be no assurance that the County Auditor-Controller will not change its policies with respect to delinquencies in property tax payments in the future.

TABLE 5
CITY OF MORENO VALLEY
PROPERTY TAX LEVIES AND COLLECTIONS

<i>Fiscal Year</i>	<i>Total Tax Levy</i>	<i>Collections within the Fiscal Year of Levy⁽¹⁾</i>	<i>Percent of Levy Collected within the Fiscal Year of Levy</i>	<i>Collections in Subsequent Years</i>	<i>Percent of Levy Collected to Date</i>
2016	\$27,643,578	\$27,249,232	98.57%	\$394,345	100.00%
2017	28,476,155	28,270,448	99.28	205,707	100.00
2018	29,595,157	29,425,906	99.43	169,250	100.00
2019	30,459,787	30,334,346	99.59	125,440	100.00
2020	31,609,650	31,609,650	100.00	-	100.00

⁽¹⁾ The amounts shown in this column reflect all property tax collections of the City, including non-General Fund moneys. See Table 2 under the caption “—Change in Fund Balance of the City General Fund” for historic General Fund property tax revenues alone.

Source: Comprehensive Annual Financial Report of the City for Fiscal Year Ended June 30, 2020.

Information with respect to the ten largest property taxpayers in the City as shown on the Fiscal Year 2020-21 tax roll is set forth in Table 6.

TABLE 6
CITY OF MORENO VALLEY
TEN LARGEST PROPERTY TAXPAYERS

<i>Taxpayer</i>	<i>2021 Taxable Assessed Valuation</i>	<i>% of Total Assessed Valuation⁽¹⁾</i>
First Industrial LP ⁽²⁾	\$ 259,943,079	1.48%
TGA Centerpointe LLC ⁽²⁾	259,182,000	1.47
Duke Realty LP ⁽²⁾	257,816,612	1.47
Prologis	205,233,449	1.17
Breit MF Day Street LLC	168,633,887	0.96
Skechers USA, Inc.	163,966,169	0.93
Prologis Targeted US Logistics Fund	148,595,471	0.84
Ross Dress for Less, Inc.	145,842,276	0.83
FR California Moreno Valley	127,943,090	0.73
FR California Indian Avenue	121,662,713	0.69
TOTAL	\$ 1,858,818,746	10.56%

⁽¹⁾ Fiscal Year 2020-21 total taxable assessed value: approximately \$17,597,632,130.

⁽²⁾ Each of these taxpayers have filed property tax assessment appeals with the County. The City is unable to determine the likelihood of success of such appeals or the magnitude of reductions in property tax assessments as a result of successful appeals, if any.

Source: HdL Coren & Cone.

Sales Taxes

Sales tax receipts of \$20,498,386 provided the second largest tax revenue source for the City in Fiscal Year 2019-20, contributing approximately 23.44% of General Fund tax revenues and approximately 18.02% of

total General Fund revenues during Fiscal Year 2019-20. Automobile sales at the Moreno Valley Auto Mall and business activity at fulfillment centers and logistics warehouses throughout the City contribute significantly to such receipts.

A sales tax is imposed on retail sales or consumption of personal property and collected and distributed by the California Department of Tax and Fee Administration (the “CDTFA”). The basic sales tax rate is established by the State Legislature, and local overrides may be approved by voters. The current sales tax rate in the City is 7.75%.

As discussed under the caption “THE CITY—COVID-19 Outbreak,” the Governor extended the deadline to file and pay first quarter sales and use tax returns by 90 days for all but the very largest taxpayers, and up to 361,000 California businesses with less than \$5 million in taxable annual sales will be allowed to defer up to \$50,000 in sales tax and enter into 12-month payment plans at zero interest. These actions resulted in delays in the receipt by the City of its portion of such tax payments.

Additional information relating to sales tax receipts by the City is set forth in Appendix F.

The City Council has placed a measure on the November 2, 2021 ballot to increase the sales tax rate in the City from 7.75% to 8.75%, with no sunset provision. This rate would match the sales tax rate in certain neighboring cities. If the increase in the sales tax rate is approved by City voters, the additional sales tax proceeds, which are currently estimated at approximately \$20 million per year, would be applied to a variety of general purposes, including public safety, infrastructure and transportation. There can be no assurance that City voters will approve the increase in the sales tax rate, and the City’s Fiscal Year 2021-22 budget does not reflect the receipt of any additional sales tax proceeds arising from an increase in the sales tax rate.

Utility Taxes

Utility tax receipts of \$15,499,534 provided the fourth largest tax revenue source for the City in Fiscal Year 2019-20, contributing approximately 17.73% of General Fund tax revenues and approximately 13.62% of total General Fund revenues during Fiscal Year 2019-20. The utility tax is imposed upon utility users in the City, including users of electricity, gas, telephone, mobile telephone and water services, at the rate of 5.75%. Exemptions are available for low-income residents. Proceeds of the utility tax are used to fund police, fire, library, school crossing guard, animal control, code enforcement and street maintenance programs and other activities funded by the General Fund.

The City notes that the utility tax does not have a sunset provision and has been a stable revenue source which has enabled the City to manage its finances during economic downturns that negatively affected other tax revenue sources, including the 2008-09 financial crisis and the pandemic-induced recession in 2020.

Other Taxes

Other tax receipts of \$12,970,014 collected by the City in Fiscal Year 2019-20, including but not limited to transient occupancy taxes, business license taxes, franchise fees and property transfer taxes, provided approximately 14.83% of General Fund tax revenues and 11.40% of total General Fund revenues during Fiscal Year 2019-20. Transient occupancy tax revenues and business license tax revenues were not materially different in Fiscal Year 2019-20 from the prior Fiscal Year, despite the outbreak of COVID-19 in the last quarter of Fiscal Year 2019-20. Revenues from such sources increased in Fiscal Year 2020-21, based on unaudited actual results, even as the pandemic continued.

The City anticipates the construction of two new hotels within the City by the end of Fiscal Year 2023. The City expects that the opening of such hotels will contribute to increases of 34% and 11% in transient occupancy tax revenues in Fiscal Years 2021-22 and 2022-23, respectively.

On November 6, 2018, City voters approved Measure M, a tax on commercial cannabis activity at the rate of 10% of the sales price (excluding excise taxes) of cannabis products. The City has made 42 cannabis business permits available, of which 6 are currently in use. The City estimates that Measure M is generating approximately \$35,000 per month in tax revenues. The amount of Measure M tax revenues collected in Fiscal Year 2020-21, based on unaudited actual results to date, was approximately \$1.3 million.

Services

Fees of \$26,366,675 collected for services provided by the City in Fiscal Year 2019-20, including but not limited to fees for plan checks and other planning services, issuance of building permits, police services, and public works projects, provided approximately 23.17% of General Fund revenues during Fiscal Year 2019-20. Such amounts reflect the sum of the “Licenses & Permits,” “Intergovernmental,” “Charges for Services,” “Use of Money and Property,” “Fines & Forfeitures” and “Miscellaneous” line items shown in Tables 1 and 2 above.

The City notes that most recreation programs were cancelled in 2020 as a result of the COVID-19 outbreak, resulting in reduced fees and other revenues from such programs. However, the City, with some modifications, has provided development services throughout the pandemic and revenues from these services were not materially different from prior years.

State of California Motor Vehicle In-Lieu Payments

The State imposes a Vehicle License Fee (the “VLF”), which is the portion of the fees paid in lieu of personal property taxes on a vehicle. The VLF is based on vehicle value and declines as the vehicle ages. Prior to the adoption of the Fiscal Year 2004-05 State Budget, the VLF was 2% of the value of a vehicle. Through legislation in prior Fiscal Years, the State enacted VLF reductions under which the State was required to “backfill” local governments for their revenue losses resulting from the lowered fee. The Fiscal Year 2004-05 State Budget permanently reduced the VLF from 2% to 0.65% of the value of a vehicle and deleted the requirement for backfill payments, providing instead that the amount of the backfill requirement will be met by an increase in the property tax allocation to cities and counties. See the caption “STATE OF CALIFORNIA BUDGET INFORMATION.”

VLF receipts totaled \$21,232,068 in Fiscal Year 2019-20. Such revenues provided the largest tax revenue source for the City in Fiscal Year 2019-20, contributing approximately 24.28% of General Fund tax revenues and approximately 18.66% of total General Fund revenues.

**TABLE 7
CITY OF MORENO VALLEY
STATE OF CALIFORNIA MOTOR VEHICLE IN-LIEU PAYMENTS**

<i>Source</i>	<i>Fiscal Year Ended June 30,</i>				
	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021⁽¹⁾</i>
Motor Vehicle In-Lieu Payments	\$17,430,250	\$18,406,258	\$19,577,636	\$21,232,068	\$22,738,372

⁽¹⁾ Reflects unaudited actual results based on available information to date. Subject to change.
Source: City.

Other Indebtedness

General Fund-Supported Debt.

2011 Private Placement Obligation – Public Safety Building Refunding. In 2011, the City and the Authority entered into a lease arrangement (the “**2011 Private Placement Obligation**”) pursuant to

Attachment: DRAFT Official Statement Moreno Valley 2021 Lease Revenue Bonds (2015 & 2016 Refunding), 4839-8268-0305_4 (5495 :

which: (i) the City leased the City Hall Annex and Fire Station 65 to the Authority in exchange for a lump sum payment; and (ii) the Authority subleased such property back to the City in exchange for lease payments payable through November 1, 2022. Proceeds of the 2011 Private Placement Obligation were applied to refund certain prior obligations of the City entered into in 1997. The lease payments bear interest at the rate of 3.98%. As of June 30, 2021, the 2011 Private Placement Obligation was outstanding in the principal amount of \$649,000.

The City has covenanted in the 2011 Private Placement Obligation to budget and appropriate moneys annually for the lease payments payable thereunder from legally available funds, including the General Fund, on a basis that is substantially similar to the Facilities Sublease in connection with the Bonds.

2013 Bonds. In 2013, the Authority issued its Lease Revenue Refunding Bonds Series 2013 (the “**2013 Bonds**”) to refinance certain capital improvements of the City and the Electric Utility. The 2013 Bonds mature on November 1, 2022 and bear interest at rates varying from 1% to 5% per annum. The 2013 Bonds are payable from rental payments payable from the City to the Authority under a Master Facilities Sublease, dated as of December 1, 2013 (the “**2013 Sublease**”), by and between the City and the Authority. The leased assets under the 2013 Sublease include City Hall, the City’s Public Safety Building/Emergency Operations Center, Morrison Park Fire Station No. 99, Sunnymead Park, Woodland Park and John F. Kennedy Veterans Memorial Park. As of June 30, 2021, the portion of the 2013 Bonds payable from the General Fund was outstanding in the aggregate principal amount of \$2,830,000, with the remaining \$335,000 payable from business-type activities.

The City has covenanted in the 2013 Sublease to budget and appropriate moneys annually for the lease payments payable thereunder from legally available funds, including the General Fund, on a basis that is substantially similar to the Facilities Sublease in connection with the Bonds.

2014 Bonds. In November 2014, the Authority issued its Lease Revenue Refunding Bonds Series 2014 (the “**2014 Bonds**”) to refinance certain capital improvements of the City and the Electric Utility. The 2014 Bonds mature on November 1, 2035 and bear interest at rates varying from 2% to 5% per annum. The 2014 Bonds are payable from rental payments by the City to the Authority under the 2013 Sublease. The leased assets under the 2013 Sublease include City Hall, the City’s Public Safety Building/Emergency Operations Center, Morrison Park Fire Station No. 99, Sunnymead Park, Woodland Park and John F. Kennedy Veterans Memorial Park. As of June 30, 2021, the portion of the 2014 Bonds payable from the General Fund was outstanding in the aggregate principal amount of \$22,602,069, with the remaining \$2,662,931 payable from business-type activities.

The City has covenanted in the 2013 Sublease to budget and appropriate moneys annually for the lease payments payable thereunder from legally available funds, including the General Fund, on a basis that is substantially similar to the Facilities Sublease in connection with the Bonds.

Series 2019 Bonds. In April 2019, the Authority issued the Series 2019 Bonds to finance certain capital improvements of the City and the Electric Utility. The Series 2019 Bonds mature on May 1, 2049 and bear interest at the rate of 4% per annum. The Series 2019 Bonds are payable from rental payments by the City to the Authority under the Facilities Sublease. As of June 30, 2021, the Series 2019 Bonds were outstanding in the aggregate principal amount of \$15,830,000.

The City has covenanted in the Facilities Sublease to budget and appropriate moneys annually for the lease payments payable thereunder from legally available funds, including the General Fund, in the same manner as for the Series 2021 Bonds.

[TO BE UPDATED] [2018 *Streetlight Financing*. In July 2018, the City entered into a lease agreement with Banc of America Leasing & Capital (“**BALCAP**”) that is to be repaid from the General Fund. Pursuant to this agreement, BALCAP provided \$8,110,892 to the City for the purchase of approximately 9,411

streetlights from Southern California Edison and the retrofitting of approximately 1,734 streetlights owned by the City to LED standards. The agreement matures in June 2034 and carries an annual interest rate of 5.75%. As of June 30, 2021, the agreement was outstanding in the aggregate principal amount of \$[7,690,918].]

Other Long Term Debt. As of June 30, 2021, the City had \$19,830,000 aggregate principal amount of obligations under an Installment Sale Agreement, dated as of October 1, 2020 (the “2020 ISA”), by and between the City and the California Statewide Communities Development Authority. The 2020 ISA is payable from proceeds of a retail transactions and use tax imposed by the County.

Short-Term Debt. The City currently has no short-term debt outstanding.

Estimated Direct and Overlapping Bonded Debt. The estimated direct and overlapping bonded debt of the City as of [____, 2021] is set forth in Table 8. The information in Table 8 has been derived from data assembled and reported to the City by California Municipal Statistics, Inc. None of the City, the Authority or the Underwriter has independently verified the information in Table 8 and the City, the Authority and the Underwriter do not guarantee its accuracy.

**TABLE 8
CITY OF MORENO VALLEY
ESTIMATED DIRECT AND OVERLAPPING BONDED DEBT AS OF [____ 1, 2021]**

Fiscal Year 2018-19 Assessed Valuation: \$15,777,801,124

<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 2/1/19</u>
The Metropolitan Water District of Southern California	0.541%	\$ 305,611
Riverside County Flood Control and Water Reclamation District, Zone No. 4	30.601	4,495,287
Eastern Municipal Water District, I.D. No. U-22	100.	2,297,000
Riverside City Community College District	14.889	37,441,528
Mount San Jacinto Community College District	0.025	43,163
Moreno Valley Unified School District	84.208	136,643,076
San Jacinto Unified School District	0.736	473,908
Val Verde Unified School District	36.595	47,062,696
Moreno Valley Unified School District Community Facilities District No. 2002-1	100.	6,255,000
Moreno Valley Unified School District Community Facilities District No. 2003-1 & 2	100.	9,930,000
Moreno Valley Unified School District Community Facilities District No. 2004-1	100.	2,300,000
Moreno Valley Unified School District Community Facilities District No. 2004-2	100.	4,775,000
Moreno Valley Unified School District Community Facilities District No. 2004-3	100.	3,120,000
Moreno Valley Unified School District Community Facilities District No. 2004-4	100.	3,750,000
Moreno Valley Unified School District Community Facilities District No. 2004-5	100.	3,800,000
Moreno Valley Unified School District Community Facilities District No. 2004-6	100.	24,105,000
Moreno Valley Unified School District Community Facilities District No. 2005-1	100.	6,540,000
Moreno Valley Unified School District Community Facilities District No. 2005-2, 3, 4 & 5	100.	23,535,000
Moreno Valley Unified School District Community Facilities District No. 2007-1	100.	5,015,000
Val Verde Unified School District Community Facilities District No. 98-1	100.	15,190,000
Val Verde Unified School District Community Facilities District No. 2003-2	100.	2,560,000
Val Verde Unified School District Community Facilities District No. 2014-1	100.	6,900,000
Eastern Municipal Water District Community Facilities Districts	100.	13,524,000
City of Moreno Valley Community Facilities District No. 5	100.	5,350,000
City of Moreno Valley Community Facilities District No. 7, I.A. No. 1	100.	3,190,000
City of Moreno Valley Community Facilities District No. 87-1, I.A. No. 1	100.	1,580,000
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT		<u>\$370,181,269</u>
 <u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>		
Riverside County General Fund Obligations	5.628%	\$ 43,750,216
Riverside County Pension Obligation Bonds	5.628	14,991,022
Moreno Valley Unified School District Certificates of Participation	84.208	12,546,992
San Jacinto Unified School District Certificates of Participation	0.736	305,477
Val Verde Unified School District Certificates of Participation	36.595	22,139,975
Western Municipal Water District Certificates of Participation	0.143	13,746
City of Moreno Valley General Fund Obligations	100.	<u>65,375,000</u>
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT		<u>\$159,122,428</u>
Less: Riverside County self-supporting obligations		<u>144,078</u>
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT		<u>\$158,978,350</u>
 <u>OVERLAPPING TAX INCREMENT DEBT (Successor Agencies):</u>		 <u>\$ 50,768,986</u>

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GROSS COMBINED TOTAL DEBT	\$580,072,683 ⁽²⁾
NET COMBINED TOTAL DEBT	\$579,928,605

Ratios to 2018-19 Assessed Valuation:

Total Overlapping Tax and Assessment Debt.....	2.35%
Total Direct Debt (\$65,375,000).....	0.41%
Gross Combined Total Debt.....	3.68%
Net Combined Total Debt	3.68%

Ratios to Redevelopment Successor Agencies Incremental Valuation (\$3,253,817,899):

Total Overlapping Tax Increment Debt.....	1.56%
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⁽¹⁾ Excludes issue to be sold.

⁽²⁾ Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Source: California Municipal Statistics, Inc.

Retirement Contributions

Accounting and financial reporting by state and local government employers for defined benefit pension plans is governed by GASB Statement No. 68 (“**GASB 68**”). GASB 68 includes the following components: (i) unfunded pension liabilities are included on the employer’s balance sheet; (ii) pension expense incorporates rapid recognition of actuarial experience and investment returns and is not based on the employer’s actual contribution amounts; (iii) lower actuarial discount rates are required to be used for underfunded plans in certain cases for purposes of the financial statements; (iv) closed amortization periods for unfunded liabilities are required to be used for certain purposes of the financial statements; and (v) the difference between expected and actual investment returns will be recognized over a closed five-year smoothing period. GASB 68 affects the City’s accounting and reporting requirements, but it does not change the City’s pension plan funding obligations.

The City participates in a Miscellaneous plan to fund pension benefits for employees. The City’s pension plan is administered by CalPERS. CalPERS administers an agent multiple-employer public employee defined benefit pension plan for all of the City’s full-time and certain part-time employees. CalPERS provides retirement, disability and death benefits to plan members and beneficiaries and acts as a common investment and administrative agent for participating public entities within the State, including the City. CalPERS plan benefit provisions and all other requirements are established by State statute and the City Council.

City employees are subject to different benefit levels based on their hire date. Current benefit provisions for City employees are set forth below.

**CITY OF MORENO VALLEY
CALPERS PENSION PLANS – SUMMARY OF BENEFIT PROVISIONS**

	<i>Employees Hired Before December 23, 2011</i>	<i>Employees Hired between December 23, 2011 and December 31, 2012</i>	<i>Employees Hired after December 31, 2012 (Not Previously CalPERS members)</i>
Benefit Formula	2.7% @ age 55	2.0% @ age 55	2.0% @ age 62
Benefit Vesting	5 years of service	5 years of service	5 years of service
Benefit Payments	Monthly for life	Monthly for life	Monthly for life
Minimum Retirement Age	50-55	50-55	52-62
Monthly Benefits as % of Eligible Compensation	2.0% - 2.7%	1.426% - 2.418%	1.0% - 2.5%
Employee Normal Cost	7.51% ⁽¹⁾	7.51% ⁽¹⁾	6.75% ⁽¹⁾
Employer Normal Cost Rate	12.19%	12.19%	12.19%

⁽¹⁾ These employees are required to make the full employee contribution.
Source: City.

Contributions to the City's pension plan consist of contributions from plan participants (i.e., employees) and contributions by the City.

City employees who were hired on and after January 1, 2013 and who were not previously CalPERS members receive benefits based on a 2.0% at age 62 formula. Such employees are required to make the full amount of required employee contributions themselves under the California Public Employees' Pension Reform Act of 2013 ("AB 340"), which was signed by the State Governor on September 12, 2012. AB 340 established a new pension tier for such employees. Benefits for such participants are calculated on the highest average annual compensation over a consecutive 36-month period. Employees are required to pay at least 50% of the total normal cost rate. AB 340 also capped pensionable income as noted below. Amounts are set annually, subject to Consumer Price Index increases, and retroactive benefits increases are prohibited, as are contribution holidays and purchases of additional non-qualified service credit.

**CITY OF MORENO VALLEY
PENSIONABLE INCOME CAPS FOR CALENDAR YEAR 2021
(AB 340 AND NON-AB 340 EMPLOYEES)**

	<i>Employees Hired Before January 1, 2013 (Non-AB 340 Employees)</i>	<i>Employees Hired On or After January 1, 2013 (AB 340 Employees)</i>
Maximum Pensionable Income	\$290,000	\$153,671
Maximum Pensionable Income if also Participating in Social Security	N/A	\$128,059

Source: City.

Additional employee contributions, limits on pensionable compensation and higher retirement ages for new members as a result of the passage of AB 340 are expected to reduce the City's unfunded pension liability and potentially reduce City contribution levels in the long term.

The City is also required to contribute the actuarially determined remaining amounts necessary to fund benefits for its members. Employer contribution rates for all public employers are determined on an annual basis by the CalPERS actuary and are effective on the July 1 following notice of a change in the rate. Total

plan contributions are determined through the CalPERS annual actuarial valuation process. The total minimum required employer contribution is the sum of: (i) the plan's employer normal cost rate, which funds pension benefits for current employees for the upcoming Fiscal Year (expressed as a percentage of payroll); plus (ii) the employer unfunded accrued liability contribution amount, which funds pension benefits that were previously earned by current and former employees (billed monthly).

For Fiscal Year 2020-21, required employer normal cost rates as a percentage of payroll were 12.440%, 12.440% and 12.440% for employees hired before December 23, 2011, employees hired between December 23, 2011 and December 31, 2012 and employees hired after December 31, 2012, respectively. For Fiscal Year 2021-22, required employer normal cost rates as a percentage of payroll are 12.19%, 12.19% and 12.19% for employees hired before December 23, 2011, employees hired between December 23, 2011 and December 31, 2012 and employees hired after December 31, 2012, respectively.

For Fiscal Year 2020-21, the total required employer payment of the unfunded accrued liability for the City's Miscellaneous plan was \$5,626,820. For Fiscal Year 2021-22, the total required employer payment of the unfunded accrued liability for the City's Miscellaneous plan is \$6,352,762; the City paid this amount in a lump sum on July 20, 2021.

Beginning in Fiscal Year 2017-18, CalPERS began collecting employer contributions toward a pension plan's unfunded liability as dollar amounts instead of the prior method of a percentage of payroll. According to CalPERS, this change was intended to address potential funding issues that could arise from a declining payroll or a reduction in the number of active members in the plan. Funding the unfunded liability as a percentage of payroll could lead to underfunding of pension plans. Due to stakeholder feedback regarding internal needs for total contributions expressed as an estimated percentage of payroll, the CalPERS reports include such results in the contribution projection for informational purposes only. Contributions toward a pension plan's unfunded liability will continue to be collected as set dollar amounts.

The City's required contributions to CalPERS fluctuate each year and, as noted, include a normal cost component and a component equal to an amortized amount of the unfunded liability. Many assumptions are used to estimate the ultimate liability of pensions and the contributions that will be required to meet those obligations. The CalPERS Board of Administration has adjusted and may in the future further adjust certain assumptions used in the CalPERS actuarial valuations, which adjustments may increase the City's required contributions to CalPERS in future years. Accordingly, the City cannot provide any assurances that the City's required contributions to CalPERS in future years will not significantly increase (or otherwise vary) from any past or current projected levels of contributions. CalPERS earnings reports for Fiscal Years 2009-10 through 2019-20 report investment gains of approximately 13.3%, 21.7%, 0.1%, 13.2%, 18.4%, 2.4%, 0.6%, 11.2%, 8.6%, 6.7% and 4.7%, respectively. Preliminary returns for Fiscal Year 2020-21 indicate an investment gain of 21.3%. Future earnings performance may increase or decrease future contribution rates for plan participants, including the City. The City notes that CalPERS' earnings in Fiscal Year 2019-20 were below its investment targets as a result of stock market declines in the wake of the COVID-19 outbreak, which could increase future contribution rates for plan participants, including the City. See the caption "THE CITY—COVID-19 Outbreak."

On December 21, 2016, the CalPERS Board of Administration voted to lower its discount rate from 7.50% to 7.00% over a three period. For public agencies such as the City, the new discount rate took effect July 1, 2017. Lowering the discount rate means that employers which contract with CalPERS to administer their pension plans will see increases in their normal costs and unfunded actuarial liabilities. Active members hired after January 1, 2013 will also see their contribution rates rise under AB 340. The reduction of the discount rate will result in average employer rate increases of approximately 1% to 3% of normal cost as a percentage of payroll for most retirement plans such as the City's plans. Additionally, many employers will see a 30% to 40% increase in their current unfunded accrued liability payments (relative to the unfunded accrued liability payments projected in the June 30, 2015 valuation report) for pension plans. These payments

are made to amortize unfunded liabilities over 20 years to bring pension funds to a fully funded status over the long-term.

The announcement on July 12, 2021 that CalPERS achieved a preliminary investment return of 21.3% could cause the CalPERS Board of Administration to lower CalPERS' discount rate from 7.00% to 6.80% in accordance with a risk mitigation policy that was adopted in 2015, which calls for the discount rate to be lowered if returns exceed the then-current discount rate by two or more percentage points. There can be no assurance as to whether or when the CalPERS Board of Administration will consider lowering the discount rate.

Portions of the above disclosures are primarily derived from information that has been produced by CalPERS, its independent accountants and its actuaries. The City has not independently verified such information and neither makes any representations nor expresses any opinion as to the accuracy of the information that has been provided by CalPERS.

The comprehensive annual financial reports of CalPERS are available on CalPERS' Internet website at www.calpers.ca.gov. The CalPERS website also contains CalPERS' most recent actuarial valuation reports and other information that concerns benefits and other matters. The textual reference to such Internet website is provided for convenience only. None of the information on such Internet website is incorporated by reference herein. The City cannot guarantee the accuracy of such information. Actuarial assessments are "forward-looking" statements that reflect the judgment of the fiduciaries of the pension plans, and are based upon a variety of assumptions, one or more of which may not materialize or be changed in the future.

[UPDATE IF 6/30/20 INFO AVAILABLE] The City's Miscellaneous plan had a total net pension liability of approximately \$72,896,273 for Fiscal Year 2019-20 (as of the measurement date of June 30, 2019). The net pension liability is the difference between the total pension liability and the fair market value of pension assets. The City's total pension assets include funds that are held by CalPERS, and its net pension asset or liability is based on such amounts.

For Fiscal Year 2019-20, the City incurred Miscellaneous plan pension expenses of \$11,738,885.

A summary of principal assumptions and methods used to determine the total pension liability for Fiscal Year 2019-20 is shown below.

**CITY OF MORENO VALLEY
ACTUARIAL ASSUMPTIONS FOR CALPERS PENSION PLAN**

Actuarial Cost Method	Entry Age Normal in accordance with the requirements of GASB 68
Asset Valuation Method	Market Value of Assets
<i>Actuarial Assumptions:</i>	
Discount Rate	7.15%
Inflation	2.75%
Salary Increases	Varies by entry age and service
Investment Rate of Return	7.375% net of pension plan investment and administrative expenses; includes projected inflation rate of 2.75%
Mortality Rate Table ⁽¹⁾	Derived using CalPERS' membership data for all funds

⁽¹⁾ The mortality table used was developed based on CalPERS-specific data from a 2014 actuarial experience study for the period from 1997-2011.
Source: City.

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Changes in the net pension liability for the City’s pension plans in the most recent Fiscal Year for which information is available were as follows: [UPDATE FOR 6/30/20 IF AVAILABLE]

**CITY OF MORENO VALLEY
CHANGES IN CALPERS PENSION PLANS NET PENSION LIABILITY**

	<i>Increase / (Decrease)</i>		
	<i>Total Pension Liability</i>	<i>Plan Fiduciary Net Position</i>	<i>Net Pension Liability / (Asset)</i>
Balance at June 30, 2018 (Measurement Date)	\$ 207,884,851	\$ 139,792,584	\$ 68,092,267
Balance at June 30, 2019 (Measurement Date)	<u>221,313,159</u>	<u>148,416,886</u>	<u>72,896,273</u>
Net Changes for period from July 1, 2018 through June 30, 2019	\$ 13,428,308	\$ 8,624,302	\$ 4,804,006

Source: City.

The table below presents the net pension liability of the City’s pension plans, calculated using the discount rate applicable to Fiscal Year 2019-20 (7.15%), as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.15%) or 1 percentage point higher (8.15%) than the Fiscal Year 2019-20 rate:

**CITY OF MORENO VALLEY
SENSITIVITY OF THE CALPERS PENSION PLANS NET PENSION LIABILITY
TO CHANGES IN THE DISCOUNT RATE**

	<i>Discount Rate – 1% (6.15%)</i>	<i>Applicable Discount Rate (7.15%)</i>	<i>Discount Rate + 1% (8.15%)</i>
<i>Plan’s Net Pension Liability/(Asset)</i>	\$102,797,734	\$72,896,273	\$48,179,991

Source: City.

For additional information relating to the City’s plan, see Note 8 to the City’s audited financial statements set forth in Appendix B.

Other Post-Employment Benefits

The City provides post-employment health care benefits to qualified retired employees. Employees are eligible for such benefits if they were hired prior to September 30, 2011 and retire directly from the City at or after age 50 with at least five years of CalPERS membership. Employees hired after September 30, 2011 are not eligible for such benefits; the City no longer offers such benefits to employees hired after September 30, 2011. The City administers a single-employer defined benefit post-employment healthcare plan (the “OPEB Plan”). Benefits vary by hire date and employment status (Management or Non-Management), and continue to surviving spouses. A menu of benefit provisions, as well as other requirements, are established by state statutes within the Public Employees’ Retirement Law. The City selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through local ordinance.

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At December 31, 2018 (the census date), the following employees were covered by the benefit terms:

<i>Category</i>	<i>Count</i>
Active employees	296
Inactive employees or beneficiaries currently receiving benefit payments	270
Inactive employees entitled to but not yet receiving benefit payment	0

Source: City.

The City funds benefits under the OPEB Plan based on an Actuarially Determined Contribution (the “ADC”). For the year ended June 30, 2020, the City’s ADC contribution rate was 4.62% of covered employee payroll. Employees do not contribute to the plan, but instead pay the difference between the benefit that they receive and the monthly premium for that benefit.

GASB has issued two pronouncements, known as GASB 74 and GASB 75, related to funding and accounting for the OPEB Plan. Under these pronouncements, OPEB Plan benefits are intended to be accounted for in a manner that is similar to the accounting treatment of pensions under GASB 68. See the caption “—Retirement Contributions.” Under GASB 74 and 75, unfunded OPEB Plan benefits will be recognized on the City’s financial statements and the City is required to use the Entry Age actuarial cost method when calculating OPEB Plan liabilities. In addition, a 20-year municipal bond rate is used to discount unfunded OPEB Plan payments and the long-term rate of return on plan investments is used to discount benefits that are projected to be paid by plan assets.

The City retained Precision Actuarial Inc., San Francisco, California (the “Actuarial Consultant”) to calculate the City’s post-employment benefits funding status. In a report for the Fiscal Year ended June 30, 2020 (the “Report”), the Actuarial Consultant concluded that, as of June 30, 2020, the City’s unfunded actuarial accrued liability for post-employment benefits was \$8,175,011. The Actuarial Consultant also concluded that the City’s ADC is \$908,656.

The City is not required to fund the amortization of the unfunded actuarial liability. Prior to June 2009, the City’s policy was to pay for OPEB Plan costs as they are incurred. In June 2009, the City Council approved the establishment of an irrevocable trust to fund OPEB Plan benefits (the “OPEB Trust”) with the California Employers’ Retiree Benefit Trust, an agent multiple-employer plan that is administered by CalPERS, and approved and authorized an agreement with CalPERS to administer the OPEB Trust on its behalf. As of June 30, 2021, the City held \$15,414,175 in the OPEB Trust. Based on the most recent actuarial valuation, the actuarial unfunded liability of the OPEB Plan was estimated to be approximately \$8,175,011 using a methodology that is compliant with GASB 75.

Changes in the total liability for the City’s OPEB Plan for Fiscal Year 2019-20 were as follows.

**CITY OF MORENO VALLEY
CHANGES IN OPEB PLAN LIABILITY**

	<i>Increase / (Decrease)</i>		
	<i>Total OPEB Plan Liability</i>	<i>Plan Fiduciary Net Position</i>	<i>Net OPEB Plan Liability / (Asset)</i>
Balance at June 30, 2019	\$ 16,792,895	\$ 10,339,408	\$ 6,453,487
Net Changes for period from July 1, 2019 through June 30, 2020	<u>2,350,888</u>	<u>629,364</u>	<u>1,721,524</u>
Balance at June 30, 2020	\$ 19,143,783	\$ 10,968,772	\$ 8,175,011

Source: City.

Attachment: DRAFT Official Statement Moreno Valley 2021 Lease Revenue Bonds (2015 & 2016 Refunding), 4839-8268-0305_4 (5495 :

The following table presents the net liability of the OPEB Plan, calculated using the discount rate applicable to Fiscal Year 2019-20 (6.17%), as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.17%) or 1 percentage point higher (7.17%) than the current rate:

**CITY OF MORENO VALLEY
SENSITIVITY OF THE OPEB PLAN TOTAL LIABILITY
TO CHANGES IN THE DISCOUNT RATE**

	<i>Discount Rate – 1% (5.17%)</i>	<i>Current Discount Rate (6.17%)</i>	<i>Discount Rate + 1% (7.17%)</i>
Plan’s Total Liability/(Asset)	\$10,285,254	\$8,175,011	\$6,387,930

Source: City.

Future changes in funding policies and assumptions, including those related to assumed rates of investment return and healthcare cost inflation, could trigger increases in the City’s annual required OPEB Plan contributions, and such increases could be material to the finances of the City. No assurance can be provided that such expenses will not increase significantly in the future. The City does not expect that any increased funding of OPEB Plan benefits will have a material adverse effect on the ability of the City to pay the Series 2021 Bonds.

For additional information relating to the City’s OPEB Plan, see Note 9 to the City’s audited financial statements set forth in Appendix B.

City Investment Policy

The City invests its funds in accordance with the City’s investment policy (the “**Investment Policy**”), which was most recently reviewed and revised by the City Council on May 18, 2021. In accordance with Section 53600 *et seq.* of the California Government Code, idle cash management and investment transactions are the responsibility of the City Treasurer. The City’s Investment Policy sets forth the policies and procedures applicable to the investment of City funds and designates eligible investments. The Investment Policy sets forth a stated objective, among others, of insuring the safety of invested funds by limiting credit and market risks. Eligible investments are generally limited to the Local Agency Investment Fund which is operated by the California State Treasurer, the County investment pool for local agencies, local agency bonds, U.S. Treasury Bills, Notes and Bonds, obligations issued by United States Government agencies, FDIC-insured or negotiable certificates of deposit, repurchase agreements, banker’s acceptances and commercial paper rated A1/P1, as applicable, or better, and money market funds rated in the highest category by Moody’s or S&P or administered by a domestic bank with long-term debt rated in one of the top two categories of Moody’s and S&P. Funds are invested in the following order of priority:

- Safety of Principal;
- Liquidity; and
- Return on Investment.

The City Treasurer is required to provide a quarterly report to the City Manager and the City Council showing the type of investment, date of maturity, amount invested, current market value, rate of interest, and other such information as may be required by the City Council.

Attachment: DRAFT Official Statement Moreno Valley 2021 Lease Revenue Bonds (2015 & 2016 Refunding), 4839-8268-0305_4 (5495 :

A summary of the City's investments as of June 30, 2021 is set forth in the below table. Approximately \$212,981,117 (69.24%) of the total investment portfolio as of June 30, 2021 was attributed to the General Fund.

**CITY OF MORENO VALLEY
SUMMARY OF INVESTMENTS**

<i>Investment Type</i>	<i>Investment Maturity</i>				<i>Total</i>
	<i>6 Months or Less</i>	<i>6 Months to 1 Year</i>	<i>1 to 3 Years</i>	<i>3 to 5 Years</i>	
Asset-Backed Securities	\$ -	\$ -	\$ 6,035,647	\$ 9,365,625	\$ 15,401,272
Collateralized Mortgage Obligations	792,793	-	9,680,863	-	10,473,656
Federal Home Loan Bank	2,512,060	-	11,583,823	12,830,520	26,926,403
Federal Home Loan Mortgage Corp.	-	-	-	3,703,911	3,703,911
Federal National Mortgage Assn.	-	-	-	20,332,682	20,332,682
Local Agency Investment Fund	129,061,156	-	-	-	129,061,156
Medium Term Notes	2,774,769	1,924,238	17,532,930	18,837,871	41,069,808
Money Market	10,340,218	-	-	-	10,340,218
Supranationals	-	1,692,788	865,963	6,792,837	9,351,588
United States Treasury Obligations	100,515	3,539,278	20,898,042	14,955,595	39,493,430
Totals	<u>\$145,581,511</u>	<u>\$ 7,156,304</u>	<u>\$ 66,597,268</u>	<u>\$ 86,819,041</u>	<u>\$306,154,124</u>

(1) Totals may not add due to rounding.
Source: City.

For additional information relating to the City's investments, see Note 3 to the City's audited financial statements set forth in Appendix B.

RISK FACTORS

Prospective purchasers of the Series 2021 Bonds should consider carefully all possible factors that may affect the ability of the City to pay Base Rental Payments under the Facilities Sublease. The Series 2021 Bonds may not be a suitable investment for all prospective purchasers.

The following factors, along with the other information in this Official Statement, should be considered by potential investors in evaluating the purchase of the Series 2021 Bonds. However, the following does not purport to be an exhaustive listing of risks and other considerations which may be relevant to an investment in the Series 2021 Bonds and there can be no assurance that other risk factors will not become material in the future. In addition, the order in which the following factors are presented is not intended to reflect the relative importance of any such risks.

General Considerations – Security for the Series 2021 Bonds

The Series 2021 Bonds are special obligations of the Authority, payable solely from Base Rental Payments on a parity with the Series 2019 Bonds and the other assets pledged under the Trust Agreement. Neither the faith and credit nor the taxing power of the Authority, the City, the State, or any political subdivision thereof, is pledged to the payment of the Series 2021 Bonds. The Authority has no taxing power.

The obligation of the City to make the Base Rental Payments does not constitute a debt of the City, the County or the State or any political subdivision thereof within the meaning of any constitutional or statutory debt limit or restriction, and does not constitute an obligation for which the City or the State is obligated to levy or pledge any form of taxation or for which the City, the County or the State has levied or pledged any form of taxation.

Although the Facilities Sublease does not create a pledge, lien or encumbrance upon the funds of the City, the City is obligated under the Facilities Sublease to pay the Base Rental Payments and Additional Payments from any source of legally available funds, and the City has covenanted in the Facilities Sublease to take such action as may be necessary to include all such Base Rental Payments and Additional Payments due thereunder in its annual budgets, and to make necessary annual appropriations for all such Base Rental Payments and Additional Payments, subject to abatement. The City is currently liable and may become liable on other obligations payable from general revenues. See the caption “CITY FINANCIAL INFORMATION—Other Indebtedness—General Fund-Supported Debt.”

The City has the capacity to enter into other obligations which may constitute additional charges against its revenues, including without limitation pension obligations and essential services. To the extent that additional obligations are incurred by the City, the funds available to make Base Rental Payments may be decreased. In the event that the City’s revenue sources are less than its total obligations, the City could choose to fund other activities before making Base Rental Payments and other payments due under the Facilities Sublease. The same result could occur if, because of State Constitutional limits on expenditures, the City is not permitted to appropriate and spend all of its available revenues. However, the City’s appropriations have never exceeded the limitation on appropriations under Article XIII B of the State Constitution. See the caption “CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS—Article XIII B of the State Constitution.”

Abatement

In the event of substantial interference with the City’s right to use and occupy any portion of the Property by reason of damage to or destruction or condemnation of the Property, or any defects in title to the Property, Base Rental Payments will be subject to abatement. See the caption “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2021 BONDS—Abatement.” The amount of abatement will be such that the resulting payments of Base Rental Payments and Additional Rental Payments do not exceed the fair rental value for the use and possession of the remaining portions of the Property as to which the City has beneficial use and occupancy and as to which such damage or destruction or defect in title do not substantially interfere.

In the event that such portion of the Property, if damaged or destroyed by an insured casualty, could not be replaced during the period of time in which proceeds of the City’s rental interruption insurance will be available in lieu of Base Rental Payments, plus the period in which funds are available from the funds and accounts established under the Trust Agreement, or in the event that casualty insurance proceeds are insufficient to provide for complete repair or replacement of such portion of the Property or redemption of the Bonds, there could be insufficient funds to make payments to Owners in full.

It is not always possible to predict the circumstances under which abatement of rental may occur. In addition, there is no statute, case or other law specifying how such an abatement of rental should be measured. For example, it is not clear whether fair rental value is established as of commencement of the lease or at the time of the abatement. If the latter, the value of the Property could be substantially higher or lower than its value at the time of the issuance of the Bonds. Abatement, therefore, could have an uncertain and material adverse effect on the security for and payment of the Bonds.

If damage, destruction, title defect or eminent domain proceedings with respect to the Property results in abatement of the Base Rental Payments related to such Property and if such abated Base Rental Payments, if any, together with moneys from rental interruption or use and occupancy insurance (in the event of any insured loss due to damage or destruction), and eminent domain proceeds, if any, are insufficient to make all payments of principal and interest with respect to the Bonds during the period that the Property is being replaced, repaired or reconstructed, then all or a portion of such payments of principal and interest may not be made. Under the Facilities Sublease and the Trust Agreement, no remedy is available to the Series 2021 Bond Owners for nonpayment under such circumstances.

Initiative and Referendum

The ability of the City to comply with its covenants under the Facilities Sublease and to generate revenues that are sufficient to pay Base Rental Payments may be adversely affected by actions and events outside the control of the City, including without limitation actions taken (or not taken) by voters. Under the State Constitution, voters of the State have the ability to initiate legislation and require a public vote on legislation passed by the State Legislature through the powers of initiative and referendum, respectively. The Authority and the City are unable to predict whether any such initiatives might be submitted to or approved by the voters, the nature of such initiatives, or their potential impact on the City and its operations. See the caption “CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS—Future Initiatives.”

Value of Property

In the event that the Trustee re-enters or re-lets the Property upon the occurrence of an Event of Default, there can be no assurance such actions will provide funds in an amount that is sufficient to pay the principal of and interest on the Series 2021 Bonds. The security under the Facilities Sublease extends only to the Authority’s leasehold interest in the Property granted under the Facilities Lease and is subject to the restrictions of the Facilities Lease and all other use restrictions applicable to the site. The Property has not been appraised in connection with the issuance of the Series 2021 Bonds.

Certain Risks Associated with Sales Tax and Other Local Tax Revenues

Sales and use tax revenues are among the largest sources of the City’s General Fund revenues each year. See the caption “CITY FINANCIAL INFORMATION.”

Sales and use tax revenues are based upon the gross receipts of retail sales of tangible goods and products by retailers with taxable transactions in the City, which could be impacted by a variety of factors. For example, in times of economic recession, the gross receipts of retailers often decline, and such a decline would cause the sales tax revenues received by the City to decline. An economic recession would also be expected to affect hotel occupancy within the City, and consequently, the City’s receipt of transient occupancy taxes. See the captions “THE CITY—COVID-19 Outbreak” and “CITY FINANCIAL INFORMATION.”

In addition, changes or amendments in the laws applicable to the City’s receipt of sales tax revenues or other local taxes, whether implemented by State legislative action or voter initiative, could have an adverse effect on sales tax revenues received by the City. See the caption “CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS.”

Many categories of transactions are exempt from the Statewide sales tax, and additional categories could be added in the future. Currently, most sales of food products for human consumption are exempt; this exemption, however, does not apply to liquor or to restaurant meals. The rate of sales tax levied on taxable transactions in the City or the fee charged by the CDTFA for administering the City’s sales tax could also be changed.

As discussed under the caption “THE CITY—COVID-19 Outbreak,” the Governor extended the deadline to file and pay first quarter 2020 sales and use tax returns by 90 days for all but the very largest taxpayers, and up to 361,000 California businesses with less than \$5 million in taxable annual sales were allowed to defer up to \$50,000 in sales tax and enter into 12-month payment plans at zero interest. The extension resulted in a delay in the receipt by the City of its portion of sales tax payments for 2020. There can be no assurance that additional extensions of payment deadlines will not be ordered should the COVID-19 outbreak continue or economic recessions occur in the future.

Assessed Value of Taxable Property

Property taxes are among the largest sources of the City's General Fund revenues each year. Natural and economic forces can affect the assessed value of taxable property within the City. The City is located in a seismically active region, and damage from an earthquake in or near the area could cause extensive damage to taxable property. Other natural or manmade disasters, such as flood, fire, wildfire, ongoing drought, toxic dumping, erosion, civil unrest or acts of terrorism, could cause a reduction in the assessed value of taxable property within the City. See the captions “—Natural Disasters” and “—Hazardous Substances.”

In addition, economic and market forces, such as a downturn in the regional economy, could affect assessed values, particularly as these forces might reverberate in the residential housing and commercial property markets as has been experienced in the past. The total assessed value could also be reduced through the reclassification of taxable property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes).

Reductions in the market values of taxable property may cause property owners to appeal assessed values and may also be associated with an increase in delinquency rates for property taxes. Section 2(b) of Article XIII A of the State Constitution and Section 51 of the State Revenue and Taxation Code, which were adopted pursuant to Proposition 8 in 1978, require the County assessor to annually enroll either a property's adjusted base year value (the “**Proposition 13 Value**”) or its current market value, whichever is less. When the current market value replaces the higher Proposition 13 Value on the assessor's roll, such lower value is referred to as the “**Proposition 8 Value**.”

Although the annual increase for a Proposition 13 Value is limited to no more than 2%, the same restriction does not apply to a Proposition 8 Value. The Proposition 8 Value of a property is reviewed annually as of January 1; the current market value must be enrolled as long as the Proposition 8 Value falls below the Proposition 13 Value. Thus, any subsequent increase or decrease in market value is enrolled regardless of any percentage increase or decrease. Only when a current Proposition 8 Value exceeds the Proposition 13 Value attributable to a piece of property (adjusted for inflation) does a county assessor reinstate the Proposition 13 Value.

Decreases in the assessed value of taxable property within the City resulting from a natural disaster or other calamity, economic recession, reclassification by ownership or use or as a result of the implementation of Proposition 8 all may have an adverse impact on property tax collections by the City, and consequently, the General Fund revenues that are available to make Base Rental Payments.

Split Roll Initiative

An initiative measure (the “**Split Roll Initiative**”) to amend Article XIII A of the State Constitution qualified for the State's November 2020 ballot. See the caption “CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS—Article XIII A of the State Constitution.” Although it was not adopted by State voters, the Split Roll Initiative would have based property taxes for commercial and industrial properties on periodic analyses of market values beginning in tax year 2020-21. Such market values would have been reassessed by the applicable county assessor's office at least once every three years. The Split Roll Initiative included exceptions for businesses with a total market value of less than \$2 million (adjusted for inflation), which would have continued to be subject to property taxes based on purchase price, and exempted from property tax assessments up to \$500,000 of the value of personal property, or all personal property for businesses with fewer than 50 employees. Although the Split Roll Initiative was not adopted, there can be no assurance that a similar initiative will not be brought before voters in the future. The City is unable to predict how the adoption of such a future initiative would affect the level of commercial building activity within the City and the relationship between the assessed value of different land use types

(i.e. residential versus commercial) in the City, or what other impacts such an initiative might have on the local economy or the City's financial condition, including the receipt of property tax revenues.

Increasing Retirement-Related Costs

The City is required to make contributions to CalPERS and to its OPEB Plan for City employees and retirees. Such obligations are a significant financial obligation of the City and could increase in the future. Actual contribution rates will depend on a variety of factors, including but not limited to actual investment returns and future changes to benefits or actuarial assumptions. The City notes that pension contributions in future years may increase as a result of investment losses in CalPERS' portfolio. There can be no assurance that actual increases in required contributions will not be higher than the amounts which are currently projected by the City. See the captions "CITY FINANCIAL INFORMATION—Retirement Contributions" and "CITY FINANCIAL INFORMATION—Other Post-Employment Benefits."

Natural Disasters

The occurrence of any natural disaster in the City, including, without limitation, fire, wildfire, windstorm, drought, earthquake, landslide, mudslide, subsidence or flood, could have an adverse material impact on the economy within the City, its General Fund and the revenues available for the payment of the Base Rental Payments. The City does not maintain earthquake insurance for the Property.

Earthquakes are considered a threat to the City due to the highly active seismic region and the proximity of fault zones, which could influence the entire southern coastal portion of the State. There are also likely to be unmapped faults in or near the City. Seismically induced ground shaking has affected the City in the past and is expected to affect the City in the future. However, no major earthquake has caused substantial damage to the City to date.

An earthquake along one of the faults in the vicinity of the City, either known or unknown, could cause a number of casualties and extensive property damage. The effects of such a quake could be aggravated by aftershocks and secondary effects such as fires, landslides, dam failure, liquefaction, floods and other threats to public health, safety and welfare. The potential direct and indirect consequences of a major earthquake could easily exceed the resources of the City and would require a high level of self-help, coordination and cooperation.

In recent years, wildfires have caused extensive damage throughout the State. In some instances, entire neighborhoods have been destroyed. Several of the fires that occurred in recent years damaged or destroyed property in areas that were not previously considered to be at risk from such events. Some commentators believe that climate change will lead to even more frequent and more damaging wildfires in the future. Additionally, wildfires increase the risk of mudslides in areas like those in the City that are surrounded by hillsides because, when wildfires scorch land, they destroy all vegetation on mountains and hillsides. As a result, when heavy rain falls in the winter, there is nothing to stop the rain from penetrating directly into the soil. In addition, waxy compounds in plants and soil that are released during fires create a natural barrier in the soil that prevents rain water from seeping deep into the ground. The result is erosion, mudslides and excess water running off the hillsides often causing flash flooding. In general, property damage due to wildfire or mudslides could result in a significant decrease property tax and other revenues received by the City.

The occurrence of natural disasters in the City could result in substantial damage to the City which, in turn, could substantially reduce General Fund revenues and affect the ability of the City to make the Base Rental Payments. Reduced ability to make the Base Rental Payments could affect the payment of the principal of and interest on the Series 2021 Bonds. The City maintains liability insurance and property casualty insurance (for losses other than from seismic events) for the Property. See the caption "THE CITY—Risk Management." However, there can be no assurance that specific losses will be covered by insurance or, if covered, that claims will be paid in full by the applicable insurers.

Climate Change

The State has historically been susceptible to wildfires and hydrologic variability. As greenhouse gas emissions continue to accumulate in the atmosphere as a result of economic activity, climate change is expected to intensify, increasing the frequency, severity and timing of extreme weather events such as coastal storm surges, drought, wildfires, floods and heat waves, and raising sea levels. The future fiscal impact of climate change on the City is difficult to predict, but it could be significant and it could have a material adverse effect on the General Fund by requiring greater expenditures to counteract the effects of climate change or by changing the operations and activities of City residents and business establishments.

The City has retained a consultant to develop a Climate Action Plan (the “CAP”) as part of the City’s comprehensive General Plan update, which will guide the City’s planning and development through 2040. Public comments on the draft CAP, which will inventory the City’s sources of greenhouse gas emissions and implement a plan to monitor and reduce them, were accepted through May 2021. There can be no assurance as to the ultimate provisions of the CAP or the timing of the adoption thereof.

Cybersecurity

Municipal agencies, like other business entities, face significant risks relating to the use and application of computer software and hardware. Recently, there have been significant cybersecurity incidents affecting municipal agencies, including a freeze affecting computer systems of the City of Atlanta, an attack on the City of Baltimore’s 911 system, an attack on the Colorado Department of Transportation’s computers and an attack that resulted in the temporary closure of the Port of Los Angeles’ largest terminal.

The City employs a multi-layer cyber protection scheme that includes weekly vulnerability scans by the Cybersecurity Infrastructure and Security Agency (part of the United States Department of Homeland Security), next-generation firewalls, anti-virus software, anti-spam/malware software, intrusion detection/prevention, domain name system filtering services by the Multi-State Information Sharing and Analysis Center, duplicate systems in a disaster recovery site and multiple copies of all information that is backed up. The City implements recommended strategies suggested by security vendors and makes internal system changes as needed. To date, the City has not experienced a significant attack on its computer operating systems. However, there is no assurance that a future attack or attempted attack would not result in disruption of City operations. The City expects that any such disruptions would be temporary in nature.

Hazardous Substances

An additional environmental condition that may result in the reduction in the assessed value of property, and therefore property tax revenue available to make Base Rental Payments, would be the discovery of a hazardous substance that would limit the beneficial use of taxable property within the City. In general, the owners and operators of a property may be required by law to remedy conditions of the property relating to releases or threatened releases of hazardous substances. The Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as “CERCLA” or the “Superfund Act,” is the most well-known and widely applicable of these laws, but State laws with regard to hazardous substances are also stringent and similar in effect. Under many of these laws, the owner or operator may be required to remedy a hazardous substance condition of property whether or not the owner or operator has anything to do with creating or handling the hazardous substance. The effect, therefore, should any of the property within the City be affected by a hazardous substance, could be to reduce the marketability and value of such property by the costs of remedying the condition, because the purchaser, upon becoming owner, will become obligated to remedy the condition just as is the seller.

The City has not independently verified, but is not aware of, the presence of any hazardous substances on the Property. Hazardous substance liabilities may arise in the future with respect to any of the property in the City resulting from the existence, currently, of a substance presently classified as hazardous but which has

not been released or the release of which is not presently threatened, or may arise in the future resulting from the existence, currently, on the parcel of a substance not presently classified as hazardous but which may in the future be so classified. Additionally, such liabilities may arise from the method of handling such substance. These possibilities could significantly affect the value of a parcel and could result in substantial delays in completing planned development on parcels that are currently undeveloped.

Other Financial Matters

Due to weakness in the economy of the State and the United States, it is possible that the general revenues of the City will decline. Such financial matters may have a detrimental impact on the City's General Fund, and, accordingly, may reduce the City's ability to make Base Rental Payments. See the caption "CITY FINANCIAL INFORMATION."

In addition, City expenses could also rise as a result of unforeseen events, including but not limited to increases in pension obligations or a determination that the Successor Agency's payment obligations under various agreements with the City are not enforceable obligations. Such a determination could require the City to make payments that were expected to come from Successor Agency funds from General Fund moneys or cause moneys received from the Successor Agency to be lower than budgeted. See the caption "STATE OF CALIFORNIA BUDGET INFORMATION—Redevelopment Dissolution."

Limitation on Trustee's Obligations under the Trust Agreement

The Trustee has no obligation to advance its own funds to pursue any remedies. As a consequence, the Trustee's willingness and ability to pursue any of the remedies provided in the Trust Agreement or Facilities Sublease may be dependent upon the availability of funds from an interested party. Additionally, the Trustee is not required to acquire possession of the Property if doing so subjects it to potential liability. There can be no assurance that the Trustee will be willing and able to perform its duties under the Trust Agreement.

Substitution, Addition and Removal of Property; Additional Bonds

The Authority and the City may amend the Facilities Sublease: (a) to substitute alternate real property for any portion of the Property; (b) to add additional real property to the Property; or (c) to release a portion of the Property from the Facilities Sublease, upon compliance with all of the conditions set forth in the Facilities Sublease. After a substitution or release, the portion of the Property for which the substitution or release has been effected will be released from the leasehold encumbrance of the Facilities Sublease. Moreover, the Authority may issue Additional Bonds secured by Base Rental Payments which are increased from current levels. See the captions "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2021 BONDS—Substitution, Addition and Removal of Property" and "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2021 BONDS — Additional Bonds."

Although the Facilities Sublease requires, among other things, that the Property, as constituted after such substitution or release, have an annual fair rental value at least equal to the maximum Base Rental Payments becoming due in the then current Fiscal Year or in any subsequent Fiscal Year, it does not require that such Property have an annual fair rental value equal to the annual fair rental value of the Property at the time of substitution or release. Thus, a portion of the Property could be replaced with less valuable real property, or could be released altogether. Such a replacement or release could have an adverse impact on the security for the Series 2021 Bonds, particularly if an event requiring abatement of Base Rental Payments were to occur subsequent to such substitution or release. See Appendix A.

The Trust Agreement requires, among other things, that upon the issuance of Additional Bonds, the Facilities Lease and the Facilities Sublease will be amended, to the extent necessary, so as to increase the Base Rental Payments payable by the City thereunder by an aggregate amount equal to the principal of and interest on such Additional Bonds; provided, however, that no such amendment will be made such that the sum of

Base Rental Payments, including any increase in the Base Rental Payments as a result of such amendment, plus Additional Payments, in any Fiscal Year is in excess of the annual fair rental value of the Property after taking into account the use of the proceeds of any Additional Bonds issued in connection therewith. See the caption “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2021 BONDS—Additional Bonds” for a full description of the requirements that must be met in order for the Authority to issue Additional Bonds.

Limited Recourse on Default; No Acceleration of Base Rental

Failure by the City to make Base Rental Payments or other payments required to be made under the Facilities Sublease, or failure to observe and perform any other terms, covenants or conditions contained in the Facilities Sublease or in the Trust Agreement for a period of 30 days after written notice of such failure and request that it be remedied has been given to the City by the Authority or the Trustee, constitute events of default under the Facilities Sublease and permit the Trustee or the Authority to pursue any and all remedies available. In the event of a default, notwithstanding anything in the Facilities Sublease or in the Trust Agreement to the contrary, there is no right under any circumstances to accelerate the Base Rental Payments or otherwise to declare any Base Rental Payments not then in default to be immediately due and payable, nor do the Authority or the Trustee have any right to re-enter or re-let the Property except as described in the Facilities Sublease.

The enforcement of any remedies provided in the Facilities Sublease and the Trust Agreement could prove both expensive and time consuming. The rights and remedies provided in the Facilities Sublease and the Trust Agreement may be limited by and are subject to: (i) the limitations on legal remedies against cities in the State, including State constitutional limits on expenditures and limitations on the enforcement of judgments against funds that are needed to serve the public welfare and interest; (ii) federal bankruptcy laws, as now or later enacted, as discussed in detail under the caption “—Limitations on Remedies” below; (iii) applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors’ rights generally, now or later in effect; (iv) equity principles which may limit the specific enforcement under State law of certain remedies; (v) the exercise by the United States of America of the powers delegated to it by the federal Constitution; and (vi) the reasonable and necessary exercise, in certain exceptional situations, of the police powers that are inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose.

If the City defaults on its obligation to make Base Rental Payments with respect to the Property, the Trustee, as assignee of the Authority, may retain the Facilities Sublease and hold the City liable for all Base Rental Payments thereunder on an annual basis and enforce any other terms or provisions of the Facilities Sublease to be kept or performed by the City.

Alternatively, the Authority or the Trustee may terminate the Facilities Sublease, retake possession of the Property and proceed against the City to recover damages pursuant to the Facilities Sublease. Due to the specialized and limited nature of the Property, existing Permitted Encumbrances (as such term is defined in Appendix A) on the Property, and the restrictions on its use, it is unlikely that the Trustee would be able to re-let the Property so as to provide rental income sufficient to make all payments of principal of, interest and premium, if any, on the Bonds when due. Similar limitations and constraints would apply to any property substituted for the Property pursuant to the Facilities Sublease. Moreover, the Trustee is not empowered to sell the Property for the benefit of the Owners of the Bonds. Any suit for money damages would be subject to limitations on legal remedies against cities in the State, including a limitation on enforcement of judgments against funds needed to serve the public welfare and interest. See the captions “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2021 BONDS” and “THE PROPERTY” and Appendix A.

Possible Insufficiency of Insurance Proceeds

The Facilities Sublease obligates the City to keep in force various forms of insurance, subject to deductibles, for repair or replacement of the Property in the event of damage, destruction or title defects, subject to certain exceptions. The Authority and the City make no representation as to the ability of any insurer to fulfill its obligations under any insurance policy obtained pursuant to the Facilities Sublease and no assurance can be given as to the adequacy of any such insurance to fund necessary repair or replacement or to redeem or pay principal of and interest on the Series 2021 Bonds when due. In addition, certain risks, such as earthquakes and floods, are not required to be covered under the Facilities Sublease, and therefore, are not carried by the City. See the captions “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2021 BONDS—Insurance” and “THE CITY—Risk Management.”

Limitations on Remedies

The rights of the Owners of the Series 2021 Bonds are subject to the limitations on legal remedies against cities in the State, including a limitation on enforcement of judgments against funds needed to serve the public welfare and interest. Furthermore, the remedies available to the Owners of the Series 2021 Bonds upon the occurrence of an event of default under the Trust Agreement or the Facilities Sublease are in many respects dependent upon judicial actions which are often subject to discretion and delay and could prove both expensive and time consuming to obtain.

Additionally, enforceability of the rights and remedies of the Owners of the Series 2021 Bonds, and the obligations incurred by the City or the Authority, may become subject to the provisions of Title 11 of the United States Code (the “**Bankruptcy Code**”) and applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors’ rights generally, now or later in effect, equity principles which may limit the specific enforcement under State law of certain remedies, the exercise by the United States of America of the powers delegated to it by the federal Constitution, the reasonable and necessary exercise, in certain exceptional situations, of the police powers inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose and the limitations on remedies against cities in the State. Bankruptcy proceedings, or the exercise of powers by the federal or State government, if initiated, could subject the Owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation or modification of their rights. Under Chapter 9 of the Bankruptcy Code, which governs the bankruptcy proceedings for public agencies such as the City or the Authority, involuntary petitions are not permitted. If the City were to file a petition under Chapter 9 of the Bankruptcy Code, the Owners of the Series 2021 Bonds, the Trustee and the Authority could be prohibited from taking any steps to enforce their rights under the Facilities Sublease, and from taking any steps to collect amounts due from the City under the Facilities Sublease. Similarly, if the Authority were to file a petition under Chapter 9 of the Bankruptcy Code, the Owners of the Series 2021 Bonds, the Trustee and the Authority could be prohibited from taking any steps to enforce their rights under the Facilities Sublease, and from taking any steps to collect amounts assigned by the Authority to the Trustee under the Facilities Sublease.

In particular, if the City or the Authority were to become a debtor under the Bankruptcy Code, the City or the Authority, as applicable, would be entitled to all of the protective provisions of the Bankruptcy Code as applicable in a Chapter 9 case. Among the adverse effects of such a bankruptcy might be: (i) the application of the automatic stay provisions of the Bankruptcy Code, which, until relief is granted, would prevent collection of payments from the City or the Authority or the commencement of any judicial or other action for the purpose of recovering or collecting a claim against the City or the Authority, and which could prevent the Trustee from making payments from funds in its possession; (ii) the avoidance of preferential transfers occurring during the relevant period prior to the filing of a bankruptcy petition; (iii) the existence of unsecured or secured debt which may have a priority of payment that is superior to that of Owners of the Series 2021 Bonds; and (iv) the possibility of the adoption of a plan (an “**Adjustment Plan**”) for the adjustment of the City’s or the Authority’s various obligations, as the case may be, over the objections of the

Trustee or all of the Owners of the Series 2021 Bonds and without their consent, which Adjustment Plan may restructure, delay, compromise or reduce the amount of any claim of the Owners if the Bankruptcy Court finds that such Adjustment Plan is “fair and equitable” and in the best interests of creditors. The Adjustment Plans approved by the Bankruptcy Courts in connection with the bankruptcies of the cities of Vallejo, San Bernardino and Stockton resulted in significant reductions in the amounts payable by the cities under lease revenue obligations that were substantially identical or similar to the Series 2021 Bonds. The City and the Authority can provide no assurances about the outcome of the bankruptcy cases of other California municipalities or the nature of any Adjustment Plan if either entity were to file for bankruptcy.

In addition, the City could either reject the Facilities Sublease or the Facilities Lease or assume the Facilities Sublease or the Facilities Lease despite any provision of the Facilities Sublease or the Facilities Lease that makes the bankruptcy or insolvency of the City an event of default thereunder. If the City rejects the Facilities Sublease or the Facilities Lease, the Trustee, on behalf of the Owners of the Bonds, would have a pre-petition unsecured claim that may be substantially limited in amount, and this claim would be treated in a manner under an Adjustment Plan over the objections of the Trustee or Owners of the Bonds. Moreover, such rejection would terminate the Facilities Sublease and the City’s obligations to make payments thereunder. The City may also be permitted to assign the Facilities Sublease or the Facilities Lease to a third party, regardless of the terms of the transaction documents.

The opinion to be delivered by Bond Counsel concurrently with the execution and delivery of the Series 2021 Bonds will be subject to such limitations and the various other legal opinions to be delivered concurrently with the issuance of the Series 2021 Bonds will be similarly qualified. See Appendix C. In the event that the City fails to comply with its covenants under the Facilities Sublease or fails to pay Base Rental Payments, there can be no assurance of the availability of remedies adequate to protect the interest of the Owners of the Series 2021 Bonds.

No Liability of Authority to the Owners

Except as expressly provided in the Trust Agreement, the Authority has no obligation or liability to the Owners of the Series 2021 Bonds with respect to: (a) the payment when due of the Base Rental Payments by the City; (b) the performance by the City of other agreements and covenants required to be performed by it contained in the Facilities Sublease or the Trust Agreement; or (c) the performance by the Trustee of any right or obligation required to be performed by it contained in the Trust Agreement.

Secondary Market

There can be no guarantee that there will be a secondary market for the Series 2021 Bonds or, if a secondary market exists, that the Series 2021 Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then prevailing circumstances. Such prices could be substantially different from the original purchase price.

Impact of State Budget

At various times, including recently, the State has experienced significant financial and budgetary stress. State budgets are affected by national and local economic conditions and other factors over which the City has no control. The State’s financial condition and budget policies affect communities and local public agencies throughout the State.

A number of the City’s revenues are collected and dispersed by the State (such as sales taxes and the VLF) or allocated in accordance with State law (most importantly, property taxes). Therefore, State budget decisions can have an impact on City finances. In the event of a material economic downturn in the State,

including as a result of the COVID-19 outbreak that is discussed under the caption “THE CITY—COVID-19 Outbreak,” there can be no assurance that any resulting revenue shortfalls to the State will not reduce revenues to local governments (including the City) or shift financial responsibility for programs to local governments as part of the State’s efforts to address any such related State financial difficulties. See the caption “STATE OF CALIFORNIA BUDGET INFORMATION.” The State’s ability to undertake such revenue reductions or shifting has been limited by provisions of the State Constitution. See the caption “CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS—Proposition 22.” However, to the extent that the State budget process results in reduced revenues to the City, the City will be required to make adjustments to its budget.

For example, declining revenues and fiscal difficulties that arose in the State commencing in Fiscal Year 2008-09 led the State to undertake a number of budgeting strategies, which had subsequent impacts on local agencies within the State. These techniques included the issuance of IOUs in lieu of warrants (checks), the enactment of statutes deferring amounts owed to public schools, until a later date in the fiscal year, or even into the following fiscal year (known as statutory deferrals), trigger reductions, which were budget cutting measures which were implemented or could have been implemented if certain State budgeting goals were not met, among others, and the dissolution of local redevelopment agencies in part to make available additional funding for local agencies.

Although starting with Fiscal Year 2013-14, recent State budgets have been balanced, largely attributable to improvements in the economy, the additional revenues generated due to the passage of Proposition 30 at the November 6, 2012, Statewide election, as well as other spending cuts, there can be no certainty that budget-cutting strategies such as those used in prior years will not be used in the future, should the State budget again be stressed and if projections included in such budget do not materialize, or that Proposition 30 will be renewed.

Litigation

The City may be or become a party to litigation that has an impact on the General Fund. Although the City maintains certain insurance policies that provide liability coverage under certain circumstances and with respect to certain types of incidents (as discussed under the caption “THE CITY—Risk Management”), the City cannot predict what types of liabilities may arise in the future.

Covenant to Budget and Appropriate

Under the Facilities Sublease, the City has covenanted to take such actions as are necessary to include the Base Rental Payments and the estimated Additional Rental Payments in its annual budgets and to make the necessary annual appropriations for all Base Rental Payments. Such covenant is deemed to be a duty imposed by law, and it is the duty of the public officials of the City to take such actions and do such things as are required by law in the performance of the official duty of such officials to enable such entity to carry out and perform such covenants. A court, however, in its discretion may decline to enforce such covenant. Upon execution and delivery of the Series 2021 Bonds, Bond Counsel will render its opinion (substantially in the form of Appendix C) to the effect that, subject to certain limitations and qualifications, the Facilities Sublease constitutes a valid and binding obligation of the City.

Eminent Domain

If all of the Property (or portions thereof such that the remainder is not usable for the public purposes by the City) is taken permanently under the power of eminent domain or sold to a government threatening to exercise the power of eminent domain, the term of the Lease Agreement will cease as of the day possession is taken. If less than all of the Property is taken permanently, or if the Property or any part thereof is taken temporarily, under the power of eminent domain, and the remainder is usable for public purposes by the City at the time of such taking: (a) the Facilities Sublease will continue in full force and effect as to such remainder,

and will not be terminated by virtue of such taking; and (b) there will be a partial abatement of Base Rental Payments as a result of the application of insurance proceeds of any eminent domain award to the prepayment of the Base Rental Payments, in an amount to be agreed upon by the City and the Authority such that the resulting Base Rental Payments represent fair consideration for the use and occupancy of the remaining usable portion of the Property.

If all or a portion of the Property were condemned, there can be no assurance that any such award or payment will be sufficient at the time to prepay or defease all of the then-Outstanding Series 2021 Bonds. If the award is less than the amounts remaining on such Outstanding Series 2021 Bonds, then the Owners will be paid less than the amounts remaining on such Outstanding Series 2021 Bonds.

Change in Law

No assurance can be given that the State or the City electorate will not at some future time adopt initiatives, or that the State Legislature will not enact legislation that will amend the laws of the State, in a manner that could result in a reduction of the City's revenues and, therefore, a reduction of the funds legally available to the City to make Base Rental Payments.

Risks Associated with Bond Insurance

In the event that the Authority defaults in the payment of principal of or interest on the Series 2021 Bonds when due, the owners of the Series 2021 Bonds will have a claim under the Policy for such payments. See the caption "BOND INSURANCE." In the event that the Insurer becomes obligated to make payments with respect to the Series 2021 Bonds, no assurance can be given that such event will not adversely affect the market for the Series 2021 Bonds. In the event that the Insurer is unable to make payment of principal of and interest on the Series 2021 Bonds when due under the Policy, the Series 2021 Bonds will be payable solely from Revenues and amounts held in certain funds and accounts established under the Trust Agreement, as described under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2021 BONDS."

The long-term rating on the Series 2021 Bonds is dependent in part on the financial strength of the Insurer and its claims-paying ability. The Insurer's financial strength and claims-paying ability are predicated upon a number of factors which could change over time. If the long-term ratings of the Insurer are lowered, such event could adversely affect the market for the Series 2021 Bonds. See the caption "RATINGS."

None of the Authority, the City nor the Underwriter have made an independent investigation of the claims-paying ability of the Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Insurer is being made by the Authority, the City or the Underwriter in this Official Statement. Therefore, when making an investment decision with respect to the Series 2021 Bonds, potential investors should carefully consider the ability of the City to make Base Rental Payments and the Authority to pay principal and interest on the Series 2021 Bonds, assuming that the Policy is not available for that purpose, and the claims-paying ability of the Insurer through final maturity of the Series 2021 Bonds.

So long as the Policy remains in effect and the Insurer is not in default of its obligations thereunder, the Insurer has certain notice, consent and other rights under the Trust Agreement and will have the right to control all remedies for default under the Trust Agreement. The Insurer is not required to obtain the consent of the owners of the Series 2021 Bonds with respect to the exercise of remedies. See Appendix A.

STATE OF CALIFORNIA BUDGET INFORMATION

Although the State is not a significant source of City revenues, there can be no assurance that the State's annual budget or other legislation will not materially adversely affect the financial condition of the City, in particular given that the City receives certain revenues such as sales tax proceeds and VLF from the

State. The following information describes the State budget process and the current and upcoming State budgets.

General

Information about the State budget is regularly available at various State-maintained websites. Text of proposed and adopted budgets may be found at the website of the State Department of Finance (the “DOF”), <http://www.dof.ca.gov>, under the heading “California Budget.” An impartial analysis of the budget is posted by the Legislative Analyst’s Office (the “LAO”) at <http://www.lao.ca.gov>. In addition, various State Official Statements, many of which contain a summary of the current and past State budgets and the impact of those budgets on cities in the State, may be found at the website of the State Treasurer, <http://www.treasurer.ca.gov>. The information referred to is prepared by the respective State agency maintaining each website and not by the City or the Authority, and the City and the Authority take no responsibility for the continued accuracy of these Internet addresses or for the accuracy, completeness or timeliness of information posted there, and such information is not incorporated herein by these references.

Budget for State Fiscal Year 2020-21

On June 29, 2020, the Governor signed into law the State budget for State fiscal year 2020-21 (the “2020-21 Budget”). The following information is drawn from summaries of the 2020-21 Budget prepared by the DOF and the LAO.

The 2020-21 Budget acknowledged that the rapid onset of COVID-19 has had an immediate and severe impact on the State’s economy. The ensuing recession caused significant job losses and precipitous drops in family and business income and has exacerbated income inequality. The 2020-21 Budget reported that the official unemployment rate exceeded 16% in both April and May 2020.

The 2020-21 Budget included a number of measures intended to address a projected deficit of \$54.3 billion occasioned principally by declines in the State’s three main tax revenues (personal income, sales and use and corporate, as discussed above). The measures included in the 2020-21 Budget, and described below, are intended to close this deficit and set aside \$2.6 billion in the State’s traditional general fund reserve, including \$716 million for the State to respond to the changing conditions of the COVID-19 pandemic:

- *Drawdown of Reserves* – The 2020-21 Budget draws down \$8.8 billion in total State reserves, including \$7.8 billion from the State’s basic reserve fund, known as the Budget Stabilization Account (the “BSA”), \$450 million from the Safety Net Reserve and all money in the Public School System Stabilization Account.
- *Triggers* – The 2020-21 Budget includes \$11.1 billion in reductions and deferrals that would have been restored if at least \$14 billion in federal funds were received by October 15, 2020. Such funds were not received. The triggers include \$6.6 billion in deferred spending on education, \$970 million in funding for the California State University and University of California systems, \$2.8 billion in State employee compensation and \$150 million for courts, as well as funding for various other State programs. The triggers would also fund an additional \$250 million for county programs to backfill revenue losses.
- *Federal Funds* – The 2020-21 Budget relies on \$10.1 billion in federal funds, \$8.1 billion of which has already been received. This relief includes recent Congressional approval for a temporary increase in the federal government’s share of Medicaid costs, a portion of the State’s Coronavirus Relief Fund allocation pursuant to the CARES Act and federal funds provided for childcare programs.

- *Borrowing/Transfers/Deferrals* – The 2020-21 Budget relies on \$9.3 billion in special fund borrowing and transfers, as well as deferrals to K-14 education spending. Approximately \$900 million of special fund borrowing is associated with reductions to State employee compensation and is subject to the triggers discussed above.
- *Increased Revenues* – The 2020-21 Budget temporarily suspends for three years net operating loss tax deductions for medium and large businesses and limits business tax credits, with an estimated increase in tax revenues of \$4.3 billion in State fiscal year 2020-21.
- *Cancelled Expansions, Updated Assumptions and Other Measures* – The 2020-21 Budget includes an additional \$10.6 billion of measures, including cancelling multiple programmatic expansions, anticipated governmental efficiencies, and higher ongoing revenues above the budget forecast and lower health and human services caseload costs than assumed by the budget forecast.

For State fiscal year 2019-20, the 2020-21 Budget projects total State general fund revenues and transfers of \$137.6 billion and authorizes expenditures of \$146.9 billion. The State is projected to end State fiscal year 2019-20 with total available general fund reserves of \$17 billion, including \$16.1 billion in the BSA and \$900 million in the Safety Net Reserve Fund.

For State fiscal year 2020-21, the 2020-21 Budget projects total State general fund revenues and transfers of \$137.7 billion and authorizes expenditures of \$133.9 billion. The State is projected to end State fiscal year 2020-21 with total available general fund reserves of \$11.4 billion, including \$2.6 billion in the traditional State general fund reserve (of which \$716 million is earmarked for COVID-19-related responses), \$8.3 billion in the BSA and \$450 million in the Safety Net Reserve Fund.

As a result of the projected reduction of State revenues occasioned by the COVID-19 pandemic, the 2020-21 Budget estimates that the Proposition 98 minimum school funding guarantee for fiscal year 2020-21 is \$70.1 billion, approximately \$10 billion below the revised prior-year funding level. For K-12 school districts, this results in per-pupil spending in fiscal year 2020-21 of \$10,654, a reduction of \$1,339 from the prior year.

The 2020-21 Budget proposes several measures intended to ameliorate the immediate impact of State revenue declines, and avoid a permanent decline in education funding:

- *Local Control Funding Formula* – The 2020-21 Budget provides for \$1.9 billion in Local Control Funding Formula apportionment deferrals for State fiscal year 2019-20. The deferrals increase to \$11 billion in State fiscal year 2020-21, which results in Local Control Funding Formula funding remaining at 2019-20 levels in both years. The 2020-21 Budget also suspends the statutory cost of living adjustment in State fiscal year 2020-21. Of the total deferrals, \$5.8 billion will be cancelled in State fiscal year 2020-21 if sufficient federal funding for this purpose is received.
- *CalSTRS/CalPERS* – The 2020-21 Budget redirects \$2.3 billion in funds that were previously appropriated for prefunding California State Teachers Retirement System (“CalSTRS”) and CalPERS liabilities, instead applying them to further reduce local educational agency contribution rates for such programs in State fiscal years 2020-21 and 2021-22. This reduces CalSTRS employer rates to 16.15% in fiscal year 2020-21 and 16.02% in fiscal year 2021-22. CalPERS employer rates are reduced to 20.7% in fiscal year 2020-21 and 22.84% in fiscal year 2021-22.
- *Federal Funds* – In addition to the CARES Act funding previously discussed, the 2020-21 Budget appropriates \$1.6 billion in federal Elementary and Secondary School Emergency Relief funds recently awarded to the State. Of this amount, approximately \$1.5 billion will be allocated to local educational agencies in proportion to the amount of federal Title I-A funding such agencies

receive, to be used for COVID-19 related costs. The remaining amount will be allocated to state-level activities.

- *Temporary Revenue Increases* – As discussed above, as part of closing the State’s projected deficit, the 2020-21 Budget provides for a temporary revenue increase of approximately \$4.3 billion in fiscal year 2020-21, of which approximately \$1.6 billion counts towards the Proposition 98 funding guarantee.

For additional information regarding the 2020-21 Budget, see the DOF and LAO websites. The information presented on such websites is not incorporated herein by reference.

None of the websites or webpages that are referenced above is in any way incorporated into this Official Statement. They are cited for informational purposes only. The City, the Authority and the Underwriter make no representation whatsoever as to the accuracy or completeness of any of the information on such websites.

Budget for State Fiscal Year 2021-22

On July 16, 2021, the Governor signed a series of bills representing the State budget for State fiscal year 2021-22 (the “**2021-22 Budget**”). The Governor’s signing followed negotiations between the Governor and the State Legislature regarding the final provisions of the 2021-22 Budget, including the expenditure of a large projected State general fund surplus. The State Legislature passed temporary budgetary legislation in June 2021 to meet the required State Constitutional budget deadline. The following is drawn from the DOF summary of the 2021-22 Budget.

The 2021-22 Budget indicates that revenues are up significantly from the forecast included in the Governor’s proposed State budget for State fiscal year 2021-22, resulting in a large budgetary surplus. This is a result of strong cash trends, two major federal relief bills since the beginning of 2021 (as discussed under the caption “THE CITY—COVID-19 Outbreak”), continued stock market appreciation and a significantly upgraded economic forecast from the prior State fiscal year. The 2021-22 Budget also reports that the State has received approximately \$285 billion in federal COVID-19 stimulus funding for State programs. Although the 2021-22 Budget acknowledges that building reserves and paying down debts are critical, the 2021-22 Budget allocates approximately 85% of discretionary funds to one-time spending. The multi-year forecast reflects a budget roughly in balance, although the 2021-22 Budget assumes that risks remain to the economic forecast, including a stock market decline that could reduce State revenues.

For State fiscal year 2020-21, the 2021-22 Budget projects total general fund revenues and transfers of \$188.8 billion and authorizes expenditures of \$166.1 billion. The State is projected to end State fiscal year 2020-21 with total available reserves of \$39.8 billion, including \$25.1 billion in the traditional general fund reserve, \$12.3 billion in the BSA, \$1.9 billion in the Public School System Stabilization Account and \$450 million in the Safety Net Reserve Fund. For State fiscal year 2021-22, the 2021-22 Budget projects total general fund revenues and transfers of \$175.3 billion and authorizes expenditures of \$196.4 billion. The State is projected to end State fiscal year 2021-22 with total available reserves of \$25.2 billion, including \$4 billion in the traditional general fund reserve, \$15.8 billion in the BSA, \$4.5 billion in the Public School System Stabilization Account and \$900 million in the Safety Net Reserve Fund.

The 2021-22 Budget sets the Proposition 98 minimum funding guarantee for State fiscal year 2021-22 at \$93.7 billion. This results in per-pupil funding of \$13,976 from Proposition 98 funding, growing to \$21,555 when accounting for all funding sources. The 2021-22 Budget also makes retroactive increases to the minimum school funding guarantee in fiscal years 2019-20 and 2020-21, setting them at \$79.3 billion and \$93.4 billion, respectively. Collectively, this represents a three-year increase in the minimum funding guarantee of \$47 billion from the level projected by the 2020-21 Budget.

Other significant features of the 2021-22 Budget include the following:

- General Apportionments – An increase of \$395 million in ongoing Proposition 98 funding for general apportionments, comprised of (i) \$371.2 million to fund a 5.07% cost of living adjustment, and (ii) \$23.8 million to fund 0.50% enrollment growth.
- Deferrals – \$1.453 billion in Proposition 98 funding to repay apportionment deferrals, of which \$144.6 million is from State fiscal year 2019-20, \$1.1 billion is from State fiscal year 2020-21 and \$229.8 million is from State fiscal year 2021-22.
- Student Assistance – \$250 million in one-time ARP Act funds to support emergency student financial assistance grants. The 2021-22 Budget also provides \$160 million in Proposition 98 funding for student assistance, comprised of \$100 million in one-time funding available over three years to address student basic needs including food and housing insecurity, \$30 million in ongoing funding to support student mental health services and \$30 million in ongoing funding for colleges to establish basic needs centers and hire basic needs coordinators.
- Workforce Programs – \$42.4 million in ongoing Proposition 98 funding to increase program funding and enable community college districts to support work-based learning opportunities. The 2021-22 Budget also provides \$20 million in one-time Proposition 98 funding to support community college participation in High Road Training Partnerships and regional partnerships developed by the California Workforce Development Board.
- Facilities – \$581.4 million in State general obligation bond funding, including \$8.2 million to start nine new capital outlay projects and \$573.2 million for the construction phase of 32 projects anticipated to complete design by the spring 2022. In addition, the 2021-22 Budget provides \$511 million in one-time Proposition 98 funding to address deferred maintenance.

For additional information regarding the 2021-22 Budget, see the DOF and LAO websites. The information presented on such websites is not incorporated herein by reference.

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There can be no assurance that additional legislation will not be enacted in the future to implement provisions relating to the State budget, address the COVID-19 outbreak or otherwise that may affect the City or its General Fund revenues.

Potential Impact of State Financial Condition on the City

The State has experienced significant financial stress in recent years, with budget shortfalls in the several billions of dollars. The COVID-19 outbreak materially adversely impacted the financial condition of the State and the waning of the infection crisis is expected to be followed by increases in unfunded liabilities of the two main retirement systems managed by State entities, CalPERS and CalSTRS. The State also has a significant unfunded liability with respect to other post-employment benefits.

Current and future State budgets will be significantly affected by the COVID-19 outbreak and other factors over which the City has no control. The City cannot determine what actions will be taken in the future by the State Legislature and the Governor to deal with the COVID-19 outbreak, future recessions and resulting changing State revenues and expenditures. There can be no assurance that, as a result of the COVID-19 outbreak or otherwise, the State will not significantly reduce revenues to local governments (including the

City) or shift financial responsibility for programs to local governments as part of its efforts to address State financial conditions. Although the State is not a significant source of City revenues, there can be no assurance that State actions to respond to the COVID-19 outbreak will not materially adversely affect the financial condition of the City. The State's ability to undertake such revenue reductions or shifting has been limited by provisions of the State Constitution. See the caption "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS—Proposition 22."

Redevelopment Dissolution

General. On December 29, 2011, the State Supreme Court upheld Assembly Bill 1x26 ("AB 1x26"), which dissolved redevelopment agencies in the State. The effect of AB 1x26 upon the City is the termination of the redevelopment functions of the Community Redevelopment Agency of the City of Moreno Valley (the "Former Agency") and the transfer of such functions to a successor agency (the City, referred to in this context as the "Successor Agency"), which was tasked with winding down the Former Agency's redevelopment activities. Under AB 1x26, the Successor Agency cannot enter into new redevelopment projects or obligations and its assets can be used only to pay enforceable obligations, which enforceable obligations are generally limited to obligations in existence in mid-2011, when AB 1x26 was signed by the Governor. In addition, the Successor Agency will receive tax increment revenues in amounts that are sufficient to pay 100% (but no greater amount) of such enforceable obligations until such obligations (including accrued interest, as applicable) are paid in full, at which time the Successor Agency will be dissolved. Certain tax revenues formerly allocable to the Former Agency will continue to be available to the Successor Agency to pay certain obligations, and a portion of such revenues may be redirected to other taxing agencies, such as the County, the local school districts and the City. The Successor Agency's activities are subject to review by an oversight board established under AB 1x26. Under AB 1x26, liabilities of the Successor Agency are not liabilities of the City.

On June 27, 2012, the Governor signed Assembly Bill 1484 ("AB 1484"), which made certain amendments to AB 1x26. Under AB 1484, the County Auditor-Controller, the DOF and the State Controller may require the return of funds that were improperly spent or transferred to a public entity in conflict with the provisions of the Community Redevelopment Law, as amended by AB 1x26 and AB 1484, and if such funds are not returned within 60 days, they may be recovered through an offset of sales and use tax or property tax allocations to the relevant local agency, which, in the case of the Successor Agency, is the City.

On September 22, 2015, the following amendments to AB 1x26 and AB 1484 were enacted as Senate Bill 107 ("SB 107"): (1) redevelopment successor agencies that enter into a written agreement with the DOF to remit unencumbered cash to the county auditor-controller will receive a finding of completion, which provides successor agencies with additional fiscal tools and reduced State oversight; (2) successor agencies that have a "Last and Final" ROPS (as discussed below) may expend a portion of proceeds of bonds issued in 2011, which proceeds are currently frozen; (3) pension or State Water Project override revenues that are not pledged to or not needed for redevelopment bond debt service will be returned to the entity that levies the override; (4) agreements relating to State highway improvements and money loaned to successor agencies to pay costs associated with redevelopment dissolution litigation will be considered enforceable obligations; and (5) reentered agreements entered into after the passage of AB 1484 are unenforceable unless entered into for the purpose of providing administrative support.

SB 107 also: (a) requires the preparation of a Recognized Obligation Payment Schedule with respect to enforceable obligations (a "ROPS"), which are required to be submitted to the oversight board and the DOF in accordance with AB 1x26, once a year beginning with the ROPS period that commenced on July 1, 2016 (rather than twice a year under prior law); (b) establishes an optional "Last and Final" ROPS process beginning in September 2015; under this process, a successor agency that elected to submit a "Last and Final" ROPS would no longer submit a periodic ROPS and the enforceable obligations set forth in the "Last and Final" ROPS would be binding on all parties; and (c) clarifies that former tax increment caps and plan limits do not apply for the purposes of paying approved enforceable obligations.

Impact on the City. Significant provisions of AB 1x26, AB 1484, SB 107 and implementing actions of affected parties, including the Successor Agency, the oversight board, the County and the DOF, may be subject to legal challenge, statutory or administrative changes and other clarifications which could affect the impact of the dissolution of redevelopment on the City and its General Fund. The DOF has periodically proposed additional legislation which would modify statutes affecting redevelopment dissolution; it is not known whether additional legislation will be enacted. The full extent of the impact of the implementation of AB 1x26, AB 1484 and SB 107 or potential future legislation on the City's General Fund is unknown at this time. While certain administrative costs previously charged to the Former Agency by the General Fund will no longer be supported by the Successor Agency, certain property tax revenues formerly allocated to the Former Agency will now be received by the City's General Fund.

The City does not believe that it has received material amounts from the Former Agency or the Successor Agency which may be asserted to be in violation of AB 1x26 or AB 1484.

Successor Agency Obligations to the General Fund. Although AB 1x26 generally invalidates agreements between host cities and their former redevelopment agencies, provision is made for the enforcement of agreements entered into with respect to obligations which meet certain specified criteria. The City believes that the Successor Agency's payment obligations under a note relating to the Moreno Valley Mall at Towngate (the "**Towngate Regional Mall Note**") and miscellaneous other advances (the "**Other Advances**") to the Former Agency, each as described below, constitute enforceable obligations of the Successor Agency. The City expects that the Successor Agency will continue to be able to apply tax increment revenues to the payment of such obligations. The City has listed the Towngate Regional Mall Note and the Other Advances in its ROPS, and such obligations have been approved as enforceable obligations by the Successor Agency's oversight board and the DOF. However, there can be no assurance that such entities, the State Controller, other State or County bodies implementing the dissolution of redevelopment or a court will not disagree with the City's interpretation and seek to prohibit the Successor Agency from making the payments on the Towngate Regional Mall Note and the Other Advances in the future, or that additional legislation could be enacted which will not be consistent with the City's interpretation. There can also be no assurance that AB 1x26, AB 1484 and/or subsequent implementing statutes will not interfere with the receipt by the City from the Successor Agency of the amounts contemplated to be received by the City pursuant to the Towngate Regional Mall Note, the Other Advances or otherwise.

As of June 30, 2021, the Towngate Regional Mall Note was outstanding in the principal amount of \$10,990,341. The Towngate Regional Mall Note originated from a participation agreement (as amended) whereby the Former Agency acquired certain parcels within the Moreno Valley Mall at Towngate for subsequent transfer to anchor tenants. The Towngate Regional Mall Note bears interest at the rate of 7.25% per annum and is payable from the property tax increment and up to 50% of the sales tax revenues generated from the acquired parcels. In Fiscal Year 2004, the City purchased the rights to the Towngate Regional Mall Note from the holder thereof and, thereafter, has received the associated interest and principal payments related thereto. Through negotiations with the DOF, the City has reached an agreement which amends the terms of the Towngate Regional Mall Note such that \$1,400,000 will now be paid annually to the City from revenues in the Redevelopment Property Tax Trust Fund maintained by the County Auditor-Controller with respect to the former redevelopment project areas within the City through December 2035. On September 23, 2014 and September 24, 2014, respectively, the Successor Agency and the Successor Agency's oversight board approved resolutions that incorporate terms of the agreement reached between the City and the DOF. Such resolutions provided for the restructuring of the Towngate Regional Mall Note payment schedule for submission to the DOF. The restructured payment schedule was approved as part of the 2014/15B ROPS on November 15, 2014.

As of June 30, 2021, the Other Advances were outstanding in the principal amount of \$[___]. The Other Advances were used by the Former Agency for various redevelopment purposes and are payable from available Successor Agency moneys. The Other Advances bear interest at the rate of 12% per annum but do not have a specific maturity date.

To the extent that the Successor Agency's assets are liquidated for distribution of proceeds to the affected taxing entities, the City currently expects that the City's General Fund will receive approximately 11% of such assets.

Future State Budgets

No prediction can be made by the City as to whether the State will continue to encounter budgetary problems in future years, and if it were to do so, it is not clear what measures would be taken by the State to balance its budget, as required by law. In addition, the City cannot predict the final outcome of future State budget negotiations, the impact that such budgets will have on City finances and operations or what actions will be taken in the future by the State Legislature and the Governor to deal with changing State revenues and expenditures. There can be no assurance that actions taken by the State to address its financial condition will not materially adversely affect the financial condition of the City. Current and future State budgets will be affected by national and State economic conditions and other factors, including the current economic downturn, over which the City has no control.

CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS

There are a number of provisions in the State Constitution that limit the ability of the City to raise and expend tax revenues.

Article XIII A of the State Constitution

On June 6, 1978, State voters approved an amendment (commonly known as both Proposition 13 and the Jarvis-Gann Initiative) to the State Constitution. The amendment, which added Article XIII A to the State Constitution, among other things affects the valuation of real property for the purpose of taxation in that it defines the full cash property value to mean "the county assessor's valuation of real property as shown on the 1975/76 tax bill under 'full cash value', or thereafter, the appraised value of real property newly constructed, or when a change in ownership has occurred after the 1975 assessment." The full cash value may be adjusted annually to reflect inflation at a rate not to exceed 2% per year, or a reduction in the consumer price index or comparable local data at a rate not to exceed 2% per year, or reduced in the event of declining property value caused by damage, destruction or other factors including a general economic downturn. The amendment further limits the amount of any *ad valorem* tax on real property to 1% of the full cash value, except that additional taxes may be levied to pay debt service on indebtedness approved by the voters prior to December 1, 1978, and bonded indebtedness for the acquisition or improvement of real property approved on or after December 1, 1978 by two-thirds of the votes cast by the voters voting on the proposition (55% in the case of certain school facilities). Property taxes subject to Proposition 13 are a significant source of the City's General Fund revenues. See the caption "CITY FINANCIAL INFORMATION."

Legislation enacted by the State Legislature to implement Article XIII A provides that all taxable property is shown at full assessed value as described above. Tax rates for voter approved bonded indebtedness are also applied to 100% of assessed value.

Future assessed valuation growth allowed under Article XIII A (new construction, change of ownership, 2% annual value growth) is allocated on the basis of "situs" among the jurisdictions that serve the tax rate area within which the growth occurs. Local agencies and school districts share the growth of "base" revenue from the tax rate area. Each year's growth allocation becomes part of each agency's allocation the following year. Article XIII A effectively prohibits the levying of any other *ad valorem* property tax above the 1% limit except for taxes to support indebtedness approved by the voters as described above.

Article XIII A has subsequently been amended to permit reduction of the "full cash value" base in the event of declining property values caused by damage, destruction or other factors, and to provide that there

would be no increase in the “full cash value” base in the event of reconstruction of property damaged or destroyed in a disaster and in certain other limited circumstances.

Article XIII B of the State Constitution

At the Statewide special election on November 6, 1979, the voters approved an initiative entitled “Limitation on Government Appropriations,” which added Article XIII B to the State Constitution. Under Article XIII B, State and local government entities have an annual “appropriations limit” which limits the ability to spend certain moneys which are called “appropriations subject to limitation” (consisting of tax revenues and investment proceeds thereof, certain State subventions and regulatory license fees, user charges and user fees to the extent that the proceeds thereof exceed the costs of providing such services, together called “proceeds of taxes,” and certain other funds) in an amount higher than the “appropriations limit.” Article XIII B does not affect the appropriation of moneys which are excluded from the definition of “appropriations limit,” including debt service on indebtedness existing or authorized as of October 1, 1979, or bonded indebtedness subsequently approved by the voters. In general terms, the “appropriations limit” is to be based on certain 1978-79 expenditures and is to be adjusted annually to reflect changes in the consumer price index, population and services provided by these entities. Among other provisions of Article XIII B, if those entities’ revenues in any year exceed the amounts permitted to be spent, the excess would have to be returned by revising tax rates or fee schedules over the subsequent two years.

The City’s appropriations have never exceeded the limitation on appropriations under Article XIII B of the State Constitution.

Proposition 62

A statutory initiative (“**Proposition 62**”) was adopted by the voters of the State at the November 4, 1986 general election which: (a) requires that any tax for general governmental purposes imposed by local governmental entities be approved by resolution or ordinance adopted by two-thirds vote of the governmental agency’s legislative body and by a majority of the electorate of the governmental entity; (b) requires that any special tax (defined as taxes levied for other than general governmental purposes) imposed by a local governmental entity be approved by a two-thirds vote of the voters within the jurisdiction; (c) restricts the use of revenues from a special tax to the purposes or for the service for which the special tax is imposed; (d) prohibits the imposition of *ad valorem* taxes on real property by local governmental entities except as permitted by Article XIII A; (e) prohibits the imposition of transaction taxes and sales taxes on the sale of real property by local governmental entities; and (f) requires that any tax imposed by a local governmental entity on or after August 1, 1985 be ratified by a majority vote of the electorate within two years of the adoption of the initiative or be terminated by November 15, 1988. The requirements imposed by Proposition 62 were upheld by the State Supreme Court in *Santa Clara County Local Transportation Authority v. Guardino*, 11 Cal.4th 220 (1995).

Proposition 62 applies to the imposition of any taxes or the implementation of any tax increases after its enactment in 1986, but the requirements of Proposition 62 are largely subsumed by the requirements of Proposition 218 for the imposition of any taxes or the effecting of any tax increases after November 5, 1996. See the caption “—Proposition 218” below.

Proposition 218

On November 5, 1996, State voters approved Proposition 218, an initiative measure entitled the “Right to Vote on Taxes Act.” Proposition 218 added Articles XIII C and XIII D to the State Constitution, imposing certain vote requirements and other limitations on the imposition of new or increased taxes, assessments and property-related fees and charges. Proposition 218 states that all taxes imposed by local governments are deemed to be either general taxes or special taxes. Special purpose districts, including school districts, have no power to levy general taxes. No local government may impose, extend or increase any

general tax unless and until such tax is submitted to the electorate and approved by a majority vote. No local government may impose, extend or increase any special tax unless and until such tax is submitted to the electorate and approved by a two-thirds vote.

Proposition 218 also provides that no tax, assessment, fee or charge may be assessed by any agency upon any parcel of property or upon any person as an incident of property ownership except: (a) the *ad valorem* property tax imposed pursuant to Articles XIII and XIII A of the State Constitution; (b) any special tax receiving a two-thirds vote pursuant to the State Constitution; and (c) assessments, fees and charges for property related services as provided in Proposition 218. Proposition 218 then goes on to add voter requirements for assessments and fees and charges imposed as an incident of property ownership, other than fees and charges for sewer, water and refuse collection services. In addition, all assessments and fees and charges imposed as an incident of property ownership, including sewer, water and refuse collection services, are subjected to various additional procedures, such as hearings and stricter and more individualized benefit requirements and findings. The effect of such new provisions will presumably be to increase the difficulty a local agency will have in imposing, increasing or extending such assessments, fees and charges.

Proposition 218 also extended the initiative power to reducing or repealing any local taxes, assessments, fees and charges. This extension of the initiative power is not limited to taxes imposed on or after November 6, 1996, the effective date of Proposition 218, and could result in retroactive repeal or reduction in any existing taxes, assessments, fees and charges, subject to overriding federal constitutional principles relating to the impairments of contracts. Legislation implementing Proposition 218 provides that the initiative power provided for in Proposition 218 “shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after (the effective date of Proposition 218) assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights” protected by the United States Constitution. However, no assurance can be given that the voters of the City will not, in the future, approve an initiative which reduces or repeals local taxes, assessments, fees or charges that currently are deposited into the City’s General Fund.

Although a portion of the City’s General Fund revenues are derived from general taxes purported to be governed by Proposition 218 as discussed under the caption “CITY FINANCIAL INFORMATION—Other Taxes,” all of such taxes were imposed in accordance with the requirements of Proposition 218. No assurance can be given that the voters of the City will not, in the future, approve an initiative or initiatives which reduce or repeal local taxes, assessments, fees or charges which support the City’s General Fund.

Unitary Property

Some of the property tax revenue received by the City is derived from utility property which is considered part of a utility system with components located in many taxing jurisdictions (“**unitary property**”). Under the State Constitution, such property is assessed by the CDTFA as part of a “going concern” rather than as individual pieces of real or personal property. State-assessed unitary and certain other property is allocated to the counties by the CDTFA, taxed at special county-wide rates, and the tax revenues are distributed to taxing jurisdictions (including the City) according to statutory formula generally based on the distribution of taxes in the prior year.

Proposition 22

On November 2, 2010, voters in the State approved Proposition 22, which eliminates the State’s ability to borrow or shift local revenues and certain State revenues that fund transportation programs. Proposition 22 restricts the State’s authority over a broad range of tax revenues, including property taxes allocated to cities (including the City), counties and special districts, the VLF, State excise taxes on gasoline and diesel fuel, the State sales tax on diesel fuel, and the former State sales tax on gasoline. It also makes a number of significant other changes, including restricting the State’s ability to use motor vehicle fuel tax revenues to pay debt service on voter-approved transportation bonds.

Proposition 26

On November 2, 2010, voters in the State approved Proposition 26. Proposition 26 amends Article XIII C of the State Constitution to expand the definition of “tax” to include “any levy, charge, or exaction of any kind imposed by a local government” except the following: (a) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (b) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (c) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (d) a charge imposed for entrance to or use of local government property, or the purchase, rental or lease of local government property; (e) a fine, penalty or other monetary charge imposed by the judicial branch of government or a local government as a result of a violation of law; (f) a charge imposed as a condition of property development; and (g) assessments and property-related fees imposed in accordance with the provisions of Article XIII D. Proposition 26 provides that the local government bears the burden of proving by a preponderance of the evidence that a levy, charge or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor’s burdens on, or benefits received from, the governmental activity. The City does not believe that Proposition 26 will adversely affect its General Fund revenues.

Future Initiatives

Articles XIII A and XIII B and Propositions 62, 218, 22 and 26 were each adopted as measures that qualified for the ballot pursuant to the State’s initiative process. From time to time other initiative measures could be adopted that further affect the City’s current revenues or its ability to raise and expend revenues.

TAX MATTERS

In the opinion of Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described herein, interest on the Series 2021 Bonds is exempt from State of California personal income tax and is *not* excluded from gross income for federal income tax purposes under Section 103 of Internal Revenue Code of 1986, as amended (the “Code”).

With certain exceptions, the difference between the issue price of a Series 2021 Bond (the first price at which a substantial amount of the Series 2021 Bonds of the same maturity is to be sold to the public) and the stated redemption price at maturity with respect to such Bond (to the extent the redemption price at maturity is greater than the issue price) constitutes original issue discount. Original issue discount accrues under a constant yield method. The amount of original issue discount deemed received by the Beneficial Owner of a Series 2021 Bond will increase the Beneficial Owner’s basis in the Series 2021 Bond. Beneficial Owners of the Series 2021 Bonds should consult their own tax advisors with respect to taking into account any original issue discount on the Series 2021 Bonds.

The amount by which a Beneficial Owner’s original basis for determining loss on sale or exchange in the applicable Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable bond premium, which the Beneficial Owner of a Series 2021 Bond may elect to amortize under Section 171 of the Code; such amortizable bond premium reduces the Beneficial Owner’s basis in the applicable Bond (and the amount of taxable interest received with respect to the Series 2021 Bonds), and is deductible for federal income tax purposes. The basis reduction as a result of the amortization of bond premium may result in a Beneficial Owner realizing a taxable gain when a Series 2021 Bond is sold by

the Beneficial Owner for an amount equal to or less (under certain circumstances) than the original cost of the Series 2021 Bond to the Beneficial Owner. The Beneficial Owners of the Series 2021 Bonds that have a basis in the Series 2021 Bonds that is greater than the principal amount of the Series 2021 Bonds should consult their own tax advisors with respect to whether or not they should elect such premium under Section 171 of the Code.

In the event of a legal defeasance of the Series 2021 Bonds, such Bonds might be treated as retired and “reissued” for federal tax purposes as of the date of the defeasance, potentially resulting in recognition of taxable gain or loss to the applicable Bond Owner generally equal to the difference between the amount deemed realized from the deemed prepayment and reissuance and the Series 2021 Bond Owner’s adjusted tax basis in such Bond.

The tax discussion set forth above is included for general information only and may not be applicable depending upon a Series 2021 Bond Owner’s particular situation. The ownership and disposal of the Series 2021 Bonds and the accrual or receipt of interest on the Series 2021 Bonds may otherwise affect the tax liability of certain persons. Bond Counsel expresses no opinion regarding any such tax consequences. BEFORE PURCHASING ANY OF THE SERIES 2021 BONDS, ALL POTENTIAL PURCHASERS SHOULD CONSULT THEIR INDEPENDENT TAX ADVISORS WITH RESPECT TO THE TAX CONSEQUENCES RELATING TO THE SERIES 2021 BONDS AND THE TAXPAYER’S PARTICULAR CIRCUMSTANCES.

A copy of the proposed form of opinion of Bond Counsel with respect to the 2021 Bonds is set forth in Appendix C.

MUNICIPAL ADVISOR

The City has retained Fieldman Rolapp & Associates, Inc., Irvine, California (the “**Municipal Advisor**”) as municipal advisor in connection with the sale of the Series 2021 Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement.

The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal or other public securities.

CERTAIN LEGAL MATTERS

The validity of the Series 2021 Bonds and certain other legal matters are subject to the approving opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, Bond Counsel. A complete copy of the proposed form of Bond Counsel opinion is contained in Appendix C. Bond Counsel and Disclosure Counsel will receive compensation from the City contingent upon the sale and delivery of the Series 2021 Bonds. Certain legal matters will be passed upon for the City and the Authority by Steve Quintanilla, Interim City Attorney and counsel to the Authority, and by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, as Disclosure Counsel, for the Underwriter by Kutak Rock LLP, for the Trustee by its counsel and for the Insurer by its counsel.

ABSENCE OF LITIGATION

[CONFIRM] To the best knowledge of the City and the Authority, there is no action, suit or proceeding pending or, to the best knowledge of the City, threatened either restraining or enjoining the execution or delivery of the Series 2021 Bonds, the Facilities Lease, the Facilities Sublease or the Trust Agreement, or in any way contesting or affecting the validity of the foregoing or any proceedings of the Authority or the City taken with respect to any of the foregoing. There are a number of lawsuits and claims

from time to time pending against the City. In the opinion of the City Attorney, and taking into account likely insurance coverage and litigation reserves, there are no lawsuits or claims pending or threatened against the City that will materially affect the City's finances so as to impair its ability to pay Base Rental Payments when due.

UNDERWRITING

The Series 2021 Bonds are being purchased by Stifel, Nicolaus & Company, Incorporated (the “**Underwriter**”). The Underwriter will purchase the Series 2021 Bonds from the Authority at an aggregate purchase price of \$_____, representing the principal amount of the Series 2021 Bonds, plus/less \$_____ of net original issue premium/discount and less \$_____ of Underwriter's discount.

The initial public offering prices stated on the inside front cover of this Official Statement may be changed from time to time by the Underwriter. The Underwriter may offer and sell the Series 2021 Bonds to certain dealers (including dealers depositing Series 2021 Bonds into investment trusts), dealer banks, banks acting as agents and others at prices lower than said public offering prices.

RATINGS

S&P Global Ratings, a Standard & Poor's Financial Services LLC business (“**S&P**”), has assigned the rating of “[]” to the Series 2021 Bonds based upon the delivery of the Policy by the Insurer at the time of issuance of the Series 2021 Bonds. S&P has also assigned the Series 2021 Bonds the rating of “[]” notwithstanding the delivery of the Policy.

A rating is not a recommendation to buy, sell or hold securities. Future events, including the impacts of the COVID-19 pandemic that is described under the caption “THE CITY—COVID-19 Outbreak,” could have an adverse impact on the ratings of the Series 2021 Bonds, and there is no assurance that any credit rating that is given to the Series 2021 Bonds will be maintained for any period of time or that a rating may not be qualified, downgraded, lowered or withdrawn entirely by S&P if, in the judgment of S&P, circumstances so warrant, nor can there be any assurance that the criteria required to achieve a rating on the Series 2021 Bonds will not change during the period that the Series 2021 Bonds remain outstanding.

Any qualification, downward revision, lowering or withdrawal of the ratings on the Series 2021 Bonds may have an adverse effect on the market price of the Series 2021 Bonds. Such ratings reflect only the current views of S&P (which could change at any time), and an explanation of the significance of such ratings may be obtained from S&P. Generally, rating agencies base their ratings on information and materials furnished to them (which may include information and material from the City that is not included in this Official Statement) and on investigations, studies and assumptions by the rating agencies.

The City has covenanted in its continuing disclosure undertaking to file notices of any rating changes on the Series 2021 Bonds with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System (“**EMMA**”). See the caption “CONTINUING DISCLOSURE” and Appendix D. Notwithstanding such covenant, information relating to rating changes on the Series 2021 Bonds may be publicly available from S&P prior to such information being provided to the City and prior to the date by which the City is obligated to file a notice of rating change. Purchasers of the Series 2021 Bonds are directed to S&P and its websites and official media outlets for the most current ratings with respect to the Series 2021 Bonds after the issuance of the Series 2021 Bonds.

None of the Authority, the City or the Underwriter makes any representation as to the Insurer's creditworthiness and no representation that the Insurer's credit rating will be maintained in the future. S&P has previously taken action to downgrade the ratings of certain municipal bond insurers and has published various releases outlining the processes that S&P intends to follow in evaluating the ratings of financial guarantors. For some financial guarantors, the result of such evaluations could be a rating affirmation, a

change in rating outlook, a review for downgrade or a downgrade. Potential investors are directed to S&P for additional information on S&P's evaluations of the financial guaranty industry and individual financial guarantors, including the Insurer. See the caption "BOND INSURANCE" for further information relating to the Insurer.

CONTINUING DISCLOSURE

Pursuant to a Continuing Disclosure Certificate of the City, dated as of the date of issuance of the Series 2021 Bonds (the "**Disclosure Certificate**"), the City has covenanted for the benefit of the holders and Beneficial Owners of the Series 2021 Bonds to provide certain financial information and operating data relating to the City by each March 31 following the end of the City Fiscal Year (currently its Fiscal Year ends on June 30) (the "**Annual Report**"), commencing March 31, 2022 with the report for the Fiscal Year ended June 30, 2021, and to provide notices of the occurrence of certain enumerated events. The Annual Report and the notices of enumerated events will be filed by the City with EMMA. The specific nature of the information to be contained in the Annual Report and the notices of enumerated events are set forth in Appendix D. These covenants have been made in order to assist the Underwriter in complying with subsection (b)(5) of Rule 15c2-12 adopted by the Securities and Exchange Commission ("**Rule 15c2-12**").

The requirement that the City file its audited financial statements as a part of the Annual Report has been included in the Disclosure Certificate solely to satisfy the provisions of Rule 15c2-12. The inclusion of such information does not mean that the Series 2021 Bonds are secured by any resources or property of the City or any entity other than Base Rental Payments or other amounts due under the Facilities Sublease. See the captions "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2021 BONDS" and "RISK FACTORS—General Considerations – Security for the Series 2021 Bonds."

[DISCLOSURE RE PAST CONTINUING DISCLOSURE COMPLIANCE TO COME].

In order to promote compliance by the City and its related entities, including the Authority and the Former Agency, with their respective continuing disclosure undertakings, the City has retained Willdan Financial Services ("**Willdan**") to serve as dissemination agent and assist such entities in complying with their continuing disclosure obligations. Willdan will also perform these duties for the land-secured financings involving the City's community facilities districts. Additionally the City has taken the steps to amend its existing debt policy, which has been approved by the City Council, to ensure future compliance with Rule 15c2-12.

FINANCIAL STATEMENTS OF THE CITY

Included as Appendix B are the audited financial statements of the City as of and for the Fiscal Year ended June 30, 2020, together with the report of the Auditor thereon dated December 10, 2020. Such audited financial statements have been included herein in reliance upon the report of the Auditor. The Auditor has not undertaken to update the audited financial statements of the City or its report, or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement, and no opinion is expressed by the Auditor with respect to any event subsequent to its report dated December 10, 2020.

MISCELLANEOUS

Summaries of certain documents and reports do not purport to be complete or definitive and reference is made to such documents and reports for full and complete statements of the contents thereof. Copies of the Trust Agreement, the Facilities Lease, the Facilities Sublease and other documents are available, upon request, and upon payment to the City of a charge for copying, mailing and handling, from the Chief Financial Officer of the City at 14177 Frederick Street, P.O. Box 88005, Moreno Valley, California 92552.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Authority or the City and the purchasers or Owners of any of the Series 2021 Bonds.

The execution and delivery of this Official Statement have been duly authorized by the Authority and the City.

**MORENO VALLEY PUBLIC FINANCING
AUTHORITY**

By: _____
Executive Director

CITY OF MORENO VALLEY

By: _____
City Manager

DRAFT

Attachment: DRAFT Official Statement Moreno Valley 2021 Lease Revenue Bonds (2015 & 2016 Refunding), 4839-8268-0305_4 (5495 :

APPENDIX A**SUMMARY OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS**

The following is a summary of certain provisions of the Facilities Lease, Facilities Sublease and Trust Agreement which are not described elsewhere. This summary does not purport to be comprehensive and reference should be made to the respective documents for a full and complete statement of the provisions thereof.

[TO COME FROM BOND COUNSEL]

DRAFT

APPENDIX B
AUDITED FINANCIAL STATEMENTS

DRAFT

Attachment: DRAFT Official Statement Moreno Valley 2021 Lease Revenue Bonds (2015 & 2016 Refunding), 4839-8268-0305_4 (5495 :

APPENDIX C

PROPOSED FORM OF BOND COUNSEL OPINION

Upon the issuance of the 2021 Bonds, Stradling Yocca Carlson & Rauth, a Professional Corporation, Bond Counsel, proposes to render its final approving opinion in substantially the following form:

June 9, 2021

Moreno Valley Public Financing Authority
c/o City of Moreno Valley
14177 Frederick Street
PO Box 88005
Moreno Valley, California 92552

Re: \$ _____ *Moreno Valley Public Financing Authority Lease Revenue Refunding Bonds, Series 2021 (Taxable)*

Members of the Board of Directors:

We have acted as Bond Counsel to the Moreno Valley Public Financing Authority (the "Authority") in connection with the issuance by the Authority of its Lease Revenue Refunding Bonds, Series 2021 (Taxable) in the aggregate principal amount of \$ _____ (the "2021 Bonds"). In connection therewith, we have reviewed:

(i) the Master Trust Agreement, dated as of December 1, 2015 (the "2015 Master Trust Agreement"), as amended and supplemented by the First Supplement to Master Trust Agreement, dated as of December 1, 2016 (the "First Supplement to the 2015 Master Trust Agreement"), the Second Supplement to Master Trust Agreement, dated as of April 1, 2019 (the "Second Supplement to the 2015 Master Trust Agreement"), and the Third Supplement to Master Trust Agreement, dated as of October 1, 2021 (the "Third Supplement to the 2015 Master Trust Agreement," and together with the 2015 Master Trust Agreement, the First Supplement to the 2015 Master Trust Agreement and the Second Supplement to the 2015 Master Trust Agreement, the "Trust Agreement"), each by and between the Authority and the Wells Fargo Bank, National Association, as trustee (the "Trustee");

(ii) the Master Facilities Lease, dated as of December 1, 2015 (the "2015 Master Facilities Lease"), as amended by the First Amendment to Master Facilities Lease, dated as of December 1, 2016 (the "First Amendment to the 2015 Master Facilities Lease"), the Second Amendment to Master Facilities Lease, dated as of April 1, 2019 (the "Second Amendment to the 2015 Master Facilities Lease"), and the Third Amendment to Master Facilities Lease, dated as of October 1, 2021 (the "Third Amendment to the 2015 Master Facilities Lease," and together with the 2015 Master Facilities Lease, the First Amendment to the 2015 Master Facilities Lease and the Second Amendment to the 2015 Master Facilities Lease, the "Facilities Lease"), each by and between the City of Moreno Valley (the "City"), as lessor, and the Authority, as lessee;

(iii) the Master Facilities Sublease, dated as of December 1, 2015 (the "2015 Master Facilities Sublease"), as amended and supplemented by the First Amendment to Master Facilities Sublease, dated as of December 1, 2016 (the "First Amendment to the 2015 Master Facilities Sublease"), the Second Amendment to Master Facilities Sublease, dated as of April 1, 2019 (the "Second Amendment to the 2015 Master Facilities Sublease"), and the Third Amendment to Master Facilities Sublease, dated as of October 1, 2021 (the "Third Amendment to the 2015 Master Facilities Sublease," and together with the 2015 Master Facilities Sublease, the First Amendment to the 2015 Master Facilities Sublease and the Second Amendment to the 2015 Master Facilities Sublease, the "Facilities Sublease"); and

(iv) opinions of counsel to the Authority, the City and the Trustee, certificates of the Authority, the City and the Trustee and others and such other documents, opinions and matters to the extent that we deemed

necessary to render the opinions set forth herein. Capitalized terms that are not otherwise defined herein have the meanings that are ascribed thereto in the Indenture.

Based upon our examination of the foregoing, and in reliance thereon and on all matters of fact as we deem relevant under the circumstances, and upon consideration of applicable laws, we are of the opinion that:

1. The obligation of the City to pay Base Rental Payments in accordance with the terms of the Facilities Sublease is a valid and binding obligation payable from the funds of the City lawfully available therefor. The obligation of the City to make Base Rental Payments under the Facilities Sublease does not constitute a debt of the City, the State of California (the "State") or any political subdivision thereof within the meaning of any statutory or constitutional debt limitation or restriction and does not constitute a pledge of the faith and credit or taxing power of the City, the State or any political subdivision thereof.

2. The Facilities Sublease has been duly authorized, executed and delivered by the City and the Authority and constitutes the valid and legally binding agreement of the City and the Authority enforceable against the City and the Authority in accordance with its terms, except that we express no opinion as to any provisions in the Facilities Sublease with respect to indemnification, penalty, contribution, choice of law, choice of forum or waiver.

3. The Trust Agreement has been duly authorized, executed and delivered by the Authority and, assuming due execution and delivery by the Trustee, constitutes the valid and legally binding agreement of the Authority enforceable against the Authority in accordance with its terms, except that we express no opinion as to any provisions in the Trust Agreement with respect to indemnification, penalty, contribution, choice of law, choice of forum or waiver.

4. Interest on the 2021 Bonds is exempt from personal income taxes imposed in the State.

The opinions that are expressed herein may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. Our engagement with respect to the 2021 Bonds terminates on the date of their issuance. The Trust Agreement, the Facilities Lease and the Facilities Sublease permit certain actions to be taken or to be omitted if a favorable opinion of Bond Counsel is provided with respect thereto. Other than as expressly stated herein, we express no other opinion regarding tax consequences with respect to the 2021 Bonds.

We have not made or undertaken to make an investigation of the state of title to any of the real property described in the Facilities Lease and the Facilities Sublease or of the accuracy or sufficiency of the description of such property contained therein, and we express no opinion with respect to such matters.

Our opinion is limited to matters governed by the laws of the State. We assume no responsibility with respect to the applicability or the effect of the laws of any other jurisdiction.

The opinions that are expressed herein are based upon our analysis and interpretation of existing statutes, regulations, rulings and judicial decisions and cover certain matters not directly addressed by such authorities. We call attention to the fact that the rights and obligations under the Trust Agreement, the Facilities Lease, the Facilities Sublease and the 2021 Bonds 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.

We express no opinion herein as to the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the 2021 Bonds and expressly disclaim any duty to advise the Owners of the 2021 Bonds with respect to matters contained in the Official Statement.

Respectfully submitted,

APPENDIX D

PROPOSED FORM OF CONTINUING DISCLOSURE CERTIFICATE

Upon issuance of the Series 2021 Bonds, the City proposes to enter into a Continuing Disclosure Certificate in substantially the following form:

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the City of Moreno Valley (the “City”) in connection with the issuance by the Moreno Valley Public Financing Authority (the “Authority”) of its \$_____ Lease Revenue Refunding Bonds, Series 2021 (Taxable) (the “Bonds”). The Bonds are being issued pursuant to a Master Trust Agreement, dated as of December 1, 2015 (the “2015 Master Trust Agreement”), as amended and supplemented by the First Supplement to Master Trust Agreement, dated as of December 1, 2016 (the “First Supplement to the 2015 Master Trust Agreement”), the Second Supplement to Master Trust Agreement, dated as of April 1, 2019 (the “Second Supplement to the 2015 Master Trust Agreement”), and the Third Supplement to Master Trust Agreement, dated as of October 1, 2021 (the “Third Supplement to the 2015 Master Trust Agreement,” and together with the 2015 Master Trust Agreement, the First Supplement to the 2015 Master Trust Agreement and the Second Supplement to the 2015 Master Trust Agreement, the “Trust Agreement”), each by and between the Authority and the Wells Fargo Bank, National Association, as trustee (the “Trustee”). The City covenants and agrees as follows:

1. Purpose of this Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the Bond Insurer, the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule.

2. Definitions. In addition to the definitions set forth in the Trust Agreement, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

Annual Report. The term “Annual Report” means any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

Beneficial Owner. The term “Beneficial Owner” means any person which: (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries); or (b) is treated as the owner of any Bonds for federal income tax purposes.

EMMA. The term “EMMA” means the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access System for municipal securities disclosures, maintained on the Internet at <http://emma.msrb.org/>.

Financial Obligation. The term “Financial Obligation” means a: (A) debt obligation; (B) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (C) guarantee of (A) or (B). The term “Financial Obligation” does not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.*

Fiscal Year. The term “Fiscal Year” means the one-year period ending on the last day of June of each year.

* The City shall interpret the events identified in Sections (5)(a)(10) and 5(b)(8) hereof in accordance with Release No. 34-83885 adopted by the Securities and Exchange Commission on August 20, 2018, or any future guidance or releases provided by the Securities and Exchange Commission.

Holder. The term “Holder” means a registered owner of the Bonds.

Listed Events. The term “Listed Events” means any of the events listed in Sections 5(a) and (b) of this Disclosure Certificate.

Official Statement. The term “Official Statement” means the Official Statement dated October __, 2021 relating to the Bonds.

Participating Underwriter. The term “Participating Underwriter” means any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

Rule. The term “Rule” means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

3. Provision of Annual Reports.

(a) The City shall provide not later than each March 31 following the end of its Fiscal Year (commencing March 31, 2022 with the Fiscal Year ended June 30, 2021) to EMMA an Annual Report relating to the immediately preceding Fiscal Year which is consistent with the requirements of Section 4 of this Disclosure Certificate, which Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate.

(b) If the City is unable to provide to EMMA an Annual Report by the date required in subsection (a), the City shall send in a timely manner to EMMA a notice in the manner prescribed by the Municipal Securities Rulemaking Board.

4. Content of Annual Reports. The Annual Report shall contain or incorporate by reference the following:

(a) audited financial statements of the City for the prior Fiscal Year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the City’s audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they come available.

(b) To the extent not included in the audited financial statements provided pursuant to the foregoing Section 4(a), the Annual Report shall contain the following information:

- (i) revenues, expenditures, and beginning and ending fund balances relating to the General Fund of the City for the most recent completed Fiscal Year;
- (ii) assessed valuations of property in the City;
- (iii) property tax levies and collections for the most recently completed Fiscal Year;
- (iv) top ten property taxpayers in the City;
- (v) State of California motor vehicle in-lieu payments received; and

(vi) outstanding debt of the City for the most recently completed Fiscal Year, including revenue and lease indebtedness.

The items described above may be included by specific reference to other documents, including official statements of debt issues of the City or related public entities, which have been submitted to EMMA; provided, that if any document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board; and provided further, that the City shall clearly identify each such document so included by reference.

5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the City shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not more than ten (10) Business Days after the event:

1. principal and interest payment delinquencies;
2. unscheduled draws on debt service reserves reflecting financial difficulties;
3. unscheduled draws on credit enhancements reflecting financial difficulties;
4. substitution of credit or liquidity providers, or their failure to perform;
5. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability or Notices of Proposed Issue (IRS Form 5701 TEB);
6. tender offers;
7. defeasances;
8. ratings changes;
9. bankruptcy, insolvency, receivership or similar proceedings; Note: For the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person; and
10. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

(b) Pursuant to the provisions of this Section 5, the City shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

1. unless described in Section 5(a)(5), other notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other events affecting the tax status of the Bonds;

2. modifications to the rights of security holders;
3. optional, unscheduled or contingent Bond redemptions;
4. release, substitution or sale of property securing repayment of the securities;
5. non-payment related defaults;
6. the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
7. appointment of a successor or additional trustee or the change of the name of a trustee; and
8. incurrence of a Financial Obligation of the City, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation, any of which affect security holders.

(c) If the City determines that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, the City shall file a notice of such occurrence with EMMA in a timely manner not more than ten (10) Business Days after the event.

6. Termination of Obligation. The City's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the City shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

7. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that, in the opinion of nationally recognized bond counsel, such amendment or waiver is permitted by the Rule.

8. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the City shall not thereby have any obligation under this Disclosure Certificate to update such information or include it in any future notice of occurrence of a Listed Event.

9. Default. In the event of a failure of the City to comply with any provision of this Disclosure Certificate, the Bond Insurer or any Holders or Beneficial Owners of at least 50% aggregate principal amount of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Trust Agreement, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

No Holder or Beneficial Owner of the Bonds may institute such action, suit or proceeding to compel performance unless they shall have first delivered to the City satisfactory written evidence of their status as

such, and a written notice of and request to cure such failure, and the City shall have refused to comply therewith within a reasonable time.

10. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Bond Insurer, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Dated: October __, 2021

CITY OF MORENO VALLEY

By: _____
Its: City Manager

DRAFT

Attachment: DRAFT Official Statement Moreno Valley 2021 Lease Revenue Bonds (2015 & 2016 Refunding), 4839-8268-0305_4 (5495 :

APPENDIX E

BOOK-ENTRY ONLY SYSTEM

The information in this Appendix concerning DTC and DTC's book-entry only system has been obtained from sources that the Authority, the City and the Underwriter believe to be reliable, but none of the Authority, the City or the Underwriter takes any responsibility for the completeness or accuracy thereof. The following description of the procedures and record keeping with respect to beneficial ownership interests in the Series 2021 Bonds, payment of principal, premium, if any, accreted value and interest on the Series 2021 Bonds to DTC Participants or Beneficial Owners, confirmation and transfers of beneficial ownership interests in the Series 2021 Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC.

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Series 2021 Bonds. The Series 2021 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered bond will be issued for each annual maturity of the Series 2021 Bonds, each in the aggregate principal amount of such annual maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has an S&P Global Ratings rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. The information set forth on such website is not incorporated herein by reference.

Purchases of Series 2021 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2021 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2021 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2021 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2021 Bonds, except in the event that use of the book-entry system for the Series 2021 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2021 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2021 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2021 Bonds; DTC's records reflect only the identity of the Direct

Participants to whose accounts such Series 2021 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2021 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2021 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2021 Bond documents. For example, Beneficial Owners of Series 2021 Bonds may wish to ascertain that the nominee holding the Series 2021 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2021 Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2021 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2021 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2021 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Series 2021 Bond Owner shall give notice to elect to have its Series 2021 Bonds purchased or tendered, through its Participant, to the Trustee, and shall effect delivery of such Series 2021 Bonds by causing the Direct Participant to transfer the Participant's interest in the Series 2021 Bonds, on DTC's records, to the Trustee. The requirement for physical delivery of Series 2021 Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Series 2021 Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Series 2021 Bonds to the Trustee's DTC account. DTC may discontinue providing its services as depository with respect to the Series 2021 Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, physical certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, bonds will be printed and delivered to DTC.

THE TRUSTEE, AS LONG AS A BOOK-ENTRY ONLY SYSTEM IS USED FOR THE SERIES 2021 BONDS, WILL SEND ANY NOTICE OF REDEMPTION OR OTHER NOTICES TO OWNERS ONLY TO DTC. ANY FAILURE OF DTC TO ADVISE ANY DTC PARTICIPANT, OR OF ANY DTC PARTICIPANT TO NOTIFY ANY BENEFICIAL OWNER, OF ANY NOTICE AND ITS CONTENT OR EFFECT WILL NOT AFFECT THE VALIDITY OF SUFFICIENCY OF THE PROCEEDINGS RELATING TO THE REDEMPTION OF THE SERIES 2021 BONDS CALLED FOR REDEMPTION OR OF ANY OTHER ACTION PREMISED ON SUCH NOTICE.

APPENDIX F

GENERAL INFORMATION REGARDING THE CITY OF MORENO VALLEY AND THE REGION

The following information is presented as general background data. The Series 2021 Bonds are payable solely from the Base Rental Payments under the Facilities Sublease as described in the Official Statement. The taxing power of the City, the State or any political subdivision thereof is not pledged to the payment of the Base Rental Payments or the Series 2021 Bonds.

Although reasonable efforts have been made to include up-to-date information in this Appendix, some of the information is not current due to delays in reporting of information by various sources. It should not be assumed that the trends indicated by the following data would continue beyond the specific periods reflected herein. In particular, certain of the tables in this Appendix include data for periods prior to the outbreak of COVID-19 and may not reflect current information.

Location

The City of Moreno Valley (the "City") is centrally located in Southern California, 66 miles east of Los Angeles and 100 miles north of San Diego. The City encompasses approximately 51 square miles of land area in western Riverside County. Geographically, the City is bordered by three low-lying mountain ranges, March Air Reserve Force Base and Lake Perris State Park. The City is situated at the junction of two major highways, California State Highway 60 (the Moreno Valley Freeway) and Interstate 215.

Population

The City is the second largest city in Riverside County with an estimated population of 209,426 as of January 1, 2021. The table below sets forth the total population of the City, the County of Riverside (the "County") and the State of California (the "State").

CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE AND STATE OF CALIFORNIA
Population

Table with 6 columns: Location, 2017, 2018, 2019, 2020, 2021. Rows include Moreno Valley, Riverside County, and California.

Source: State of California Department of Finance.

Attachment: DRAFT Official Statement Moreno Valley 2021 Lease Revenue Bonds (2015 & 2016 Refunding), 4839-8268-0305_4 (5495 :

Employment

The following table summarizes the labor force, employment and unemployment figures for the years 2016 through 2020 for the City, the County, the State and the nation as a whole.

**CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA AND UNITED STATES
Average Annual Civilian Labor Force, Employment and Unemployment**

<i>Year and Area</i>	<i>Labor Force</i>	<i>Employment⁽¹⁾</i>	<i>Unemployment⁽²⁾</i>	<i>Unemployment Rate (%)⁽³⁾</i>
2016				
City of Moreno Valley	92,400	86,400	6,000	6.5%
Riverside County	1,052,600	988,200	64,500	6.1
State of California	19,093,700	18,048,800	1,044,800	5.5
United States ⁽⁴⁾	159,187,000	151,436,000	7,751,000	4.9
2017				
City of Moreno Valley	91,400	86,200	5,200	5.7%
Riverside County	1,072,500	1,016,200	56,300	5.2
California	19,312,000	18,393,100	918,900	4.8
United States ⁽⁴⁾	160,320,000	153,337,000	6,982,000	4.4
2018				
City of Moreno Valley	94,200	89,900	4,300	4.6%
Riverside County	1,090,100	1,041,500	48,600	4.5
California	19,263,900	18,442,400	821,500	4.3
United States ⁽⁴⁾	162,075,000	155,761,000	6,314,000	3.9
2019				
City of Moreno Valley	95,400	91,200	4,100	4.3%
Riverside County	1,105,700	1,058,700	47,000	4.2
California	19,353,700	18,550,500	803,200	4.2
United States ⁽⁴⁾	163,539,000	157,538,000	6,001,000	3.8
2020				
City of Moreno Valley	97,100	87,000	10,100	10.4%
Riverside County	1,107,700	997,700	110,000	9.9
California	18,821,200	16,913,100	1,908,100	10.1
United States ⁽⁴⁾	160,742,000	147,795,000	12,947,000	8.1

(1) Includes persons involved in labor-management trade disputes.

(2) Includes all persons without jobs who are actively seeking work.

(3) The unemployment rate is computed from unrounded data; therefore, it may differ from rates computed from rounded figures in this table.

(4) Not strictly comparable with data for prior years.

Source: California Employment Development Department, March 2020 Benchmark and U.S. Department of Labor, Bureau of Labor Statistics.

The following tables show the largest employers located in the City and the County as of Fiscal Year 2020.

CITY OF MORENO VALLEY
Largest Employers – Fiscal Year 2020

<i>Employer</i>	<i>Number of Employees</i>	<i>Type of Business</i>
March Air Reserve Base	9,600	Military
Amazon.com, Inc.	7,500	Fulfillment
Riverside University Health Systems Medical Center	3,400	Medical
Moreno Valley Unified School District	3,100	Public Agency
Ross Dress for Less / D D's Discounts	2,400	Distribution
Moreno Valley Mall (excludes major tenants)	1,500	Retail
Kaiser Permanente Community Hospital	1,457	Medical
Skechers USA	1,200	Distribution
Harbor Freight Tools	788	Distribution
Deckers Outdoor	700	Distribution

Source: City of Moreno Valley Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2020.

COUNTY OF RIVERSIDE
Largest Employers – Fiscal Year 2020

<i>Employer</i>	<i>Number of Employees</i>	<i>Type of Business</i>
County of Riverside	21,672	Public Agency
Amazon.com, Inc.	10,500	Fulfillment
University of California, Riverside	9,770	University
March Air Reserve Base	9,600	Military
Stater Brothers Markets	8,304	Grocery
Kaiser Permanente Riverside Medical Center	5,700	Medical
Pechanga Resort & Casino	5,078	Gaming/Hospitality
Wal-Mart	4,931	Retail
Corona-Norco Unified School District	4,903	Public Agency
Ross Dress for Less	4,321	Distribution

Source: County of Riverside Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2020.

Industry

Residents of the City find employment throughout the Riverside-San Bernardino-Ontario Labor Market Area. This labor market area, as defined for reporting purposes by the California Employment Development Department, has boundaries coterminous with those of Riverside and San Bernardino Counties. The following table represents the Annual Average Labor Force and Industry Employment for the County for the period from 2016 through 2020.

RIVERSIDE-SAN BERNARDINO-ONTARIO MSA Industry Employment and Labor Force (Annual Average)

	2016	2017	2018	2019	2020
Civilian Labor Force	1,981,900	2,014,300	2,045,200	2,070,700	2,073,900
Civilian Employment	1,836,600	1,910,800	1,957,200	1,986,100	1,872,600
Civilian Unemployment	118,300	103,500	88,000	84,600	201,300
Civilian Unemployment Rate	6.0%	5.1%	4.3%	4.1%	9.7%
Total Farm	14,600	14,500	14,500	15,400	13,900
Total Nonfarm	1,401,400	1,452,800	1,506,000	1,552,100	1,487,800
Total Private	1,159,100	1,201,800	1,248,800	1,290,900	1,238,700
Goods Producing	190,400	196,400	206,100	208,900	200,500
Mining and Logging	900	1,000	1,200	1,200	1,300
Construction	92,000	97,400	105,200	107,200	105,000
Manufacturing	97,500	98,000	99,800	100,600	94,300
Service Providing	1,211,000	1,256,400	1,299,900	1,343,200	1,287,400
Trade, Transportation and Utilities	346,300	363,400	378,800	394,400	403,800
Wholesale Trade	61,600	62,600	65,500	67,100	64,600
Retail Trade	178,300	180,900	181,200	180,700	168,800
Transportation, Warehousing and Utilities	106,400	119,900	132,100	146,600	170,500
Information	11,800	11,600	11,400	11,500	9,400
Financial Activities	44,900	44,700	44,600	45,000	43,700
Professional and Business Services	145,100	147,300	152,000	158,700	154,000
Educational and Health Services	215,700	226,700	239,500	250,300	248,700
Leisure and Hospitality	160,200	166,300	170,600	175,900	139,200
Other Services	44,600	45,400	45,800	46,200	39,600
Government	242,300	251,000	257,200	261,200	249,100
Total, All Industries	<u>1,416,600</u>	<u>1,467,300</u>	<u>1,520,500</u>	<u>1,567,500</u>	<u>1,501,800</u>

Note: Does not include proprietors, self-employed, unpaid volunteers or family workers, domestic workers in households and persons involved in labor-management trade disputes. Employment reported by place of work. Items may not add to total due to independent rounding. The "Total, All Industries" data is not directly comparable to the employment data found in this Appendix G.

Source: State of California, Employment Development Department, March 2020 Benchmark.

Assessed Valuation

The table below sets forth the City’s assessed valuation of property for the last five Fiscal Years for which information is available.

**CITY OF MORENO VALLEY
Assessed Valuation of Taxable Property (Dollars in Thousands)**

<i>Fiscal Year Ended June 30</i>	<i>Secured Value</i>	<i>Unsecured Value</i>	<i>Total Assessed and Estimated Full Value</i>
2016	\$12,991,881	\$486,350	\$13,478,231
2017	13,703,128	609,642	14,312,770
2018	14,517,849	584,791	15,102,640
2019	15,490,166	637,631	16,127,798
2020	16,780,625	718,741	17,499,366

Source: City of Moreno Valley Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2020.

Tax Levy and Tax Collection

Below is a summary of the property tax levies and total collections for the last five Fiscal Years for which information is available.

**CITY OF MORENO VALLEY
Property Tax Levies and Collections**

<i>Fiscal Year Ended June 30</i>	<i>Taxes Levied</i>	<i>Collected within the Fiscal Year of Levy</i>		<i>Collections in Subsequent Years</i>	<i>Total Collections to Date</i>	
		<i>Amount</i>	<i>Percent of Levy⁽¹⁾</i>		<i>Amount</i>	<i>Percent of Levy</i>
2016	\$27,643,578	\$27,249,232	98.57%	\$394,345	\$27,643,578	100.00
2017	28,476,155	28,270,448	99.28	205,707	28,476,155	100.00
2018	29,595,157	29,425,906	99.43	169,250	29,595,157	100.00
2019	30,459,787	30,334,346	99.59	125,440	30,459,787	100.00
2020	31,609,650	31,609,650	100.00	-	31,609,650	100.00

(1) The City began participating in the “Teeter Plan” in FY 1993-94. The Teeter Plan adopted by the County of Riverside guarantees each participating city payment equal to 100% of the total tax value. Any delinquencies and the associated penalties and interest are collected and maintained by the County

(2) Beginning in Fiscal Year 2013, redevelopment tax increment was no longer included in the calculation for the levy and the collections.

Source: City of Moreno Valley Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2020.

Largest Taxpayers

The principal property taxpayers in the City for 2020 were as follows:

CITY OF MORENO VALLEY Largest Property Taxpayers

<i>Taxpayer</i>	<i>2020 Taxable Assessed Valuation</i>	<i>% of Total Assessed Valuation</i>
First Industrial LP	\$ 254,845,614	1.49%
Skechers USA, Inc.	241,202,054	1.41
Duke Realty LP	206,119,877	1.20
TGA Centerpointe LLC	171,226,591	1.00
Ross Dress for Less, Inc.	143,757,205	0.84
FR California Moreno Valley	125,434,404	0.73
Confidential	119,844,858	0.70
FR California Indian Avenue	119,277,171	0.70
Walgreen Company	117,129,812	0.68
Towngate on Memorial Apartments	<u>102,555,939</u>	<u>0.60</u>
TOTAL	\$ 1,601,393,525	9.35%

Source: City of Moreno Valley Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2020.

Building Activity

In addition to annual building permit valuations, the numbers of permits for new dwelling units issued each year from 2016 through 2020 are shown in the following tables for both the County and the City.

COUNTY OF RIVERSIDE Building Permit Valuations (Dollars in Thousands)

	<i>2016</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>
Valuation (\$000):					
Residential	\$1,759,535	\$1,903,417	\$2,558,081	\$2,275,405	\$2,519,303
Non-residential	<u>1,346,019</u>	<u>1,433,691</u>	<u>1,959,680</u>	<u>1,285,856</u>	<u>1,153,778</u>
Total*	\$3,105,554	\$3,337,108	\$4,517,761	\$3,561,261	\$3,673,081
Residential Units:					
Single family	5,662	6,265	7,540	6,563	8,443
Multiple family	<u>1,039</u>	<u>1,070</u>	<u>1,628</u>	<u>1,798</u>	<u>723</u>
Total	6,701	7,335	9,168	8,361	9,166

* Totals may not add to sums because of rounding.

Source: Construction Industry Research Board.

CITY OF MORENO VALLEY
Building Permit Valuations (Dollars in Thousands)

	<i>2016</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>
Valuation (\$000):					
Residential	\$ 53,041	\$ 151,647	\$ 322,159	\$ 83,548	\$ 89,140
Non-residential	<u>40,354</u>	<u>278,495</u>	<u>433,939</u>	<u>427,693</u>	<u>158,503</u>
Total	\$ 93,395	\$ 430,142	\$ 756,098	\$ 511,241	\$ 247,643
Residential Units:					
Single family	100	451	854	315	186
Multiple family	<u>112</u>	<u>16</u>	<u>372</u>	<u>14</u>	<u>237</u>
Total	212	467	1,226	329	423

Note: Totals may not add to sums because of rounding.
Source: Construction Industry Research Board.

Commercial Activity

Trade outlet and retail sales activity for the last five Fiscal Years for which information is available are summarized below.

CITY OF MORENO VALLEY
Taxable Transactions and Sales Permits (Dollars in Thousands)

<i>Calendar Year</i>	<i>Total Retail Stores</i>	<i>Total Retail Stores Permits</i>	<i>Total Taxable Transactions</i>	<i>Total Issued Permits</i>
2017	\$1,506,226	2,152	\$1,691,312	2,950
2018	1,609,248	2,228	1,789,391	3,103
2019	1,666,684	2,347	1,856,100	3,351
2020	1,659,839	2,629	1,882,893	3,833
2021 ⁽¹⁾	597,100	2,541	661,593	3,750

⁽¹⁾ Through first quarter of 2021.

Source: California State Board of Equalization.

CITY OF MORENO VALLEY
Retail Sales (Dollars in Thousands)

<i>Type of Business</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021⁽¹⁾</i>
Auto Dealers	\$ 303,915	\$ 327,970	\$ 341,773	\$ 374,779	\$ 98,831
Home Furnishing	42,227	51,181	50,213	56,631	15,587
Building Materials	121,546	124,804	144,205	202,136	50,287
Food Stores	138,802	148,170	144,879	145,295	39,177
Service Stations	168,956	199,986	197,059	155,769	47,322
Apparel Stores	127,517	134,013	127,678	93,146	30,569
General Merchandise Stores	287,861	286,409	304,554	294,182	73,673
Eating/Drinking Places	257,844	269,886	287,618	268,659	71,253
Other Retail Stores	<u>66,558</u>	<u>66,829</u>	<u>68,705</u>	<u>69,242</u>	<u>170,401</u>
Retail Stores Totals	\$ 1,506,226	\$ 1,609,248	\$ 1,666,684	\$ 1,659,839	\$ 597,100
All Other Outlets	<u>185,086</u>	<u>180,143</u>	<u>189,416</u>	<u>223,054</u>	<u>64,493</u>
Total All Outlets	<u>\$ 1,691,312</u>	<u>\$ 1,789,391</u>	<u>\$ 1,856,100</u>	<u>\$ 1,882,893</u>	<u>\$ 661,593</u>

⁽¹⁾ Through first quarter of 2021.

Source: California State Board of Equalization.

The table below presents taxable sales for the County for the last five Fiscal Years for which information is available.

COUNTY OF RIVERSIDE TAXABLE SALES
Taxable Sales
(Dollars in Thousands)

<i>Year</i>	<i>Permits</i>	<i>Taxable Transactions</i>
2017	58,969	\$36,407,460
2018	61,433	38,919,498
2019	64,063	40,626,998
2020	69,284	42,313,474
2021 ⁽¹⁾	65,864	11,882,990

⁽¹⁾ Through first quarter of 2021.

Source: "Taxable Sales in California (Sales & Use Tax)" - California State Board of Equalization.

Personal Income

The following tables show the personal income and per capita personal income for the City, County, State of California and United States for the last five Fiscal Years for which information is available.

**CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA, AND UNITED STATES**
Personal Income

<i>Year</i>	<i>City of Moreno Valley</i>	<i>County of Riverside</i>	<i>California</i>	<i>United States</i>
2016	\$3,671,016	\$90,713,807	\$2,273,557,468	\$16,151,881,000
2017	3,775,669	94,542,096	2,383,130,513	16,937,582,000
2018	3,902,595	99,266,122	2,514,503,372	17,839,255,000
2019	4,085,746	104,794,676	2,632,279,775	18,542,262,000
2020	4,500,668	-- ⁽¹⁾	-- ⁽¹⁾	-- ⁽¹⁾

Note: Dollars in Thousands.

⁽¹⁾ 2020 figures not yet available for County of Riverside, State of California and United States.

Source: U.S. Department of Commerce, Bureau of Economic Analysis and City of Moreno Valley Fiscal Year Ending June 30, 2020 ACFR.

**CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA, AND UNITED STATES**
Per Capita Personal Income

<i>Year</i>	<i>City of Moreno Valley</i>	<i>County of Riverside</i>	<i>California</i>	<i>United States</i>
2016	\$17,874	\$38,114	\$58,048	\$50,015
2017	18,262	39,148	60,549	52,118
2018	18,796	40,587	63,720	54,606
2019	19,615	42,418	66,619	56,490
2020	21,551	-- ⁽²⁾	-- ⁽²⁾	-- ⁽²⁾

⁽¹⁾ Per capita personal income is the total personal income divided by the total mid-year population estimates of the U.S. Bureau of the Census. All dollar estimates are in current dollars (not adjusted for inflation).

⁽²⁾ 2020 figures not yet available for County of Riverside, State of California and United States.

Source: U.S. Department of Commerce, Bureau of Economic Analysis and City of Moreno Valley Fiscal Year Ending June 30, 2020 ACFR.

Agriculture

Agriculture is a significant source of income in the County. In 2020, principal agricultural products were milk, nursery stock, table grapes, hay, lemons, bell peppers, eggs, grapefruit, dates and avocados.

Four areas in the County account for the major portion of agricultural activity: the Riverside/Corona and San Jacinto/Temecula Valley Districts in the western portion of the County, the Coachella Valley in the central portion and the Palo Verde Valley near the County's eastern border. The County, and all of Southern California, has from time to time, including in recent years, experienced a severe drought. The County cannot predict the impact that a prolonged drought would have on agricultural production in the County.

Utilities

The City receives water service from the Eastern Municipal Water District and Box Springs Mutual Water Company. The City is also serviced by Frontier (formerly Verizon) and Southern California Gas Company. Electrical service for most of the City's developed areas is provided by Southern California Edison. The City has established Moreno Valley Electric Utility ("MVU") to provide electric service for the remainder of the south and east ends of the City.

Transportation

The City is centrally located within the Inland Empire. Highways passing through the City include California State Highway 60 and Interstate 215. California State Highway 60 connects in Riverside to California State Highway 91, which connects to Orange County and Long Beach. California State Highway 60 and Interstate 215 provide access to Interstate 10 within 15 miles of the City. Rail service in the City includes the Burlington Northern Santa Fe branch line. The main line service in Riverside has stop locations at the Union Pacific, Southern Pacific and Burlington Northern Santa Fe stations. Metrolink commuter rail service is available in Perris and in Riverside to Los Angeles and Orange County.

Ontario International Airport (owned and operated by Ontario International Airport Authority), approximately 31 miles northwest of the City, is served by AeroMexico, Alaska Airlines, American Airlines, Delta Air Lines, Southwest Airlines, United Airlines/United Express, US Airways and Volaris. Various airlines provide freight services at Ontario International Airport. Riverside Municipal Airport has general aviation facilities with 5,400 feet and 1,600 feet runways.

Education

The City is served by two public school districts: Moreno Valley Unified School District, with an approximate enrollment of 33,134 students, and Val Verde Unified School District, with an approximate enrollment of 20,244 students. Moreno Valley Unified School District has 23 elementary schools, six middle schools, four comprehensive high schools, one charter school, one adult school, one continuation school, a community day school, one pre-school and one academic center. Val Verde Unified School District serves the communities of Perris, Mead Valley and Moreno Valley. Val Verde Unified District has one pre-school, 13 elementary schools, four middle schools, three high schools and one continuation high school.

The City is also home to Moreno Valley Community College.

Recreation and Culture

Lake Perris State Park offers boating, swimming, water-skiing, fishing and camping within its 8,300 acres. Box Springs Mountain Park provides trails for hiking and horseback riding. The City centralized

location allows residents to visit nearby mountain resorts, Palm Springs and the beach cities with relative ease. The City's park system consists of 29 parks with 328 acres. The City offers a variety of recreational activities for adults and youth. The City is served by the City's library system.

DRAFT

APPENDIX G
SPECIMEN MUNICIPAL BOND INSURANCE POLICY

DRAFT

Attachment: DRAFT Official Statement Moreno Valley 2021 Lease Revenue Bonds (2015 & 2016 Refunding), 4839-8268-0305_4 (5495 :

*Stradling Yocca Carlson & Rauth
Draft of 7/30/21*

TO BE RECORDED AND WHEN RECORDED
RETURN TO:

Stradling Yocca Carlson & Rauth
660 Newport Center Drive, Suite 1600
Newport Beach, California 92660
Attention: Cyrus Torabi

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX
PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE.
THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383
OF THE CALIFORNIA GOVERNMENT CODE.

THE GRANTOR AND THE GRANTEE ARE GOVERNMENTAL AGENCIES.

**THIRD AMENDMENT TO
MASTER FACILITIES LEASE**

by and between

CITY OF MORENO VALLEY

and

MORENO VALLEY PUBLIC FINANCING AUTHORITY

Dated as of October 1, 2021

Attachment: DRAFT Third Amendment to Master Facilities Lease - Moreno Valley Lease Revenue Bonds 2021 (2015 & 2016 Refunding), 4833-

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DRAFT

Attachment: DRAFT Third Amendment to Master Facilities Lease - Moreno Valley Lease Revenue Bonds 2021 (2015 & 2016 Refunding), 4833-

THIRD AMENDMENT TO MASTER FACILITIES LEASE

THIS THIRD AMENDMENT TO MASTER FACILITIES LEASE (this “**Third Amendment to Master Facilities Lease**”) executed and entered into as of October 1, 2021, is by and between the CITY OF MORENO VALLEY (the “**City**”), a municipal corporation that is organized and validly existing under the Constitution and general laws of the State of California, as lessor, and the MORENO VALLEY PUBLIC FINANCING AUTHORITY (the “**Authority**”), a public entity and agency (duly organized and existing pursuant to an Agreement entitled “Joint Exercise of Powers Agreement” by and between the City and the former Redevelopment Agency of the City of Moreno Valley), as lessee.

RECITALS

A. The City previously leased certain real property and improvements thereon (the “**Facilities**”) to the Authority pursuant to a Master Facilities Lease, dated as of December 1, 2015 (the “**2015 Master Facilities Lease**”), which was recorded in the Official Records of the County of Riverside (the “**Official Records**”) on December 9, 2015 as instrument number 2015-0533682.

B. The Authority subleased the Facilities back to the City pursuant to a Master Facilities Sublease, dated as of December 1, 2015 (the “**2015 Master Facilities Sublease**”), which was recorded in the Official Records on December 9, 2015 as instrument number 2015-0533683.

C. The Authority issued its Lease Revenue Bonds, Series 2015 (Taxable) (the “**Series 2015 Bonds**”) pursuant to a Master Trust Agreement, dated as of December 1, 2015 (the “**2015 Master Trust Agreement**”), by and between the Authority and Wells Fargo Bank, National Association, as trustee (the “**Trustee**”), and in accordance with the Joint Exercise of Powers Agreement and its powers thereunder and under the laws of the State of California.

D. The proceeds of the Series 2015 Bonds were applied by the City to finance the 2015 Project, as defined in the 2015 Master Trust Agreement.

E. The City previously leased certain real property and improvements thereon, as additions to the Facilities, to the Authority pursuant to a First Amendment to Master Facilities Lease, dated as of December 1, 2016 (the “**First Amendment to Master Facilities Lease**” and, together with the 2015 Master Facilities Lease, the “**2016 Master Facilities Lease**”), which was recorded in the Official Records on December 14, 2016 as instrument number 2016-0556567.

F. The Authority subleased such real property and improvements thereon, as additions to the Facilities, back to the City pursuant to a First Amendment to Master Facilities Sublease, dated as of December 1, 2016 (the “**First Amendment to Master Facilities Sublease**” and, together with the 2015 Master Facilities Sublease, the “**2016 Master Facilities Sublease**”), which was recorded in the Official Records on December 14, 2016 as instrument number 2016-0556568.

G. The Authority issued its Lease Revenue Refunding Bonds, Series 2016 (Taxable) (the “**Series 2016 Bonds**”) pursuant to a First Supplement to Master Trust Agreement, dated as of December 1, 2016 (the “**First Supplement to Master Trust Agreement**” and, together with the 2015 Master Trust Agreement, the “**2016 Master Trust Agreement**”).

H. The proceeds of the Series 2016 Bonds were applied by the City to refund the remaining outstanding Moreno Valley Public Financing Authority 2007 Taxable Lease Revenue Bonds (the “**2016 Refunding Project**”).

I. The City previously leased to the Authority the real property and improvements thereon that were added to the Facilities pursuant to the First Amendment to Master Facilities Lease pursuant to a Second Amendment to Master Facilities Lease, dated as of April 1, 2019 (the “**Second Amendment to Master Facilities Lease**” and, together with the 2016 Master Facilities Lease, the “**2019 Master Facilities Lease**”), which was recorded in the Official Records on April 10, 2019 as instrument number 2019-0121667.

J. The Authority subleased such real property and improvements thereon back to the City pursuant to a Second Amendment to Master Facilities Sublease, dated as of April 1, 2019 (the “**Second Amendment to Master Facilities Sublease**” and, together with the 2016 Master Facilities Sublease, the “**2019 Master Facilities Sublease**”), which was recorded in the Official Records on April 10, 2019 as instrument number 2019-0121668.

K. The Authority issued its Lease Revenue Bonds, Series 2019 (Taxable) (the “**Series 2019 Bonds**”) pursuant to a Second Supplement to Master Trust Agreement, dated as of April 1, 2019 (the “**Second Supplement to Master Trust Agreement**” and, together with the 2016 Master Trust Agreement, the “**2019 Master Trust Agreement**”).

L. The proceeds of the Series 2019 Bonds were applied by the City to finance the 2019 Project, as defined in the 2019 Master Trust Agreement.

M. The Authority desires to issue its Lease Revenue Refunding Bonds, Series 2021 (the “Series 2021 Bonds”) pursuant to a Third Supplement to Master Trust Agreement (the “**Third Supplement to Master Trust Agreement**” and, together with the 2019 Master Trust Agreement, the “**2021 Master Trust Agreement**”), the proceeds of which will be applied by the City to refinance the 2015 Project and refund the Series 2015 Bonds for debt service savings and to refinance the 2016 Refunding Project and refund the Series 2016 Bonds for debt service savings.

N. In order to refinance the 2015 Project and the 2016 Refunding Project, the Authority and the City desire to enter into a Third Amendment to Master Facilities Lease in order to amend the 2019 Master Facilities Lease (as so amended, the “**2021 Master Facilities Lease**”): (i) to cause the real property and improvements thereon which were the subject of the 2016 Master Facilities Lease to serve as the leased assets for the Third Amendment to Master Facilities Lease; and (ii) to make certain other modifications in order to provide for the issuance of the Series 2021 Bonds in accordance with the provisions of the 2021 Master Trust Agreement.

O. In order to refinance the 2015 Project and the 2016 Refunding Project, the Authority and the City are also entering into a Third Amendment to Master Facilities Sublease in order to amend the 2019 Master Facilities Sublease (as so amended, the “**2021 Master Facilities Sublease**”): (i) to cause the real property and improvements thereon which were the subject of the 2016 Master Facilities Sublease to serve as the leased assets for the Third Amendment to Master Facilities Sublease; (ii) to adjust the base rental payments payable thereunder to reflect the debt service payable on the Series 2021 Bonds; and (iii) to make certain other modifications in order to provide for the issuance of the Series 2021 Bonds in accordance with the provisions of the 2021 Master Trust Agreement.

P. All acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Third Amendment to Master Facilities Lease do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Third Amendment to Master Facilities Lease.

AGREEMENT

PART 1

PARTICULAR AMENDMENTS

Part 1.1 Amendment to Section 2. Section 2 of the 2019 Master Facilities Lease is hereby amended to read in full as follows:

The term of this Third Amendment to Master Facilities Lease shall commence upon the date of recordation hereof in the Official Records of the County of Riverside and shall end on May 1, 2045, unless such term is extended or sooner terminated as provided herein, including as such term may be extended in connection with the issuance of additional Bonds. If on May 1, 2045 (or such later date established in connection with the issuance of additional Bonds), the Bonds and all other amounts due under the 2021 Master Trust Agreement shall not be paid in full, or if the rental or other amounts payable under the 2021 Master Facilities Sublease shall have been abated at any time and for any reason or shall not have been fully paid, then the term of this Third Amendment to Master Facilities Lease shall be extended until the Bonds and all other amounts due under the 2021 Master Trust Agreement and the 2021 Master Facilities Sublease have been fully paid, except that the term of this Third Amendment to Master Facilities Lease shall in no event be extended beyond May 1, 2055 (or such later date established in connection with the issuance of additional Bonds).

Part 1.2 Amendment to Section 3. Section 3 of the 2019 Master Facilities Lease is hereby amended by adding thereto the following additional paragraph as follows:

The Authority shall pay to the City as and for rental hereunder, including but not limited to the payment of rent for the Facilities, the sum of \$1.00, which, together with the execution and delivery of the Sublease, shall constitute full consideration for this Third Amendment to Master Facilities Lease over its term, and which amount the City finds and determines is full and fair rental for the Facilities.

Part 1.3 Amendment to Exhibit A. Exhibit A to the 2019 Master Facilities Lease is hereby amended to read in full as set forth in Exhibit A hereto.

PART 2

MISCELLANEOUS

Part 2.1 Effect of Third Amendment to Master Facilities Lease. This Third Amendment to Master Facilities Lease and all of the terms and provisions herein contained shall

form part of the 2019 Master Facilities Lease as fully and with the same effect as if all such terms and provisions had been set forth in the 2019 Master Facilities Lease. The 2019 Master Facilities Lease is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as heretofore amended and supplemented, and as amended and supplemented hereby. If there shall be any conflict between the terms of this Third Amendment to Master Facilities Sublease and the terms of the 2019 Master Facilities Lease (as in effect on the day prior to the effective date of this Third Amendment to Master Facilities Lease), the terms of this Third Amendment to Master Facilities Lease shall prevail.

Part 2.2 Execution in Counterparts. This Third Amendment to Master Facilities Lease may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

Part 2.3 Effective Date. This Third Amendment to Master Facilities Lease shall become effective upon the Series 2021 Closing Date (as defined in the 2021 Master Trust Agreement).

DRAFT

IN WITNESS WHEREOF, the parties hereto have caused this Third Amendment to Master Facilities Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

CITY OF MORENO VALLEY, Lessor

By _____
City Manager

MORENO VALLEY PUBLIC FINANCING AUTHORITY, Lessee

By _____
Executive Director

DRAFT

Attachment: DRAFT Third Amendment to Master Facilities Lease - Moreno Valley Lease Revenue Bonds 2015 & 2016 Refunding, 4833-

EXHIBIT A

DESCRIPTION OF THE FACILITIES

Real property in the City of Moreno Valley, County of Riverside, State of California, described as follows:

PARCEL A:

LOT 1 IN BLOCK 91 OF MAP NO. 1 BEAR VALLEY AND ALESSANDRO DEVELOPMENT CO., IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 11, PAGE 10 OF MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, CALIFORNIA.

TOGETHER WITH THOSE PORTIONS OF COTTONWOOD AVENUE AND PETTIT STREET WITHIN SAID BLOCK LYING EASTERLY OF THE NORTHERLY PROLONGATION OF THE WEST LINE OF SAID LOT 1 AND NORTHERLY OF THE EASTERLY PROLONGATION OF THE SOUTH LINE OF SAID LOT 1.

EXCEPTING THEREFROM THE EAST 25.00 FEET OF SAID LOT 1, AS DESCRIBED IN THE DEED TO THE COUNTY OF RIVERSIDE RECORDED SEPTEMBER 22, 1971 AS INSTRUMENT NO. 107667 OF OFFICIAL RECORDS.

APN: 488-200-013-4

PARCEL B:

PARCEL 3 AND LOTS "B" AND "E" OF PARCEL MAP NO. 13,202, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 79, PAGE 7 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL BUILDINGS, STRUCTURES, IMPROVEMENTS AND FIXTURES LOCATED ON THE SUBSTATION SITE SITUATED ON A PORTION OF SAID PARCEL 3 CONVEYED TO SOUTHERN CALIFORNIA EDISON COMPANY, A CORPORATION, IN A DEED RECORDED NOVEMBER 16, 2017 AS INSTRUMENT NO. 2017-0479904 OF OFFICIAL RECORDS.

APN: 312-250-061-8 AND 312-250-062-9

PARCEL B1:

ALL BUILDINGS, STRUCTURES, IMPROVEMENTS AND FIXTURES LOCATED ON THE SUBSTATION SITE SITUATED ON A PORTION OF PARCEL 3 OF PARCEL MAP NO. 13,202, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 79, PAGE 7 OF PARCEL MAPS, IN THE

OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, CONVEYED TO SOUTHERN CALIFORNIA EDISON COMPANY, A CORPORATION, IN A DEED RECORDED NOVEMBER 16, 2017 AS INSTRUMENT NO. 2017-0479904 OF OFFICIAL RECORDS, DESCRIBED AS FOLLOWS:

BEING THE NORTHERLY 145.00 FEET OF THE EASTERLY 179.00 FEET OF SAID PARCEL 3.

EXCEPTING THEREFROM STRIP NO. 1, LYING EASTERLY OF THE FOLLOWING DESCRIBED LINE:

COMMENCING AT THE NORTHEAST CORNER OF SAID PARCEL 3; THENCE ALONG THE NORTHERLY LINE OF SAID PARCEL 3 NORTH 88° 50' 24" WEST 6.00 FEET TO THE WESTERLY LINE OF THE EASTERLY 6.00 FEET OF SAID PARCEL 3 AND THE TRUE POINT OF BEGINNING; THENCE ALONG SAID WESTERLY LINE SOUTH 00° 17' 47" WEST 25.58 FEET; THENCE SOUTH 45° 17' 47" WEST 5.66 FEET TO A LINE PARALLEL WITH AND DISTANT WESTERLY 4.00 FEET, MEASURED AT RIGHT ANGLES TO SAID WESTERLY LINE; THENCE ALONG SAID PARALLEL LINE SOUTH 00° 17' 47" WEST 50.69 FEET; THENCE SOUTH 44° 42' 13" EAST 5.66 FEET TO SAID WESTERLY LINE; THENCE ALONG SAID WESTERLY LINE SOUTH 00° 17' 47" WEST 42.98 FEET; THENCE SOUTH 45° 17' 47" WEST 5.66 FEET TO SAID PARALLEL LINE; THENCE ALONG SAID PARALLEL LINE SOUTH 00° 17' 47" WEST 50.69 FEET; THENCE SOUTH 44° 42' 13" EAST 5.66 FEET TO SAID WESTERLY LINE; THENCE ALONG SAID WESTERLY LINE SOUTH 00° 17' 47" WEST 80.77 FEET TO THE SOUTHEASTERLY LINE OF SAID PARCEL 3 AND THE POINT OF TERMINATION.

APN: 312-250-062-9

PARCEL C:

PARCEL NO. 1 AS SHOWN ON EXHIBIT "A" ATTACHED TO LOT LINE ADJUSTMENT NO. 758 INCORPORATED INTO A PARTNERSHIP GRANT DEED RECORDED JULY 11, 1988 AS INSTRUMENT NO. 191070 OF OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED IN THE DOCUMENT AS FOLLOWS:

PARCEL 1 OF PARCEL MAP NO. 17864, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 129, PAGES 79 THROUGH 82 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THAT PORTION DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID PARCEL 1; THENCE ALONG THE SOUTHERLY LINE OF SAID PARCEL 1, SOUTH 88° 40' 53" WEST A DISTANCE OF 1,036.43 FEET TO A POINT ON THE WESTERLY LINE OF SAID PARCEL 1, SAID POINT ALSO BEING ON THE EASTERLY LINE OF PARCEL 10 OF SAID PARCEL MAP NO.

17864; THENCE ALONG SAID EASTERLY LINE OF SAID PARCEL 10, NORTH 00° 06' 25" WEST A DISTANCE OF 60.02 FEET; THENCE NORTH 88° 40' 53" EAST A DISTANCE OF 1,036.43 FEET TO A POINT ON THE EASTERLY LINE OF SAID PARCEL 1, SAID POINT ALSO BEING ON THE WESTERLY SIDELINE OF FREDERICK STREET; THENCE SOUTHERLY ALONG SAID EASTERLY LINE SOUTH 00° 06' 28" EAST A DISTANCE OF 60.02 FEET TO THE POINT OF BEGINNING.

APN: 297-140-046-3 AND 297-140-047-4

PARCEL E:

PARCELS 1, 2 AND 3 OF PARCEL MAP 15686, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 93, PAGES 31 AND 32 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AND AS AMENDED BY A CERTIFICATE OF CORRECTION RECORDED MARCH 23, 1983 AS INSTRUMENT NO. 54424 OF OFFICIAL RECORDS.

APN: 486-170-020-4, 486-170-026-0, 486-170-019-4, 486-170-027-1, 486-170-018-3, 486-170-023-7 AND 486-170-024-8

DRAFT

Attachment: DRAFT Third Amendment to Master Facilities Lease - Moreno Valley Lease Revenue Bonds 2021 (2015 & 2016 Refunding), 4833-

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in the Property that is conveyed under the foregoing agreement to the Moreno Valley Public Financing Authority (the “**Authority**”), a joint exercise of powers authority that is duly organized and existing under and by virtue of the Constitution and the laws of the State of California, is hereby accepted by the undersigned officer or agent on behalf of the Board of Directors of the Authority, pursuant to authority conferred by a resolution of the Board of Directors of the Authority adopted on [September 7], 2021, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: October __, 2021

MORENO VALLEY PUBLIC FINANCING
AUTHORITY

By: _____
Executive Director

DRAFT

Attachment: DRAFT Third Amendment to Master Facilities Lease - Moreno Valley Lease Revenue Bonds 2021 (2015 & 2016 Refunding), 4833-

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 _____) ss.

On _____ before me, _____, Notary Public,

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

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

WITNESS my hand and official seal

SIGNATURE OF NOTARY PUBLIC

DRAFT

Attachment: DRAFT Third Amendment to Master Facilities Lease - Moreno Valley Lease Revenue Bonds 2021 (2015 & 2016 Refunding), 4833-

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STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____ before me, _____, Notary Public,

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

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

WITNESS my hand and official seal

SIGNATURE OF NOTARY PUBLIC

DRAFT

Attachment: DRAFT Third Amendment to Master Facilities Lease - Moreno Valley Lease Revenue Bonds 2021 (2015 & 2016 Refunding), 4833-

*Stradling Yocca Carlson & Rauth
Draft of 7/30/21*

TO BE RECORDED AND WHEN RECORDED
RETURN TO:

Stradling Yocca Carlson & Rauth
660 Newport Center Drive, Suite 1600
Newport Beach, California 92660
Attention: Cyrus Torabi

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX
PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE.
THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383
OF THE CALIFORNIA GOVERNMENT CODE.

THE GRANTOR AND THE GRANTEE ARE GOVERNMENTAL AGENCIES.

**THIRD AMENDMENT TO
MASTER FACILITIES SUBLEASE**

by and between

MORENO VALLEY PUBLIC FINANCING AUTHORITY

and

CITY OF MORENO VALLEY

Dated as of October 1, 2021

Attachment: DRAFT Third Amendment to Master Facilities Sublease - Moreno Valley Lease Revenue Bonds 2021 (2015 & 2016 Refunding), 4835-

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DRAFT

Attachment: DRAFT Third Amendment to Master Facilities Sublease - Moreno Valley Lease Revenue Bonds 2021 (2015 & 2016 Refunding), 4835-

THIRD AMENDMENT TO MASTER FACILITIES SUBLEASE

THIS THIRD AMENDMENT TO MASTER FACILITIES SUBLEASE (this “**Third Amendment to Master Facilities Sublease**”) executed and entered into as of October 1, 2021, is by and between the MORENO VALLEY PUBLIC FINANCING AUTHORITY (the “**Authority**”), a public entity and agency (duly organized and existing pursuant to an Agreement entitled “Joint Exercise of Powers Agreement” by and between the City of Moreno Valley and the former Redevelopment Agency of the City of Moreno Valley), as lessor, and the CITY OF MORENO VALLEY (the “**City**”), a city organized and validly existing under the Constitution and general laws of the State of California, as lessee.

RECITALS

A. The City previously leased certain real property and improvements thereon (the “**Facilities**”) to the Authority pursuant to a Master Facilities Lease, dated as of December 1, 2015 (the “**2015 Master Facilities Lease**”), which was recorded in the Official Records of the County of Riverside (the “**Official Records**”) on December 9, 2015 as instrument number 2015-0533682.

B. The Authority subleased the Facilities back to the City pursuant to a Master Facilities Sublease, dated as of December 1, 2015 (the “**2015 Master Facilities Sublease**”), which was recorded in the Official Records on December 9, 2015 as instrument number 2015-0533683.

C. The Authority issued its Lease Revenue Bonds, Series 2015 (Taxable) (the “**Series 2015 Bonds**”) pursuant to a Master Trust Agreement, dated as of December 1, 2015 (the “**2015 Master Trust Agreement**”), by and between the Authority and Wells Fargo Bank, National Association, as trustee (the “**Trustee**”), and in accordance with the Joint Exercise of Powers Agreement and its powers thereunder and under the laws of the State of California.

D. The proceeds of the Series 2015 Bonds were applied by the City to finance the 2015 Project, as defined in the 2015 Master Trust Agreement.

E. The City previously leased certain real property and improvements thereon, as additions to the Facilities, to the Authority pursuant to a First Amendment to Master Facilities Lease, dated as of December 1, 2016 (the “**First Amendment to Master Facilities Lease**” and, together with the 2015 Master Facilities Lease, the “**2016 Master Facilities Lease**”), which was recorded in the Official Records on December 14, 2016 as instrument number 2016-0556567.

F. The Authority subleased such real property and improvements thereon, as additions to the Facilities, back to the City pursuant to a First Amendment to Master Facilities Sublease, dated as of December 1, 2016 (the “**First Amendment to Master Facilities Sublease**” and, together with the 2015 Master Facilities Sublease, the “**2016 Master Facilities Sublease**”), which was recorded in the Official Records on December 14, 2016 as instrument number 2016-0556568.

G. The Authority issued its Lease Revenue Refunding Bonds, Series 2016 (Taxable) (the “**Series 2016 Bonds**”) pursuant to a First Supplement to Master Trust Agreement, dated as of December 1, 2016 (the “**First Supplement to Master Trust Agreement**” and, together with the 2015 Master Trust Agreement, the “**2016 Master Trust Agreement**”).

H. The proceeds of the Series 2016 Bonds were applied by the City to refund the remaining outstanding Moreno Valley Public Financing Authority 2007 Taxable Lease Revenue Bonds (the “**2016 Refunding Project**”).

I. The City previously leased to the Authority the real property and improvements thereon that were added to the Facilities pursuant to the First Amendment to Master Facilities Lease pursuant to a Second Amendment to Master Facilities Lease, dated as of April 1, 2019 (the “**Second Amendment to Master Facilities Lease**” and, together with the 2016 Master Facilities Lease, the “**2019 Master Facilities Lease**”), which was recorded in the Official Records on April 10, 2019 as instrument number 2019-0121667.

J. The Authority subleased such real property and improvements thereon back to the City pursuant to a Second Amendment to Master Facilities Sublease, dated as of April 1, 2019 (the “**Second Amendment to Master Facilities Sublease**” and, together with the 2016 Master Facilities Sublease, the “**2019 Master Facilities Sublease**”), which was recorded in the Official Records on April 10, 2019 as instrument number 2019-0121668.

K. The Authority issued its Lease Revenue Bonds, Series 2019 (Taxable) (the “**Series 2019 Bonds**”) pursuant to a Second Supplement to Master Trust Agreement, dated as of April 1, 2019 (the “**Second Supplement to Master Trust Agreement**” and, together with the 2016 Master Trust Agreement, the “**2019 Master Trust Agreement**”).

L. The proceeds of the Series 2019 Bonds were applied by the City to finance the 2019 Project, as defined in the 2019 Master Trust Agreement.

M. The Authority desires to issue its Lease Revenue Refunding Bonds, Series 2021 (the “Series 2021 Bonds”) pursuant to a Third Supplement to Master Trust Agreement (the “**Third Supplement to Master Trust Agreement**” and, together with the 2019 Master Trust Agreement, the “**2021 Master Trust Agreement**”), the proceeds of which will be applied by the City to refinance the 2015 Project and refund the Series 2015 Bonds for debt service savings and to refinance the 2016 Refunding Project and refund the Series 2016 Bonds for debt service savings.

N. In order to refinance the 2015 Project and the 2016 Refunding Project, the Authority and the City desire to enter into a Third Amendment to Master Facilities Lease in order to amend the 2019 Master Facilities Lease (as so amended, the “**2021 Master Facilities Lease**”): (i) to cause the real property and improvements thereon which were the subject of the 2016 Master Facilities Lease to serve as the leased assets for the Third Amendment to Master Facilities Lease; and (ii) to make certain other modifications in order to provide for the issuance of the Series 2021 Bonds in accordance with the provisions of the 2021 Master Trust Agreement.

O. In order to refinance the 2015 Project and the 2016 Refunding Project, the Authority and the City are also entering into a Third Amendment to Master Facilities Sublease in order to amend the 2019 Master Facilities Sublease (as so amended, the “**2021 Master Facilities Sublease**”): (i) to cause the real property and improvements thereon which were the subject of the 2016 Master Facilities Sublease to serve as the leased assets for the Third Amendment to Master Facilities Sublease; (ii) to adjust the base rental payments payable thereunder to reflect the debt service payable on the Series 2021 Bonds; and (iii) to make certain other modifications in order to provide for the issuance of the Series 2021 Bonds in accordance with the provisions of the 2021 Master Trust Agreement.

P. The Authority and the City have determined that the sum of Base Rental Payments, including Base Rental Payments payable as provided herein, in any year is not in excess of the annual fair rental value of the Facilities.

Q. All acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Third Amendment to Master Facilities Sublease do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Third Amendment to Master Facilities Sublease.

AGREEMENT

PART 1

PARTICULAR AMENDMENTS

Part 1.1 Amendments to Section 1.01. Section 1.01 of the 2019 Master Facilities Sublease is hereby amended by adding thereto the following definitions:

Series 2021 Base Rental Payments

The term “Series 2021 Base Rental Payments” means the portion of the Base Rental Payments set forth under the caption “Series 2021 Base Rental Payment Schedule” on Exhibit B hereto.

Part 1.2 Amendments to Section 2.02. The third paragraph of Section 2.02 of the 2019 Master Facilities Sublease is amended to read as follows:

The term of this Third Amendment to Master Facilities Sublease shall commence upon the date of recordation hereof in the Official Records of the County of Riverside and shall end on May 1, 2045, unless such term is extended or sooner terminated as provided herein, including as such term may be extended in connection with the issuance of additional Bonds. If on May 1, 2045 (or such later date established in connection with the issuance of additional Bonds), the Bonds and all other amounts due under the 2021 Master Trust Agreement shall not be paid in full, or if the rental or other amounts payable under the 2021 Master Facilities Sublease shall have been abated at any time and for any reason or shall not have been fully paid, then the term of this Third Amendment to Master Facilities Sublease shall be extended until the Bonds and all other amounts due under the 2021 Master Trust Agreement and the 2021 Master Facilities Sublease have been fully paid, except that the term of this Third Amendment to Master Facilities Sublease shall in no event be extended beyond May 1, 2055 (or such later date established in connection with the issuance of additional Bonds).

Part 1.3 Amendments to Section 3.01. The third paragraph of Section 3.01 of the 2019 Master Facilities Sublease is amended to read as follows:

Base Rental Payments shall include: (i) any Insurer Reimbursement Amounts due and owing to [AGM] as set forth in Section 11.02(d) of the 2015 Master Trust

Agreement, Section 14.02(d) of the First Supplement to Master Trust Agreement, Section 16.02(d) of the Second Supplement to Master Trust Agreement and Section 18.02(d) of the Third Supplement to Master Trust Agreement; and (ii) repayment of Policy Costs due and owing to [AGM] pursuant to Section 11.04(a) of the 2015 Master Trust Agreement, Section 14.04(a) of the First Supplement to Master Trust Agreement, Section 16.04(a) of the Second Supplement to Master Trust Agreement and Section 18.04(a) of the Third Supplement to Master Trust Agreement.

Part 1.4 Amendments to Section 4.01. Section 4.01 of the 2019 Master Facilities Sublease is amended by adding thereto the following additional paragraph as follows:

The parties hereto agree that the proceeds of the Series 2021 Bonds will be used to refinance the 2015 Project and refund the Series 2015 Bonds and to refinance the 2016 Refunding Project and refund the Series 2016 Bonds for debt service savings. Proceeds of any Additional Bonds will be applied in accordance with a supplement to this Sublease.

Part 1.5 Amendments to Section 8.12. Section 8.12 of the 2019 Master Facilities Sublease is amended to read as follows:

Section 8.12. Provisions Concerning AGM and the Bond Insurance Policies.

(A) [TO BE UPDATED] The City hereby covenants and agrees, to the extent it may lawfully do so, that so long as any of the Bonds insured by AGM remain outstanding and unpaid, the City will not exercise the power of condemnation with respect to the Facilities. The City further covenants and agrees, to the extent it may lawfully do so, that if for any reason the foregoing covenant is determined to be unenforceable or if the City should fail or refuse to abide by such covenant and condemns the Facilities, the appraised value of the Facilities shall not be less than the greater of: (i) if such Bonds are then subject to redemption, the principal and interest components of the Bonds outstanding through the date of their redemption; or (ii) if such Bonds are not then subject to redemption, the amount necessary to defease such Bonds to the first available redemption date in accordance with the Trust Agreement.

(B) The Lessee (under this Sublease) and the Lessor (under the Facilities Lease) shall not have the right to terminate those agreements for default by the respective counterparties.

(C) The City agrees to pay, or reimburse AGM, as Additional Payments for the use and occupancy of the Facilities (subject to the provisions of Sections 3.04, 3.06 and 7.01 of this Sublease), any and all charges, fees, costs and expenses that AGM may reasonably pay or incur in connection with: (i) the administration, enforcement, defense or preservation of any rights or security in any Related Document; (ii) the pursuit of any remedies under the Trust Agreement, the Facilities Lease or this Sublease (each a "Related Document") or otherwise afforded by law or equity; (iii) any amendment, waiver or other action with respect to, or related to any Related Document whether or not executed or completed; or (iv) any litigation or other dispute in connection with any other Related Document or the transactions contemplated thereby, other than costs resulting from the failure of AGM to honor its

obligations under the Bond Insurance Policies. AGM reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of any Related Document.

(D) The City may only contest taxes, assessments, utility and other such charges with respect to the Facilities upon notice to AGM and must pay such taxes, assessments, utility and other charges if requested to do so by AGM.

(E) So long as the Series 2016 Bonds remain outstanding, the City agrees that it will not relocate any of the Facilities constituting the Kitching Substation or the Moreno Beach Substation without the prior written consent of AGM.

Part 1.6 Amendments to Section 10.02. The notice address for the Insurer in Section 10.02 of the 2019 Master Facilities Sublease is amended to read as follows:

If to [Insurer]: [TO COME]

Part 1.7 Amendment to Exhibit A. Exhibit A to the 2019 Master Facilities Sublease is hereby amended to read in full as set forth in Exhibit A hereto.

Part 1.8 Amendment to Exhibit B. Exhibit B to the 2019 Master Facilities Sublease is hereby amended to read in full as set forth in Exhibit B hereto.

PART 2

MISCELLANEOUS

Part 2.1 Effect of Third Amendment to Master Facilities Sublease. This Third Amendment to Master Facilities Sublease and all of the terms and provisions herein contained shall form part of the 2019 Master Facilities Sublease as fully and with the same effect as if all such terms and provisions had been set forth in the 2019 Master Facilities Sublease. The 2019 Master Facilities Sublease is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as heretofore amended and supplemented, and as amended and supplemented hereby. If there shall be any conflict between the terms of this Third Amendment to Master Facilities Sublease and the terms of the 2019 Master Facilities Sublease (as in effect on the day prior to the effective date of this Third Amendment to Master Facilities Sublease), the terms of this Third Amendment to Master Facilities Sublease shall prevail.

Part 2.2 Execution in Counterparts. This Third Amendment to Master Facilities Sublease may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

Part 2.3 Effective Date. This Third Amendment to Master Facilities Sublease shall become effective upon the Series 2021 Closing Date (as defined in the 2021 Master Trust Agreement).

IN WITNESS WHEREOF, the parties hereto have caused this Third Amendment to Master Facilities Sublease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

**MORENO VALLEY PUBLIC
FINANCING AUTHORITY, Lessor**

By: _____
Executive Director

CITY OF MORENO VALLEY, Lessee

By: _____
City Manager

DRAFT

Attachment: DRAFT Third Amendment to Master Facilities Sublease - Moreno Valley Lease Revenue Bonds 2021 (2015 & 2016 Refunding), 4835-

EXHIBIT A
DESCRIPTION OF THE FACILITIES

Real property in the City of Moreno Valley, County of Riverside, State of California, described as follows:

PARCEL A:

LOT 1 IN BLOCK 91 OF MAP NO. 1 BEAR VALLEY AND ALESSANDRO DEVELOPMENT CO., IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 11, PAGE 10 OF MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, CALIFORNIA.

TOGETHER WITH THOSE PORTIONS OF COTTONWOOD AVENUE AND PETTIT STREET WITHIN SAID BLOCK LYING EASTERLY OF THE NORTHERLY PROLONGATION OF THE WEST LINE OF SAID LOT 1 AND NORTHERLY OF THE EASTERLY PROLONGATION OF THE SOUTH LINE OF SAID LOT 1.

EXCEPTING THEREFROM THE EAST 25.00 FEET OF SAID LOT 1, AS DESCRIBED IN THE DEED TO THE COUNTY OF RIVERSIDE RECORDED SEPTEMBER 22, 1971 AS INSTRUMENT NO. 107667 OF OFFICIAL RECORDS.

APN: 488-200-013-4

PARCEL B:

PARCEL 3 AND LOTS "B" AND "E" OF PARCEL MAP NO. 13,202, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 79, PAGE 7 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL BUILDINGS, STRUCTURES, IMPROVEMENTS AND FIXTURES LOCATED ON THE SUBSTATION SITE SITUATED ON A PORTION OF SAID PARCEL 3 CONVEYED TO SOUTHERN CALIFORNIA EDISON COMPANY, A CORPORATION, IN A DEED RECORDED NOVEMBER 16, 2017 AS INSTRUMENT NO. 2017-0479904 OF OFFICIAL RECORDS.

APN: 312-250-061-8 AND 312-250-062-9

PARCEL B1:

ALL BUILDINGS, STRUCTURES, IMPROVEMENTS AND FIXTURES LOCATED ON THE SUBSTATION SITE SITUATED ON A PORTION OF PARCEL 3 OF PARCEL MAP NO. 13,202, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 79, PAGE 7 OF PARCEL MAPS, IN THE

OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, CONVEYED TO SOUTHERN CALIFORNIA EDISON COMPANY, A CORPORATION, IN A DEED RECORDED NOVEMBER 16, 2017 AS INSTRUMENT NO. 2017-0479904 OF OFFICIAL RECORDS, DESCRIBED AS FOLLOWS:

BEING THE NORTHERLY 145.00 FEET OF THE EASTERLY 179.00 FEET OF SAID PARCEL 3.

EXCEPTING THEREFROM STRIP NO. 1, LYING EASTERLY OF THE FOLLOWING DESCRIBED LINE:

COMMENCING AT THE NORTHEAST CORNER OF SAID PARCEL 3; THENCE ALONG THE NORTHERLY LINE OF SAID PARCEL 3 NORTH 88° 50' 24" WEST 6.00 FEET TO THE WESTERLY LINE OF THE EASTERLY 6.00 FEET OF SAID PARCEL 3 AND THE TRUE POINT OF BEGINNING; THENCE ALONG SAID WESTERLY LINE SOUTH 00° 17' 47" WEST 25.58 FEET; THENCE SOUTH 45° 17' 47" WEST 5.66 FEET TO A LINE PARALLEL WITH AND DISTANT WESTERLY 4.00 FEET, MEASURED AT RIGHT ANGLES TO SAID WESTERLY LINE; THENCE ALONG SAID PARALLEL LINE SOUTH 00° 17' 47" WEST 50.69 FEET; THENCE SOUTH 44° 42' 13" EAST 5.66 FEET TO SAID WESTERLY LINE; THENCE ALONG SAID WESTERLY LINE SOUTH 00° 17' 47" WEST 42.98 FEET; THENCE SOUTH 45° 17' 47" WEST 5.66 FEET TO SAID PARALLEL LINE; THENCE ALONG SAID PARALLEL LINE SOUTH 00° 17' 47" WEST 50.69 FEET; THENCE SOUTH 44° 42' 13" EAST 5.66 FEET TO SAID WESTERLY LINE; THENCE ALONG SAID WESTERLY LINE SOUTH 00° 17' 47" WEST 80.77 FEET TO THE SOUTHEASTERLY LINE OF SAID PARCEL 3 AND THE POINT OF TERMINATION.

APN: 312-250-062-9

PARCEL C:

PARCEL NO. 1 AS SHOWN ON EXHIBIT "A" ATTACHED TO LOT LINE ADJUSTMENT NO. 758 INCORPORATED INTO A PARTNERSHIP GRANT DEED RECORDED JULY 11, 1988 AS INSTRUMENT NO. 191070 OF OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED IN THE DOCUMENT AS FOLLOWS:

PARCEL 1 OF PARCEL MAP NO. 17864, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 129, PAGES 79 THROUGH 82 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THAT PORTION DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID PARCEL 1; THENCE ALONG THE SOUTHERLY LINE OF SAID PARCEL 1, SOUTH 88° 40' 53" WEST A DISTANCE OF 1,036.43 FEET TO A POINT ON THE WESTERLY LINE OF SAID PARCEL 1, SAID POINT ALSO BEING ON THE EASTERLY LINE OF PARCEL 10 OF SAID PARCEL MAP NO.

17864; THENCE ALONG SAID EASTERLY LINE OF SAID PARCEL 10, NORTH 00° 06' 25" WEST A DISTANCE OF 60.02 FEET; THENCE NORTH 88° 40' 53" EAST A DISTANCE OF 1,036.43 FEET TO A POINT ON THE EASTERLY LINE OF SAID PARCEL 1, SAID POINT ALSO BEING ON THE WESTERLY SIDELINE OF FREDERICK STREET; THENCE SOUTHERLY ALONG SAID EASTERLY LINE SOUTH 00° 06' 28" EAST A DISTANCE OF 60.02 FEET TO THE POINT OF BEGINNING.

APN: 297-140-046-3 AND 297-140-047-4

PARCEL E:

PARCELS 1, 2 AND 3 OF PARCEL MAP 15686, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 93, PAGES 31 AND 32 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AND AS AMENDED BY A CERTIFICATE OF CORRECTION RECORDED MARCH 23, 1983 AS INSTRUMENT NO. 54424 OF OFFICIAL RECORDS.

APN: 486-170-020-4, 486-170-026-0, 486-170-019-4, 486-170-027-1, 486-170-018-3, 486-170-023-7 AND 486-170-024-8

DRAFT

Attachment: DRAFT Third Amendment to Master Facilities Sublease - Moreno Valley Lease Revenue Bonds 2021 (2015 & 2016 Refunding), 4835-

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in the Property that is conveyed under the foregoing agreement to the City of Moreno Valley (the “City”), a municipal corporation and general law that is duly organized and existing under and by virtue of the Constitution and the laws of the State of California, is hereby accepted by the undersigned officer or agent on behalf of the City Council of the City, pursuant to authority conferred by a resolution of the City Council of the City adopted on [September 7], 2021, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: October __, 2021

CITY OF MORENO VALLEY

By: _____
City Manager

DRAFT

Attachment: DRAFT Third Amendment to Master Facilities Sublease - Moreno Valley Lease Revenue Bonds 2021 (2015 & 2016 Refunding), 4835-

EXHIBIT B
BASE RENTAL PAYMENT SCHEDULE

<i>Date</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
November 1, 2021	\$[]	\$	\$
May 1, 2022			
November 1, 2022			
May 1, 2023			
November 1, 2023			
May 1, 2024			
November 1, 2024			
May 1, 2025			
November 1, 2025			
May 1, 2026			
November 1, 2026			
May 1, 2027			
November 1, 2027			
May 1, 2028			
November 1, 2028			
May 1, 2029			
November 1, 2029			
May 1, 2030			
November 1, 2030			
May 1, 2031			
November 1, 2031			
May 1, 2032			
November 1, 2032			
May 1, 2033			
November 1, 2033			
May 1, 2034			
November 1, 2034			
May 1, 2035			
November 1, 2035			
May 1, 2036			
November 1, 2036			
May 1, 2037			
November 1, 2037			
May 1, 2038			
November 1, 2038			
May 1, 2039			
November 1, 2039			
May 1, 2040			
November 1, 2040			
May 1, 2041			
November 1, 2041			
May 1, 2042			

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Attachment: DRAFT Third Amendment to Master Facilities Sublease - Moreno Valley Lease Revenue Bonds 2021 (2015 & 2016 Refunding), 4835-

<i>Date</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
November 1, 2042			
May 1, 2043			
November 1, 2043			
May 1, 2044			
November 1, 2044			
May 1, 2045			
November 1, 2045			
May 1, 2046			
November 1, 2046			
May 1, 2047			
November 1, 2047			
May 1, 2048			
November 1, 2048			
May 1, 2049			

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ORIGINAL 2015 BASE RENTAL PAYMENT SCHEDULE

<i>Date</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
May 1, 2017	--	\$229,596.88	\$229,596.88
November 1, 2017	\$200,000.00	229,596.88	429,596.88
May 1, 2018	--	227,846.88	227,846.88
November 1, 2018	205,000.00	227,846.88	432,846.88
May 1, 2019	--	225,540.63	225,540.63
November 1, 2019	210,000.00	225,540.63	435,540.63
May 1, 2020	--	222,784.38	222,784.38
November 1, 2020	215,000.00	222,784.38	437,784.38
May 1, 2021	--	219,559.38	219,559.38
November 1, 2021	220,000.00	219,559.38	439,559.38
May 1, 2022	--	216,121.88	216,121.88
November 1, 2022	225,000.00	216,121.88	441,121.88
May 1, 2023	--	212,325.00	212,325.00
November 1, 2023	235,000.00	212,325.00	447,325.00
May 1, 2024	--	208,065.63	208,065.63
November 1, 2024	240,000.00	208,065.63	448,065.63
May 1, 2025	--	203,565.63	203,565.63
November 1, 2025	250,000.00	203,565.63	453,565.63
May 1, 2026	--	198,565.63	198,565.63
November 1, 2026	260,000.00	198,565.63	458,565.63
May 1, 2027	--	193,365.63	193,365.63
November 1, 2027	270,000.00	193,365.63	463,365.63
May 1, 2028	--	187,796.88	187,796.88
November 1, 2028	285,000.00	187,796.88	472,796.88
May 1, 2029	--	181,740.63	181,740.63
November 1, 2029	295,000.00	181,740.63	476,740.63
May 1, 2030	--	175,471.88	175,471.88
November 1, 2030	305,000.00	175,471.88	480,471.88
May 1, 2031	--	168,800.00	168,800.00
November 1, 2031	320,000.00	168,800.00	488,800.00
May 1, 2032	--	161,200.00	161,200.00
November 1, 2032	335,000.00	161,200.00	496,200.00
May 1, 2033	--	153,243.75	153,243.75
November 1, 2033	350,000.00	153,243.75	503,243.75
May 1, 2034	--	144,931.25	144,931.25
November 1, 2034	370,000.00	144,931.25	514,931.25
May 1, 2035	--	136,143.75	136,143.75
November 1, 2035	385,000.00	136,143.75	521,143.75
May 1, 2036	--	127,000.00	127,000.00
November 1, 2036	405,000.00	127,000.00	532,000.00
May 1, 2037	--	116,875.00	116,875.00
November 1, 2037	425,000.00	116,875.00	541,875.00
May 1, 2038	--	106,250.00	106,250.00
November 1, 2038	445,000.00	106,250.00	551,250.00
May 1, 2039	--	95,125.00	95,125.00

<i>Date</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
November 1, 2039	470,000.00	95,125.00	565,125.00
May 1, 2040	--	83,375.00	83,375.00
November 1, 2040	490,000.00	83,375.00	573,375.00
May 1, 2041	--	71,125.00	71,125.00
November 1, 2041	515,000.00	71,125.00	586,125.00
May 1, 2042	--	58,250.00	58,250.00
November 1, 2042	540,000.00	58,250.00	598,250.00
May 1, 2043	--	44,750.00	44,750.00
November 1, 2043	570,000.00	44,750.00	614,750.00
May 1, 2044	--	30,500.00	30,500.00
November 1, 2044	595,000.00	30,500.00	625,500.00
May 1, 2045	--	15,625.00	15,625.00
November 1, 2045	625,000.00	15,625.00	640,625.00

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Attachment: DRAFT Third Amendment to Master Facilities Sublease - Moreno Valley Lease Revenue Bonds 2021 (2015 & 2016 Refunding), 4835-

ORIGINAL SERIES 2016 BASE RENTAL PAYMENT SCHEDULE

<i>Date</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
May 1, 2017	\$ 855,000.00	\$333,275.56	\$1,188,275.56
November 1, 2017	--	436,825.00	436,825.00
May 1, 2018	825,000.00	436,825.00	1,261,825.00
November 1, 2018	--	430,637.50	430,637.50
May 1, 2019	840,000.00	430,637.50	1,270,637.50
November 1, 2019	--	422,237.50	422,237.50
May 1, 2020	850,000.00	422,237.50	1,272,237.50
November 1, 2020	--	412,675.00	412,675.00
May 1, 2021	875,000.00	412,675.00	1,287,675.00
November 1, 2021	--	401,737.50	401,737.50
May 1, 2022	895,000.00	401,737.50	1,296,737.50
November 1, 2022	--	389,431.25	389,431.25
May 1, 2023	920,000.00	389,431.25	1,309,431.25
November 1, 2023	--	375,631.25	375,631.25
May 1, 2024	945,000.00	375,631.25	1,320,631.25
November 1, 2024	--	361,456.25	361,456.25
May 1, 2025	975,000.00	361,456.25	1,336,456.25
November 1, 2025	--	346,221.88	346,221.88
May 1, 2026	1,005,000.00	346,221.88	1,351,221.88
November 1, 2026	--	329,890.63	329,890.63
May 1, 2027	1,035,000.00	329,890.63	1,364,890.63
November 1, 2027	--	309,190.63	309,190.63
May 1, 2028	1,080,000.00	309,190.63	1,389,190.63
November 1, 2028	--	287,590.63	287,590.63
May 1, 2029	1,120,000.00	287,590.63	1,407,590.63
November 1, 2029	--	265,190.63	265,190.63
May 1, 2030	1,165,000.00	265,190.63	1,430,190.63
November 1, 2030	--	241,890.63	241,890.63
May 1, 2031	1,215,000.00	241,890.63	1,456,890.63
November 1, 2031	--	217,590.63	217,590.63
May 1, 2032	1,260,000.00	217,590.63	1,477,590.63
November 1, 2032	--	192,390.63	192,390.63
May 1, 2033	1,315,000.00	192,390.63	1,507,390.63
November 1, 2033	--	163,625.00	163,625.00
May 1, 2034	1,370,000.00	163,625.00	1,533,625.00
November 1, 2034	--	133,656.25	133,656.25
May 1, 2035	1,435,000.00	133,656.25	1,568,656.25
November 1, 2035	--	102,265.63	102,265.63
May 1, 2036	1,490,000.00	102,265.63	1,592,265.63
November 1, 2036	--	69,671.88	69,671.88
May 1, 2037	1,560,000.00	69,671.88	1,629,671.88
November 1, 2037	--	35,546.88	35,546.88
May 1, 2038	1,625,000.00	35,546.88	1,660,546.88

SERIES 2019 BASE RENTAL PAYMENT SCHEDULE

<i>Date</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
November 1, 2019	--		
May 1, 2020			
November 1, 2020	--		
May 1, 2021			
November 1, 2021	--		
May 1, 2022			
November 1, 2022	--		
May 1, 2023			
November 1, 2023	--		
May 1, 2024			
November 1, 2024	--		
May 1, 2025			
November 1, 2025	--		
May 1, 2026			
November 1, 2026	--		
May 1, 2027			
November 1, 2027	--		
May 1, 2028			
November 1, 2028	--		
May 1, 2029			
November 1, 2029	--		
May 1, 2030			
November 1, 2030	--		
May 1, 2031			
November 1, 2031	--		
May 1, 2032			
November 1, 2032	--		
May 1, 2033			
November 1, 2033	--		
May 1, 2034			
November 1, 2034	--		
May 1, 2035			
November 1, 2035	--		
May 1, 2036			
November 1, 2036	--		
May 1, 2037			
November 1, 2037	--		
May 1, 2038			
November 1, 2038	--		
May 1, 2039			
November 1, 2039	--		
May 1, 2040			
November 1, 2041	--		
May 1, 2041			
November 1, 2042	--		

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Attachment: DRAFT Third Amendment to Master Facilities Sublease - Moreno Valley Lease Revenue Bonds 2021 (2015 & 2016 Refunding), 4835-

<i>Date</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
May 1, 2042			
November 1, 2043	--		
May 1, 2044			
November 1, 2044	--		
May 1, 2045			
November 1, 2045	--		
May 1, 2046			
November 1, 2046	--		
May 1, 2047			
November 1, 2047	--		
May 1, 2048			
November 1, 2048	--		
May 1, 2049			
November 1, 2049	--		
May 1, 2049			

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Attachment: DRAFT Third Amendment to Master Facilities Sublease - Moreno Valley Lease Revenue Bonds 2021 (2015 & 2016 Refunding), 4835-

SERIES 2021 BASE RENTAL PAYMENT SCHEDULE

<i>Date</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
___ 1, 202 ___	--		

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Attachment: DRAFT Third Amendment to Master Facilities Sublease - Moreno Valley Lease Revenue Bonds 2021 (2015 & 2016 Refunding), 4835-

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)
) ss.
COUNTY OF _____)

On _____ before me, _____, Notary Public,

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

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

WITNESS my hand and official seal

SIGNATURE OF NOTARY PUBLIC

DRAFT

Attachment: DRAFT Third Amendment to Master Facilities Sublease - Moreno Valley Lease Revenue Bonds 2021 (2015 & 2016 Refunding), 4835-

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) ss.
COUNTY OF _____)

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

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WITNESS my hand and official seal

SIGNATURE OF NOTARY PUBLIC

DRAFT

Attachment: DRAFT Third Amendment to Master Facilities Sublease - Moreno Valley Lease Revenue Bonds 2021 (2015 & 2016 Refunding), 4835-



**THIRD SUPPLEMENT TO MASTER
TRUST AGREEMENT**

Between the

MORENO VALLEY PUBLIC FINANCING AUTHORITY

and

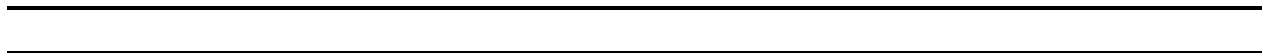
**WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Trustee**

Dated as of October 1, 2021

Relating to

\$ _____

**City of Moreno Valley Public Financing Authority
Lease Revenue Refunding Bonds, Series 2021 (Taxable)**



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THIRD SUPPLEMENT TO MASTER TRUST AGREEMENT

THIS THIRD SUPPLEMENT TO MASTER TRUST AGREEMENT (this “**Third Supplement to Master Trust Agreement**”), is made and entered into as of October 1, 2021, by and between the MORENO VALLEY PUBLIC FINANCING AUTHORITY, a public entity and agency (duly organized and existing pursuant to an Agreement entitled “Joint Exercise of Powers Agreement” by and between the City of Moreno Valley and the former Redevelopment Agency of the City of Moreno Valley) (the “**Authority**”) and WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association organized and existing under and by virtue of the laws of the United States of America (the “**Trustee**”).

RECITALS

A. The City of Moreno Valley (the “**City**”) previously leased certain real property and improvements thereon (the “**Facilities**”) to the Authority pursuant to a Master Facilities Lease, dated as of December 1, 2015 (the “**2015 Master Facilities Lease**”).

B. The Authority subleased the Facilities back to the City pursuant to a Master Facilities Sublease, dated as of December 1, 2015 (the “**2015 Master Facilities Sublease**”).

C. The Authority issued its Lease Revenue Bonds, Series 2015 (Taxable) (the “**Series 2015 Bonds**”) pursuant to a Master Trust Agreement, dated as of December 1, 2015 (the “**2015 Master Trust Agreement**”), by and between the Authority and the Trustee.

D. The proceeds of the Series 2015 Bonds were applied by the City to finance the 2015 Project, as defined in the 2015 Master Trust Agreement and as described in Exhibit B.

E. The City previously leased certain real property and improvements thereon, as additions to the Facilities, to the Authority pursuant to a First Amendment to Master Facilities Lease, dated as of December 1, 2016 (the “**First Amendment to Master Facilities Lease**” and, together with the 2015 Master Facilities Lease, the “**2016 Master Facilities Lease**”).

F. The Authority subleased such real property and improvements thereon, as additions to the Facilities, back to the City pursuant to a First Amendment to Master Facilities Sublease, dated as of December 1, 2016 (the “**First Amendment to Master Facilities Sublease**” and, together with the 2015 Master Facilities Sublease, the “**2016 Master Facilities Sublease**”).

G. The Authority issued its Lease Revenue Refunding Bonds, Series 2016 (Taxable) (the “**Series 2016 Bonds**”) pursuant to a First Supplement to Master Trust Agreement, dated as of December 1, 2016 (the “**First Supplement to Master Trust Agreement**” and, together with the 2015 Master Trust Agreement, the “**2016 Master Trust Agreement**”).

H. The proceeds of the Series 2016 Bonds were applied by the City to refund the remaining outstanding Moreno Valley Public Financing Authority 2007 Taxable Lease Revenue Bonds (the “**2016 Refunding Project**”).

I. The City previously leased to the Authority the real property and improvements thereon that were added to the Facilities pursuant to the First Amendment to Master Facilities Lease pursuant to a Second Amendment to Master Facilities Lease, dated as of April 1, 2019 (the “**Second**”).

Amendment to Master Facilities Lease” and, together with the 2016 Master Facilities Lease, the **“2019 Master Facilities Lease”**).

J. The Authority subleased such real property and improvements thereon back to the City pursuant to a Second Amendment to Master Facilities Sublease, dated as of April 1, 2019 (the **“Second Amendment to Master Facilities Sublease”** and, together with the 2016 Master Facilities Sublease, the **“2019 Master Facilities Sublease”**).

K. The Authority issued its Lease Revenue Bonds, Series 2019 (Taxable) (the **“Series 2019 Bonds”**) pursuant to a Second Supplement to Master Trust Agreement, dated as of April 1, 2019 (the **“Second Supplement to Master Trust Agreement”** and, together with the 2016 Master Trust Agreement, the **“2019 Master Trust Agreement”**).

L. The proceeds of the Series 2019 Bonds were applied by the City to finance the 2019 Project, as defined in the 2019 Master Trust Agreement.

M. The 2019 Master Trust Agreement provides that, subject to the conditions set forth therein, in addition to the Series 2015 Bonds, the Series 2016 Bonds and the Series 2019 Bonds, the Authority may, by execution of a Supplemental Trust Agreement without the consent of the Owners, provide for the execution and delivery of Additional Bonds secured by additional Base Rental Payments.

N. The Authority desires to issue its Lease Revenue Refunding Bonds, Series 2021 (Taxable) (the **“Series 2021 Bonds”**) pursuant to a Third Supplement to Master Trust Agreement (the **“Third Supplement to Master Trust Agreement”** and, together with the 2019 Master Trust Agreement, the **“2021 Master Trust Agreement”** or the **“Trust Agreement”**), the proceeds of which will be applied by the City to refinance the 2015 Project and refund the Series 2015 Bonds for debt service savings and to refinance the 2016 Refunding Project and refund the Series 2016 Bonds for debt service savings.

O. In order to refinance the 2015 Project and the 2016 Refunding Project, the Authority and the City are entering into a Third Amendment to Master Facilities Lease in order to amend the 2019 Master Facilities Lease (as so amended, the **“2021 Master Facilities Lease”**): (i) to cause the real property and improvements thereon which were the subject of the 2016 Master Facilities Lease to serve as the leased assets for the Third Amendment to Master Facilities Lease; and (ii) to make certain other modifications in order to provide for the issuance of the Series 2021 Bonds in accordance with the provisions of the 2021 Master Trust Agreement.

P. In order to refinance the 2015 Project and the 2016 Refunding Project, the Authority and the City are also entering into a Third Amendment to Master Facilities Sublease in order to amend the 2019 Master Facilities Sublease (as so amended, the **“2021 Master Facilities Sublease”**): (i) to cause the real property and improvements thereon which were the subject of the 2016 Master Facilities Sublease to serve as the leased assets for the Third Amendment to Master Facilities Sublease; (ii) to adjust the Base Rental Payments payable thereunder to reflect the debt service payable on the Series 2021 Bonds; and (iii) to make certain other modifications in order to provide for the issuance of the Series 2021 Bonds in accordance with the provisions of the 2021 Master Trust Agreement.

Q. All acts, conditions and things that are required by law to exist, to have happened and to have been performed precedent to and in connection with the execution of and entry into this Third Supplement to Master Trust Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Third Supplement to Master Trust Agreement.

AGREEMENT

PART 1

PARTICULAR AMENDMENTS

Part 1.1 Amendments to the Trust Agreement.

(a) Section 1.01 of the 2019 Master Trust Agreement is hereby amended by modifying the following terms:

Bond Insurer

The term “Bond Insurer” means any issuer or issuers of a policy or policies of municipal bond insurance obtained by the Authority to insure the payment of principal or accreted value of and interest on a Series of Bonds executed and delivered under the Trust Agreement, when due otherwise than by acceleration, and which, in fact, are at any time insuring such Series of Bonds. For the purposes of this definition, all consents, approvals or actions required by the Bond Insurer shall be by action of a majority of all Bond Insurers (based upon the aggregate principal amount of Outstanding Bonds insured by each such Bond Insurer) if there is more than a single Bond Insurer. The Bond Insurer with respect to the Series 2015 Bonds, the Series 2016 Bonds and the Series 2019 Bonds is AGM.

The Bond Insurer with respect to the Series 2021 Bonds is [Insurer].

Bonds, Series 2015 Bonds, Series 2016 Bonds, Series 2019 Bonds, Series 2021 Bonds, Additional Bonds, Serial Bonds, Term Bonds

The term “Bonds” means the Series 2015 Bonds, the Series 2016 Bonds, the Series 2019 Bonds, the Series 2021 Bonds and all Additional Bonds. The term “Series 2015 Bonds” means all bonds of the Authority authorized by and at any time Outstanding pursuant hereto and executed, issued and delivered in accordance with Section 2.02(a) and Section 3.01. The term “Series 2016 Bonds” means all bonds of the Authority authorized by and at any time Outstanding pursuant hereto and executed, issued and delivered in accordance with Article XIII hereof. The term “Series 2019 Bonds” means all bonds of the Authority authorized by and at any time Outstanding pursuant hereto and executed, issued and delivered in accordance with Article XV hereof. The term “Series 2021 Bonds” means all bonds of the Authority authorized by and at any time Outstanding pursuant to hereto and executed, issued and delivered in accordance with Article XVII hereof. The term “Additional Bonds” means all bonds of the Authority authorized by and at any time Outstanding pursuant hereto and executed, issued and delivered in accordance with Article III. The term “Serial Bonds” means Bonds for which no sinking fund payments are provided. The term “Term Bonds” means Bonds which are payable on or before their specified

maturity dates from sinking fund payments established for that purpose and calculated to retire such Bonds on or before their specified maturity dates.

Continuing Disclosure Certificate

The term “Continuing Disclosure Certificate” shall mean that certain Continuing Disclosure Certificate executed by the City dated the date of issuance and delivery of the Series 2015 Bonds, that certain Continuing Disclosure Certificate executed by the City dated the date of issuance and delivery of the Series 2016 Bonds, that certain Continuing Disclosure Certificate executed by the City dated the date of issuance and delivery of the Series 2019 Bonds and/or that certain Continuing Disclosure Certificate executed by the City dated the date of issuance and delivery of the Series 2021 Bonds, as appropriate, as each is originally executed and as each may be amended from time to time in accordance with the terms thereof.

(b) Section 1.01 of the 2019 Master Trust Agreement is hereby amended by adding thereto the following definitions:

Series 2021 Closing Date

The term “Series 2021 Closing Date” means October __, 2021.

2021 Bond Insurance Policy

The term “2021 Bond Insurance Policy” means the insurance policy issued by [Insurer] guaranteeing the scheduled payment of principal of and interest on the Series 2021 Bonds when due.

2021 Reserve Policy

The term “2021 Reserve Policy” means the Municipal Bond Debt Service Reserve Insurance Policy, and any endorsement thereto, issued by [Insurer] under which claims may be made in order to provide moneys in the Reserve Fund available for the purposes thereof with respect to the Series 2021 Bonds.

(c) Amendments to Section 6.03(g) of the Trust Agreement. Section 6.03(g) of the 2019 Master Trust Agreement is hereby amended to read as follows:

The foregoing provisions of this Section 6.03 shall not be applicable to the Series 2015 Bonds, the Series 2016 Bonds, the Series 2019 Bonds, the Series 2021 Bonds nor to any Series of Bonds or the proceeds thereof that the Authority determines upon the issuance thereof are to be taxable bonds, the interest on which is intended to be included in the gross income of the Owner thereof for federal income tax purposes.

(d) Amendments to Section 12.12 of the Trust Agreement. The notice address for [Insurer] in Section 12.12 of the 2019 Master Trust Agreement is amended to read as follows:

If to [Insurer]: [TO COME]

PART 2

ADDITION OF ARTICLE XVII AND ARTICLE XVIII

Part 2.1 Addition of Article XVII and Article XVIII. The 2019 Master Trust Agreement is hereby amended and supplemented by adding thereto additional Articles as follows:

ARTICLE XVII

SERIES 2021 BONDS

Section 17.01 Authorization of Series 2021 Bonds. A fourth Series of Bonds is hereby created and designated “Moreno Valley Public Financing Authority Lease Revenue Refunding Bonds, Series 2021 (Taxable).” The aggregate principal amount of Series 2021 Bonds which may be issued and Outstanding under this Trust Agreement shall not exceed \$_____.

The Authority has reviewed all proceedings heretofore taken relative to the authorization of the Series 2021 Bonds and has found, as a result of such review, and hereby finds and determines that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of the Series 2021 Bonds do exist, have happened and have been performed in due time, form and manner as required by law, that the Authority is now duly authorized, pursuant to each and every requirement of the Act, to issue the Series 2021 Bonds in the form and manner provided herein and that the Series 2021 Bonds shall be entitled to the benefit, protection and security of the provisions hereof.

The validity of the issuance of the Series 2021 Bonds shall not be dependent on or affected in any way by the proceedings taken by the Authority for the financing of a capital improvement or by any contracts made by the Authority or its agents in connection therewith, and shall not be dependent upon the completion of a capital improvement or upon the performance by any person, firm or corporation of his or its obligation with respect thereto. The recital contained in the Series 2021 Bonds that the same are issued pursuant to the Act and pursuant hereto shall be conclusive evidence of their validity and of the regularity of their issuance, and all Series 2021 Bonds shall be incontestable from and after their issuance. The Series 2021 Bonds shall be deemed to be issued, within the meaning hereof, whenever the definitive Series 2021 Bonds (or any temporary Series 2021 Bonds exchangeable therefor) shall have been delivered to the purchaser thereof and the proceeds of sale thereof received.

Section 17.02 Terms of Series 2021 Bonds. The Series 2021 Bonds shall be issued in the aggregate principal amount of \$_____. The Series 2021 Bonds shall be dated as of the date of initial delivery, shall be issued only in fully registered form in Authorized Denominations (not exceeding the principal amount of Series 2021 Bonds maturing at any one time), and shall mature in the years and in the principal amounts and bear interest at the rates as set forth in the following schedule, subject to prior redemption as described in Article IV hereof:

Series 2021 Bonds

<i>Maturity Date (May 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>
2021	\$	%
2022		
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2035		
2045		

The Series 2021 Bonds shall bear interest at the rates set forth above, payable commencing [____ 1, 202__], and semiannually thereafter on May 1 and November 1 in each year. The Series 2021 Bonds shall bear interest from the Interest Payment Date next preceding the date of registration and authentication thereof, unless they are authenticated on a day during the period from the day after a Record Date for an Interest Payment Date to such Interest Payment Date, both dates inclusive, in which event they shall bear interest from such Interest Payment Date, or unless they are authenticated on a day on or before the Record Date for the first Interest Payment Date, in which event they shall bear interest from their date; provided, that if at the time of authentication of any Series 2021 Bond interest is then in default on the Outstanding Series 2021 Bonds, such Series 2021 Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the Outstanding Series 2021 Bonds. The amount of interest so payable on any Interest Payment Date shall be computed on the basis of a 360-day year consisting of twelve 30-day months.

Payment of interest on the Series 2021 Bonds due on or before the maturity or prior redemption thereof shall be paid by check mailed by first class mail on each Interest Payment Date to the person in whose name the Bond is registered as of the applicable Record Date for such Interest Payment Date at the address shown on the registration books maintained by the Trustee; provided, however, that interest on any Series of Bonds shall be paid by wire transfer or other means to provide immediately available funds to any Holder of at least \$1,000,000 in aggregate principal amount of such Series of Bonds, at its option, according to wire instructions given to the Trustee in writing for such purpose and on file prior to the applicable Record Date preceding the Interest Payment Date. Any such written request shall remain in effect until rescinded in writing by the Holder.

Section 17.03 Form of Series 2021 Bonds. The Series 2021 Bonds and the assignment to appear thereon shall be in substantially the forms set forth in Exhibit A, with necessary or appropriate insertions, omissions and variations as permitted or required hereby.

Section 17.04 Execution of Series 2021 Bonds. The Executive Director of the Authority is hereby authorized and directed to execute each of the Series 2021 Bonds on behalf of the Authority and the Secretary of the Authority is hereby authorized and directed to countersign each of the Series 2021 Bonds on behalf of the Authority. The signatures of such Executive Director and Secretary

may be printed, lithographed or engraved or by facsimile reproduction. In case any officer whose signature appears on the Series 2021 Bonds shall cease to be such officer before the delivery of the Series 2021 Bonds to the purchaser thereof, such signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in office until such delivery of the Series 2021 Bonds.

Only those Series 2021 Bonds bearing thereon a certificate of authentication in the form hereinbefore recited, executed manually and dated by the Trustee shall be entitled to any benefit, protection or security hereunder or be valid or obligatory for any purpose, and such certificate of the Trustee shall be conclusive evidence that the Series 2021 Bonds so authenticated have been duly authorized, executed, issued and delivered hereunder and are entitled to the benefit, protection and security hereof.

Section 17.05 Special Covenants as to Book-Entry Only System for Series 2021 Bonds.

(a) Except as otherwise provided in subsections (b) and (c) of this Section, all of the Series 2021 Bonds initially issued shall be registered in the name of Cede & Co., as nominee for DTC, or such other nominee as DTC shall request pursuant to the Representation Letter. Payment of the interest on any Series 2021 Bond registered in the name of Cede & Co. shall be made on each Interest Payment Date for such Series 2021 Bonds to the account, in the manner and at the address indicated in or pursuant to the Representation Letter.

(b) The Series 2021 Bonds initially shall be issued in the form of a single authenticated fully registered bond for each stated maturity of such Series 2021 Bonds, representing the aggregate principal amount of the Series 2021 Bonds of such maturity. Upon initial issuance, the ownership of all such Series 2021 Bonds shall be registered in the registration records maintained by the Trustee pursuant to Section 2.09 in the name of Cede & Co., as nominee of DTC, or such other nominee as DTC shall request pursuant to the Representation Letter. The Trustee, the Authority and any paying agent may treat DTC (or its nominee) as the sole and exclusive owner of the Series 2021 Bonds registered in its name for the purposes of payment of the principal or redemption price of and interest on such Series 2021 Bonds, selecting the Series 2021 Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondholders hereunder, registering the transfer of Series 2021 Bonds, obtaining any consent or other action to be taken by Bondholders of the Series 2021 Bonds and for all other purposes whatsoever; and neither the Trustee nor the Authority or any paying agent shall be affected by any notice to the contrary. Neither the Trustee nor the Authority or any paying agent shall have any responsibility or obligation to any "Participant" (which shall mean, for purposes of this Section, securities brokers and dealers, banks, trust companies, clearing corporations and other entities, some of whom directly or indirectly own DTC), any person claiming a beneficial ownership interest in the Series 2021 Bonds under or through DTC or any Participant, or any other person which is not shown on the registration records 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 Series 2021 Bonds; (iii) any notice which is permitted or required to be given to Bondholders of Series 2021 Bonds hereunder; (iv) the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Series 2021 Bonds; or (v) any consent given or other action taken by DTC as Bondholder of Series 2021 Bonds. The Trustee shall pay all principal of and premium, if any, and interest on the Series 2021 Bonds only at the times, to the accounts, at the addresses and otherwise in accordance with the Representation Letter, and all such payments shall be valid and effective to satisfy fully and discharge the Authority's obligations with respect to the payment of the principal of and premium, if any, and interest on the Series 2021 Bonds to the

extent of the sum or sums so paid. 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 its then existing nominee, the Series 2021 Bonds will be transferable to such new nominee in accordance with subsection (e) of this Section.

(c) In the event that the Authority determines that the Series 2021 Bonds should not be maintained in book-entry form, the Trustee shall, upon the written instruction of the Authority, so notify DTC, whereupon DTC shall notify the Participants of the availability through DTC of bond certificates. In such event, the Series 2021 Bonds will be transferable in accordance with subsection (e) of this Section. DTC may determine to discontinue providing its services with respect to the Series 2021 Bonds or a portion thereof, at any time by giving written notice of such discontinuance to the Authority or the Trustee and discharging its responsibilities with respect thereto under applicable law. In such event, the Series 2021 Bonds will be transferable in accordance with subsection (e) of this Section. If at any time DTC shall no longer be registered or in good standing under the Securities Exchange Act or other applicable statute or regulation and a successor securities depository is not appointed by the Authority within 90 days after the Authority receives notice or becomes aware of such condition, as the case may be, then this Section shall no longer be applicable and the Authority shall execute and the Trustee shall authenticate and deliver certificates representing the Series 2021 Bonds as provided below. Whenever DTC requests the Authority and the Trustee to do so, the Trustee and the Authority will cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of all certificates evidencing the Series 2021 Bonds then Outstanding. In such event, the Series 2021 Bonds will be transferable to such securities depository in accordance with subsection (e) of this Section, and thereafter, all references in this Trust Agreement to DTC or its nominee shall be deemed to refer to such successor securities depository and its nominee, as appropriate.

(d) Notwithstanding any other provision of this Trust Agreement to the contrary, so long as all Series 2021 Bonds Outstanding are registered in the name of any nominee of DTC, all payments with respect to the principal of and premium, if any, and interest on each such Series 2021 Bond and all notices with respect to each such Series 2021 Bond shall be made and given, respectively, to DTC as provided in or pursuant to the Representation Letter.

(e) In the event that any transfer or exchange of Series 2021 Bonds is authorized under subsection (b) or (c) of this Section, such transfer or exchange shall be accomplished upon receipt by the Trustee from the registered owner thereof of the Series 2021 Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee, all in accordance with the applicable provisions of Sections 2.07 and 2.08. In the event Series 2021 Bond certificates are issued to Bondholders other than Cede & Co., its successor as nominee for DTC as holder of all the Series 2021 Bonds, another securities depository as holder of all the Series 2021 Bonds or the nominee of such successor securities depository, the provisions of Sections 2.07 and 2.08 shall also apply to, among other things, the registration, exchange and transfer of the Series 2021 Bonds and the method of payment of principal of, premium, if any, and interest on the Series 2021 Bonds.

The transferor of any Series 2021 Bond not registered in the name of any nominee of DTC or other qualified institutional investor shall also provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045. The Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

Section 17.06 Deposit of Proceeds of Series 2021 Bonds; Other Moneys. The proceeds received from the sale of the Series 2021 Bonds in the amount of \$_____ (consisting of the par amount of the Series 2021 Bonds of \$_____.00, plus/less net original issue premium/discount of \$_____, less an underwriter's discount of \$_____, less the premium paid to [Insurer] of \$_____ for the 2021 Bond Insurance Policy and \$_____ for the 2021 Reserve Policy), shall be transferred for deposit by the Trustee to the following respective funds or accounts:

(a) The Trustee shall deposit in the Costs of Issuance Fund established pursuant to Section 3.01 hereof the amount of \$_____;

(b) The Trustee shall transfer the sum of \$_____ to Wells Fargo Bank, National Association, as escrow agent for the Series 2015 Bonds, for deposit into the escrow fund established under the Escrow Agreement (2015 Bonds), dated as of the date hereof, by and among Wells Fargo Bank National Association, as escrow agent, the City and the Authority; and

(c) The Trustee shall transfer the sum of \$_____ to Wells Fargo Bank, National Association, as escrow agent for the Series 2016 Bonds, for deposit into the escrow fund established under the Escrow Agreement (2016 Bonds), dated as of the date hereof, by and among Wells Fargo Bank National Association, as escrow agent, the City and the Authority.

The Trustee shall deposit the 2021 Reserve Policy in the Reserve Fund established pursuant to Section 3.03 hereof. For the avoidance of doubt, upon the delivery of the Series 2021 Bonds and the deposit of the 2021 Reserve Policy in the Reserve Fund, the Reserve Fund Requirement will not thereafter be calculated for the purpose of requiring any deposit or replenishment thereof except as may be required by Section 3.04 of the Trust Agreement.

The deposit and transfers required of the Trustee set forth above into funds or accounts shall be deemed made by the transfer of funds by the Trustee in accordance with the instructions of the City. To facilitate any transfers to or for the benefit of the City required in this Section 17.06, the Trustee may, in its discretion open a temporary fund or account on its records which shall be closed upon completion of such transfers.

Section 17.07 Redemption of Series 2021 Bonds. The Series 2021 Bonds shall be subject to redemption prior to their Principal Payment Date as set forth in this Section.

(a) Extraordinary Redemption. The Series 2021 Bonds are subject to redemption by the Authority on any date prior to their respective stated maturities, upon notice as hereinafter provided, as a whole or in part by lot within each stated maturity in integral multiples of Authorized Denominations, from prepayments made by the City pursuant to Section 7.02(A) of the 2021 Master Facilities Sublease, at a Redemption Price equal to the sum of the principal amount thereof, without premium, plus accrued interest thereon to the Redemption Date.

(b) Optional Redemption. The Series 2021 Bonds maturing on and after May 1, 20__ are subject to optional redemption prior to their stated Principal Payment Dates, on any date on or after ____ 1, 20__, in whole or in part, in Authorized Denominations, from and to the extent of prepaid Base Rental Payments paid pursuant to subsection (B) of Section 7.02 of the 2021 Master Facilities Sublease, any such prepayment to be at a Redemption Price equal to the principal amount of the Series 2021 Bonds to be redeemed, plus accrued interest thereon to the Redemption Date, without premium.

(c) Mandatory Sinking Account Prepayment. The Series 2021 Bonds with a stated Principal Payment Date of May 1, 20__ are subject to prepayment prior to such stated Principal Payment Date, in part, from Mandatory Sinking Account Payments, on each May 1 specified below, at a Redemption Price equal to the principal amount of the Series 2021 Bonds to be redeemed, plus accrued interest thereon to the Redemption Date, without premium. The principal of such Series 2021 Bonds to be so redeemed and the dates therefor shall be as follows:

<i>Prepayment Date</i> <i>(May 1)</i>	<i>Principal Component</i> <i>To Be Redeemed</i>
20__*	\$

* Stated Principal Payment Date

The amount of each such redemption shall be reduced proportionately in the event and to the extent of any and all redemptions of Series 2021 Bonds with a stated Principal Payment Date of May 1, 20__, pursuant to any provision hereof other than redemptions made pursuant to the preceding paragraph.

(d) Selection of Bonds for Redemption. Whenever less than all of the Outstanding Bonds are to be redeemed on any one date, the Trustee shall select, in accordance with written directions from the Authority, the Bonds to be redeemed in part from the Outstanding Bonds so that the aggregate annual principal amount of and interest on Bonds which shall be payable after such Redemption Date shall be as nearly proportional as practicable to the aggregate annual principal amount of and interest on Bonds Outstanding prior to such Redemption Date. If less than all Outstanding Bonds of the same Series maturing by their terms on any one date are to be redeemed at any one time, the Trustee shall select the Bonds of such maturity date to be redeemed randomly and shall promptly notify the Authority in writing of the numbers of the Bonds so selected for redemption. For purposes of such selection, Bonds shall be deemed to be composed of multiples of minimum Authorized Denominations and any such multiple may be separately redeemed. In the event Term Bonds are designated for redemption, the Authority may designate which sinking account payments are allocated to such redemption.

(e) Notice of Redemption; Cancellation; Effect of Redemption. Notice of redemption of the Series 2021 Bonds shall be mailed by first class mail by the Trustee, on behalf and at the expense of the Authority, not less than 20 nor more than 60 days prior to the redemption date to the respective Owners of Series 2021 Bonds designated for redemption at their addresses appearing on the bond registration books of the Trustee. The Trustee shall also provide such additional notice of redemption of Series 2021 Bonds at the time and as may be required by the MSRB. Each notice of redemption shall state the date of such notice, the Series 2021 Bonds to be prepaid, the date of issue of such Series 2021 Bonds, the redemption date, the redemption price, the place or places of redemption (including the name and appropriate address or addresses), the CUSIP number (if any) of the maturity or maturities, and, if less than all of any such maturity are to be prepaid, the distinctive certificate numbers of the Series 2021 Bonds of such maturity to be prepaid and, in the case of Series 2021 Bonds to be prepaid in part only, the respective portions of the principal amount thereof to be prepaid. Each such notice shall also state that such redemption may be rescinded by the Authority

and that, unless such redemption is so rescinded, and provided that on said date funds are available for payment in full of the Series 2021 Bonds then called for redemption, on said date there will become due and payable on each of such Series 2021 Bonds the redemption price thereof or of said specified portion of the principal amount thereof in the case of a Series 2021 Bond to be prepaid in part only, together with interest accrued thereon to the redemption date, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such Series 2021 Bonds be then surrendered at the address or addresses of the Trustee specified in the redemption notice.

Failure by the Trustee to give notice pursuant to this Section to any one or more of the information services or securities depositories, or the insufficiency of any such notice shall not affect the sufficiency of the proceedings for redemption. The failure of any Owner to receive any redemption notice mailed to such Owner and any defect in the notice so mailed shall not affect the sufficiency of the proceedings for redemption.

The Authority shall have the right to rescind any optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the Series 2021 Bonds then called for redemption, and such cancellation shall not constitute an Event of Default hereunder. The Trustee shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent.

All Series 2021 Bonds redeemed pursuant to the provisions of this Article shall be cancelled by the Trustee and shall be thereafter be treated in accordance with the Trustee's document retention policies.

ARTICLE XVIII

PROVISIONS RELATED TO 2021 BOND INSURANCE POLICY; BOND INSURER AND 2021 RESERVE POLICY

Section 18.01 General Provisions Relating to Bond Insurance. The terms "2015 Reserve Policy" and "Series 2015 Bonds" in Section 3.03(b) of the Trust Agreement shall be read to refer to each of the 2015 Reserve Policy, the 2016 Reserve Policy, the 2019 Reserve Policy and the 2021 Reserve Policy and the Series 2015 Bonds, the Series 2016 Bonds, the Series 2019 Bonds and the Series 2021 Bonds, respectively; the term Series 2015 Bonds in Section 10.01(c) of the Trust Agreement shall be read to refer to each of the Series 2015 Bonds, the Series 2016 Bonds, the Series 2019 Bonds and the Series 2021 Bonds; and similar changes shall be made where appropriate and as necessary to reflect the delivery of the 2021 Bond Insurance Policy and the 2021 Reserve Policy by [Insurer] in connection with the Series 2021 Bonds. So long as any Series 2021 Bonds remain outstanding and [Insurer] shall not have defaulted under the 2021 Bond Insurance Policy (or any amounts are owed to [Insurer]), the provisions of this Article XVIII shall govern, notwithstanding anything to the contrary set forth in the Trust Agreement, or individually in the appropriate sections:

(a) [TO BE UPDATED] [[Insurer] shall be deemed to be the sole holder of the Series 2021 Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the holders of the Series 2021 Bonds are entitled to take pursuant to the Trust Agreement pertaining to: (i) defaults and remedies; and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of the Trust Agreement and each Series 2021 Bond, the Trustee and each Bondholder appoint [Insurer] as their agent and attorney-in-

fact and agree that [Insurer] may at any time during the continuation of any proceeding by or against the Authority or City under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an “**Insolvency Proceeding**”) direct all matters relating to such Insolvency Proceeding, including without limitation: (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a “**Claim**”); (B) the direction of any appeal of any order relating to any Claim; (C) the posting of any surety, supersedeas or performance bond pending any such appeal; and (D) the right to vote to accept or reject any plan of adjustment. In addition, the Trustee and each Bondholder delegate and assign to [Insurer], to the fullest extent permitted by law, the rights of the Trustee and each Bondholder in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. Remedies granted to the Bondholders shall expressly include mandamus.

(b) No grace period for a covenant default shall exceed 30 days or be extended for more than 60 days, without the prior written consent of [Insurer]. No grace period shall be permitted for payment defaults.

(c) Upon the occurrence of an extraordinary optional, special or extraordinary mandatory redemption in part, the selection of Bonds to be redeemed shall be subject to the approval of [Insurer]. The exercise of any provision of the Trust Agreement which permits the purchase of Bonds in lieu of redemption shall require the prior written approval of [Insurer] if any Bond so purchased is not cancelled upon purchase.

(d) Any amendment, supplement, modification to, or waiver of, the Trust Agreement or any other transaction document, including any underlying security agreement (each a “**Related Document**”), that requires the consent of Bondholders or adversely affects the rights and interests of [Insurer] shall be subject to the prior written consent of [Insurer].

(e) Unless [Insurer] otherwise directs, upon the occurrence and continuance of an Event of Default or an event which with notice or lapse of time would constitute an Event of Default, amounts on deposit in the Acquisition and Construction Fund shall not be disbursed, but shall instead be applied to the payment of debt service or redemption price of the Bonds.

(f) The rights granted to [Insurer] under the Trust Agreement or any other Related Document to request, consent to or direct any action are rights granted to [Insurer] in consideration of its issuance of the 2021 Bond Insurance Policy. Any exercise by [Insurer] of such rights is merely an exercise of [Insurer]’s contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the Bondholders and such action does not evidence any position of [Insurer], affirmative or negative, as to whether the consent of the Bondholders or any other person is required in addition to the consent of [Insurer].

(g) Amounts paid by [Insurer] under the 2021 Bond Insurance Policy shall not be deemed paid for purposes of the Trust Agreement and the Series 2021 Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the Authority in accordance with the Trust Agreement. The Trust Agreement shall not be discharged unless all amounts due or to become due to [Insurer] have been paid in full or duly provided for.

(h) [Each of the Authority and Trustee covenant and agree to take such action (including, as applicable, filing of UCC financing statements and continuations thereof, it being understood that

with respect to UCC filings, the Trustee shall be responsible only for the timely filing of continuation statements) as is necessary from time to time to preserve the priority of the pledge of the Trust Estate under applicable law.]

(i) [Insurer] shall, to the extent it makes any payment of principal of or interest on the Series 2021 Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the 2021 Bond Insurance Policy (which subrogation rights shall also include the rights of any such recipients in connection with any Insolvency Proceeding). Each obligation of the Authority to [Insurer] under the Related Documents shall survive discharge or termination of such Related Documents.

(j) The Authority shall pay or reimburse (or cause the City to pay or reimburse) [Insurer] any and all charges, fees, costs and expenses that [Insurer] may reasonably pay or incur in connection with: (i) the administration, enforcement, defense or preservation of any rights or security in any Related Document; (ii) the pursuit of any remedies under the Trust Agreement or any other Related Document or otherwise afforded by law or equity; (iii) any amendment, waiver or other action with respect to, or related to, the Trust Agreement or any other Related Document whether or not executed or completed; or (iv) any litigation or other dispute in connection with the Trust Agreement or any other Related Document or the transactions contemplated thereby, other than costs resulting from the failure of [Insurer] to honor its obligations under the 2021 Bond Insurance Policy. [Insurer] reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Trust Agreement or any other Related Document.

(k) After payment of reasonable expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the Authority or rebate only after the payment of past due and current debt service on the Bonds and amounts required to restore the Reserve Fund to the Reserve Fund Requirement.

(l) [Insurer] shall be entitled to pay principal or interest on the Series 2021 Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer (as such terms are defined in the 2021 Bond Insurance Policy), whether or not [Insurer] has received a Notice of Nonpayment (as such terms are defined in the 2021 Bond Insurance Policy) or a claim upon the 2021 Bond Insurance Policy.

(m) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under the Trust Agreement would adversely affect the security for the Bonds or the rights of the Bondholders, the Authority shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no 2021 Bond Insurance Policy.

(n) No contract shall be entered into or any action taken by which the rights of [Insurer] or security for or sources of payment of the Series 2021 Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of [Insurer].]

Section 18.02 Claims Upon the 2021 Bond Insurance Policy and Payments by and to [Insurer].

(a) [TO BE UPDATED] [If, on the third Business Day prior to the related scheduled Interest Payment Date or Principal Payment Date (each, a “Payment Date”) there is not on deposit with the Trustee, after making all transfers and deposits required under the Trust Agreement, moneys

sufficient to pay the principal of and interest on the Series 2021 Bonds due on such Payment Date, the Trustee shall give notice to [Insurer] and to its designated agent (if any) (the “**Insurer’s Fiscal Agent**”) by telephone or teletype of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Series 2021 Bonds due on such Payment Date, the Trustee shall make a claim under the 2021 Bond Insurance Policy and give notice to [Insurer] and the Insurer’s Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Series 2021 Bonds and the amount required to pay principal of the Series 2021 Bonds, confirmed in writing to [Insurer] and the Insurer’s Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the 2021 Bond Insurance Policy.

(b) The Trustee shall designate any portion of payment of principal on Series 2021 Bonds paid by [Insurer], whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Series 2021 Bonds registered to the then current Bondholder, whether DTC or its nominee or otherwise, and shall issue a replacement Bond to [Insurer], registered in the name of _____, in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee’s failure to so designate any payment or issue any replacement Bond shall have no effect on the amount of principal or interest payable by the Authority on any Series 2021 Bond or the subrogation rights of [Insurer].

(c) The Trustee shall keep a complete and accurate record of all funds deposited by [Insurer] into the Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any Series 2021 Bond. [Insurer] shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

(d) Upon payment of a claim under the 2021 Bond Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Bondholders referred to herein as the “**Policy Payments Account**” and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the 2021 Bond Insurance Policy in trust on behalf of Bondholders and shall deposit any such amount in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Bondholders in the same manner as principal and interest payments are to be made with respect to the Series 2021 Bonds under the sections hereof regarding payment of Series 2021 Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Authority agrees, and shall cause the City to agree, to pay to [Insurer] (i) a sum equal to the total of all amounts paid by [Insurer] under the 2021 Bond Insurance Policy (the “**Insurer Advances**”); and (ii) interest on such Insurer Advances from the date paid by [Insurer] until payment thereof in full, payable to [Insurer] at the Late Payment Rate per annum (collectively, the “**Insurer Reimbursement Amounts**”). “**Late Payment Rate**” means the lesser of: (a) the greater of: (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%; and (ii) the then applicable highest rate of interest on the Series 2021 Bonds; and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment

Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The Authority and the City hereby covenant and agree that Insurer Reimbursement Amounts are secured by a lien on and pledge of the Base Rental Payments and other amounts, and payable from such Base Rental Payments and other amounts, on a parity with debt service due on the Bonds.

(e) Funds held in the Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the Policy Payments Account following an Interest Payment Date shall promptly be remitted to [Insurer].]

Section 18.03 Provision of Information and Notice to Bond Insurer. So long as any Bonds remain outstanding and the Bond Insurer shall not have defaulted under the Bond Insurance Policy, the Bond Insurer shall be provided with the following information by the City, Authority or Trustee, as the case may be:

(a) [TO BE UPDATED] [Annual audited financial statements within 180 days (or such longer period agreed to by the Bond Insurer) after the end of the City's fiscal year (together with a certification of the City that it is not aware of any default or Event of Default under the Trust Agreement), and the City's annual budget within 30 days after the approval thereof together with such other information, data or reports as the Bond Insurer shall reasonably request from time to time.

(b) Notice of any draw upon the Reserve Fund within two Business Days after knowledge thereof other than: (i) withdrawals of amounts in excess of the Reserve Fund Requirement; and (ii) withdrawals in connection with a refunding of Bonds.

(c) Notice of any default known to the Trustee or Authority within five Business Days after knowledge thereof.

(d) Prior notice of the advance refunding or redemption of any of the Bonds, including the principal amount, maturities and CUSIP numbers thereof.

(e) Notice of the resignation or removal of the Trustee and Bond Registrar and the appointment of, and acceptance of duties by, any successor thereto.

(f) Notice of the commencement of any Insolvency Proceeding.

(g) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, the Bonds.

(h) A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to the Related Documents.

(i) All reports, notices and correspondence to be delivered to Owners under the terms of the Related Documents.

The Bond Insurer shall have the right to receive such additional information as it may reasonably request.

The Authority will permit the Bond Insurer to discuss the affairs, finances and accounts of the Authority or any information the Bond Insurer may reasonably request regarding the security for the Bonds with appropriate officers of the Authority and will use commercially reasonable efforts to enable the Bond Insurer to have access to the facilities, books and records of the Authority on any business day upon reasonable prior notice.

The Trustee shall notify the Bond Insurer of any failure of the Authority or the City to provide notices, certificates and other information under the transaction documents.]

Section 18.04 Provisions Relating to 2021 Reserve Policy. So long as any Series 2021 Bonds remain outstanding and [Insurer] shall not have defaulted under the 2021 Reserve Policy (or any amounts are owed to [Insurer]), the following provisions govern, notwithstanding anything to the contrary set forth in the Trust Agreement or individually in the appropriate sections:

(a) [TO BE UPDATED] [The Authority shall repay any draws under the 2021 Reserve Policy and pay all related reasonable expenses incurred by [Insurer] and shall pay interest thereon from the date of payment by [Insurer] at the Late Payment Rate. If the interest provisions of this subparagraph (a) shall result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by [Insurer], with the same force and effect as if the Authority had specifically designated such extra sums to be so applied and [Insurer] had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

Repayment of draws and payment of expenses and accrued interest thereon at the Late Payment Rate (collectively, “**Policy Costs**”) shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such draw.

Amounts in respect of Policy Costs paid to [Insurer] shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to [Insurer] on account of principal due, the coverage under the 2021 Reserve Policy will be increased by a like amount, subject to the terms of the 2021 Reserve Policy. The obligation to pay Policy Costs shall be secured by a valid lien on all revenues and other collateral pledged as security for the Series 2021 Bonds (subject only to the priority of payment provisions set forth under the Trust Agreement).

All cash and investments in the Reserve Fund not allocable to a particular Series or Bonds shall be transferred to the Revenue Fund for payment of debt service on Series 2021 Bonds before any drawing may be made on the 2021 Reserve Policy or any other credit facility credited to the Reserve Fund in lieu of cash (each, a “**Credit Facility**”). Payment of any Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Credit Facilities (including the 2021 Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments

in the Reserve Fund. Payment of Policy Costs and reimbursement of amounts with respect to other Credit Facilities shall be made on a pro-rata basis prior to replenishment of any cash drawn from the Reserve Fund. For the avoidance of doubt, “available coverage” means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(b) If the Authority shall fail to pay any Policy Costs in accordance with the requirements of subparagraph (a) hereof, [Insurer] shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under the Trust Agreement other than (i) acceleration of the maturity of the Bonds or (ii) remedies which would adversely affect owners of the Bonds.

(c) The Trust Agreement shall not be discharged until all Policy Costs owing to [Insurer] shall have been paid in full. The Authority’s obligation to pay such amounts shall expressly survive payment in full of the Series 2021 Bonds.

(d) The Authority and the City shall include any Policy Costs then due and owing [Insurer] in the calculation of any applicable additional bonds test as set forth in the Trust Agreement.]

PART 3

MISCELLANEOUS

Part 3.1 Effect of Third Supplement to Master Trust Agreement. This Third Supplement to Master Trust Agreement and all of the terms and provisions herein contained shall form part of the 2019 Master Trust Agreement as fully and with the same effect as if all such terms and provisions had been set forth in the 2019 Master Trust Agreement. The 2019 Master Trust Agreement is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as heretofore amended and supplemented, and as amended and supplemented hereby. If there shall be any conflict between the terms of this Third Supplement to Master Trust Agreement and the terms of the 2019 Master Trust Agreement (as in effect on the day prior to the effective date of this Third Supplement to Master Trust Agreement), the terms of this Third Supplement to Master Trust Agreement shall prevail.

Part 3.2 Annual Debt Report to California Debt and Investment Advisory Commission. Not later than January 31 of each year, commencing January 31, 2022 and continuing until the January 31 following the final maturity of the Bonds, the Authority shall supply to the California Debt and Investment Advisory Commission the information required to be provided thereto pursuant to California Government Code Section 8855(k). The Authority shall in no event be liable to any Holder or beneficial owner of the Bonds or any other person or entity in connection with any error in any such information.**Execution in Counterparts.** This Third Supplement to Master Trust Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

Part 3.4 Effective Date. This Third Supplement to Master Trust Agreement shall become effective upon its execution and delivery.

DRAFT

IN WITNESS WHEREOF, the parties hereto have executed this Third Supplement to Master Trust Agreement by their officers thereunto duly authorized as of the day and year first written above.

MORENO VALLEY PUBLIC FINANCING AUTHORITY

By: _____
Executive Director

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Trustee

By: _____
Authorized Officer

Acknowledged:

CITY OF MORENO VALLEY

By: _____
City Manager

DRAFT

Attachment: DRAFT Third Supplement to 2015 Electric Master Trust Agreement - Moreno Valley Lease Revenue Bonds 2021 (2015 & 2016

EXHIBIT A
FORM OF SERIES 2021 BOND

R-_____ \$_____

**MORENO VALLEY PUBLIC FINANCING AUTHORITY
LEASE REVENUE REFUNDING BOND, SERIES 2021 (TAXABLE)**

NEITHER THE FULL FAITH AND CREDIT OF THE AUTHORITY NOR THE CITY OF MORENO VALLEY IS PLEDGED FOR THE PAYMENT OF THE INTEREST ON OR PRINCIPAL OF THE BONDS AND NO TAX OR OTHER SOURCE OF FUNDS OTHER THAN THE REVENUES HEREINAFTER REFERRED TO IS PLEDGED TO PAY THE INTEREST ON OR PRINCIPAL OF THE BONDS. NEITHER THE PAYMENT OF THE PRINCIPAL OF NOR INTEREST ON THE BONDS CONSTITUTES A DEBT, LIABILITY OR OBLIGATION OF THE CITY OF MORENO VALLEY.

Interest Rate	Maturity Date	Dated Date	CUSIP No.
____%	May 1, 20__	October __, 2021	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: _____ DOLLARS

The MORENO VALLEY PUBLIC FINANCING AUTHORITY, a joint exercise of powers authority, duly organized and validly existing under and pursuant to the laws of the State of California (the "Authority"), for value received, hereby promises to pay (but only out of the Revenues hereinafter referred to) to the registered owner identified above or registered assigns, on the maturity date specified above (subject to any right of prior redemption hereinafter provided for) the principal sum specified above, together with interest on such principal sum from the interest payment date next preceding the date of authentication and registration of this Bond (unless such date of registration is on a day during the period from the day after a Record Date for an Interest Payment Date to such Interest Payment Date, both dates inclusive, in which event this Bond shall bear interest from such Interest Payment Date, or unless this Bond are authenticated on a day on or before the Record Date for the first Interest Payment Date, in which event this Bond shall bear interest from the original issue date specified above; provided, that if at the time of authentication of this Bond interest is then in default on the Outstanding Bonds, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the Outstanding Bonds) until the principal hereof shall have been paid at the interest rate per annum specified above, payable on [____ 1, 202__], and semiannually thereafter on each May 1 and November 1. Interest due on or before the maturity or prior redemption of this Bond shall be payable only by check mailed by first-class mail to the registered owner hereof; provided that upon the written request of a Bondholder of \$1,000,000 or more in aggregate principal amount of Bonds of the Series of which this Bond is a part received by the Trustee prior to the applicable record date, interest shall be paid by wire transfer in immediately available funds. The principal hereof is payable in lawful money of the

Attachment: DRAFT Third Supplement to 2015 Electric Master Trust Agreement - Moreno Valley Lease Revenue Bonds 2021 (2015 & 2016

United States of America upon presentation of this Bond at the principal office of Wells Fargo Bank, National Association, in Minneapolis, Minnesota.

This Bond is one of a duly authorized issue of bonds of the Authority designated as its “Moreno Valley Public Financing Authority Lease Revenue Bonds” (the “Bonds”) and is one of a duly authorized series of such Bonds known as “Moreno Valley Public Financing Authority Lease Revenue Refunding Bonds Series 2021 (Taxable)” (the “Series 2021 Bonds”) issued in an aggregate principal amount of \$_____, all of like tenor and date (except for such variations, if any, as may be required to designate varying numbers, maturities and interest rates), and is issued under and pursuant to the provisions of the Joint Exercise of Powers Act (being Chapter 5 of Division 7 of Title 1 of the California Government Code, as amended) and all laws amendatory thereof or supplemental thereto (the “Act”) and under and pursuant to the provisions of a master trust agreement, dated as of December 1, 2015, as amended by a First Supplement thereto, dated as of December 1, 2016, a Second Supplement thereto, dated as of April 1, 2019, and a Third Supplement thereto, dated as of October 1, 2021 (and as further amended from time to time, the “Trust Agreement”), by and between the Authority and Wells Fargo Bank, National Association, as trustee (together with any successor as trustee under the Trust Agreement, the “Trustee”). Copies of the Trust Agreement are on file at the office of the Trustee in Los Angeles, California.

The Bonds are issued to provide funds to refinance certain capital facilities of the City of Moreno Valley (the “City”). The Bonds are limited obligations of the Authority and are payable, as to interest thereon and principal thereof, solely from certain proceeds of the Bonds held in certain funds and accounts pursuant to the Trust Agreement and the revenues (as more fully defined in the Trust Agreement, the “Revenues”) derived from Base Rental Payments and other payments made by the City, and all interest or other investment income thereon, pursuant to the Master Facilities Sublease, dated as of December 1, 2015, as amended by a first amendment thereto, dated as of December 1, 2016, a second amendment thereto, dated as of April 1, 2019, and a third amendment thereto, dated as of October 1, 2021 (as further amended from time to time, the “Facilities Sublease”), by and between the Authority and the City, and the Authority is not obligated to pay the interest or premium, if any, on and principal of the Bonds except from the Revenues. All Bonds are equally and ratably secured in accordance with the terms and conditions of the Trust Agreement by a pledge of and charge and lien upon the Revenues, and the Revenues constitute a trust fund for the security and payment of the interest or premium, if any, on and principal of the Bonds as provided in the Trust Agreement. The full faith and credit of the Authority and the City are not pledged for the payment of the interest or premium, if any, on or principal of the Bonds. No tax shall ever be levied to pay the interest on or principal of the Bonds. The Bonds are not secured by a legal or equitable pledge of or charge or lien upon any property of the Authority or any of its income or receipts except the Revenues, and neither the payment of the interest on nor principal of the Bonds is a debt, liability or general obligation of the Authority, the City or any member of the Authority for which such entity is obligated to levy or pledge any form of taxation. Additional bonds payable from the Revenues may be issued which will rank equally as to security with the Bonds, but only subject to the conditions and upon compliance with the procedures set forth in the Trust Agreement. Reference is hereby made to the Act and to the Trust Agreement and any and all amendments thereof and supplements thereto for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the Revenues, the rights of the registered owners of the Bonds, security for payment of the Bonds, remedies upon default and limitations thereon, and amendment of the Trust Agreement (with or without consent of the registered owners of the Bonds); and all of the terms of the Trust Agreement are hereby incorporated herein and constitute a contract between the

Authority and the registered owner of this Bond, to all the provisions of which the registered owner of this Bond, by acceptance hereof, agrees and consents.

The Bonds are subject to redemption by the Authority on the dates, and at the redemption prices, set forth in the Trust Agreement.

Notice of redemption of this Series 2021 Bond shall be given by first-class mail not less than twenty (20) days nor more than sixty (60) days before the redemption date to the registered owner of any Series 2021 Bond selected for redemption, subject to and in accordance with provisions of the Trust Agreement with respect thereto. If notice of redemption has been duly given as aforesaid and money for the payment of the above-described redemption price is held by the Trustee, then this Bond shall, on the redemption date designated in such notice, become due and payable at the above-described redemption price; and from and after the date so designated, interest on this Bond shall cease to accrue and the registered owner of this Bond shall have no rights with respect hereto except to receive payment of the redemption price hereof.

If an Event of Default (as defined in the Trust Agreement) shall occur, the Trust Agreement provides that the Trustee may take certain actions and exercise certain remedies as provided in the Trust Agreement.

This Bond is transferable only on a register to be kept for that purpose at the above-mentioned corporate trust office of the Trustee by the registered owner hereof in person or by the duly authorized attorney of such owner upon payment of the charges provided in the Trust Agreement and upon surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or the duly authorized attorney of such owner, and thereupon a new fully registered Bond or Bonds in the same aggregate principal amount in authorized denominations will be issued to the transferee in exchange therefor. The Authority and the Trustee may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of the interest hereon and principal hereof and for all other purposes, whether or not this Bond shall be overdue, and neither the Authority nor the Trustee shall be affected by any notice or knowledge to the contrary; and payment of the interest on and principal of this Bond shall be made only to such registered owner, which payments shall be valid and effectual to satisfy and discharge liability on this Bond to the extent of the sum or sums so paid.

Any transferor of this Bond, if then not registered in the name of any nominee of DTC or other qualified institutional investor, shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045.

This Bond shall not be entitled to any benefit, protection or security under the Trust Agreement or become valid or obligatory for any purpose until the certificate of authentication hereon endorsed shall have been executed and dated by the Trustee.

It is hereby certified and recited that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by the Act, and by the Constitution and laws of the State of California, that the amount of this Bond, together with all other indebtedness of the Authority, does not exceed any limit prescribed by the Constitution or laws

of the State of California and is not in excess of the amount of Bonds permitted to be issued under the Trust Agreement.

Unless this Bond is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any Bond issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

IN WITNESS WHEREOF, the Moreno Valley Public Financing Authority has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signature of the Executive Director of the Authority and countersigned by the manual or facsimile signature of the Secretary of said Authority, and has caused this Bond to be dated as of the original issue date specified above.

MORENO VALLEY PUBLIC FINANCING AUTHORITY

By: _____
Executive Director

Countersigned:

Secretary

DRAFT

STATEMENT OF INSURANCE

[TO BE UPDATED] _____ (“[Insurer]”), New York, New York, has delivered its municipal bond insurance policy (the “Policy”) with respect to the scheduled payments due of principal of and interest on this Bond to Wells Fargo Bank, National Association, Los Angeles, California, or its successor, as paying agent for the Bonds (the “Paying Agent”). Said Policy is on file and available for inspection at the principal office of the Paying Agent and a copy thereof may be obtained from [Insurer] or the Paying Agent. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this Bond acknowledges and consents to the subrogation rights of [Insurer] as more fully set forth in the Policy.

DRAFT

**[FORM OF CERTIFICATE OF AUTHENTICATION
TO APPEAR ON SERIES 2021 BONDS]**

This is one of the Bonds described in the within-mentioned Trust Agreement which has been registered and authenticated on October __, 2021.

**WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Trustee**

By: _____
Authorized Signatory

DRAFT

Attachment: DRAFT Third Supplement to 2015 Electric Master Trust Agreement - Moreno Valley Lease Revenue Bonds 2021 (2015 & 2016

**[FORM OF ASSIGNMENT TO
APPEAR ON SERIES 2021 BONDS]**

For value received the undersigned hereby sells, assigns and transfers unto (Taxpayer Identification Number: _____) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

NOTE: The signature to this Assignment must correspond with the name as written on the face of the Bond in every particular, without alteration or enlargement or any change whatever.

Dated: _____

PLEASE INSERT SOCIAL SECURITY NUMBER, TAXPAYER IDENTIFICATION NUMBER OR OTHER IDENTIFYING NUMBER OF ASSIGNEE:

Signature Guaranteed:

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

DRAFT

Attachment: DRAFT Third Supplement to 2015 Electric Master Trust Agreement - Moreno Valley Lease Revenue Bonds 2021 (2015 & 2016

EXHIBIT B

DESCRIPTION OF 2015 PROJECT AND 2016 REFUNDING PROJECT

2015 Project [CITY TO CONFIRM]

Installation of an electrical substation and associated feeders at a cost of approximately \$17,276,000.

2016 Refunding Project [CITY TO CONFIRM]

(a) A City-owned 115kV to 12kV Distribution Class power substation (the “**Substation**”) located on an approximately 8.75 acre parcel (the “**Site**”) at the southwest corner of Moreno Beach Drive and Cottonwood Avenue located in and owned by the City. Specific Substation improvements will include equipment foundations, transformers, capacitors, switchgear, electric bus, a relay control house, cable, wire, appurtenances and other related facilities (the “**Substation Improvements**”). The cost of the Substation Improvements is approximately \$6,478,522.

(b) A 115kV to 12kV Transmission Class switchyard (the “**Switchyard**”) dedicated to Southern California Edison (“**SCE**”). The Switchyard will also be located on the Site and adjacent to the Substation. Switchyard improvements will include equipment foundations, switchgear, electrical bus, relay control house, cable, wire, appurtenances and other related facilities associated with physical connection to SCE’s 115kV distribution system. The cost of the Switchyard improvements to be transferred to SCE is approximately \$6,816,401.

(c) Site improvements including an all-weather access road required to provide ingress and egress to the Site, site grading, fencing, addition of a perimeter wall, landscaping and related improvements. The cost of such improvements is approximately \$1,688,500.

(d) Professional services and fees to support site development improvements such as engineering, inspection, and labor related expenses at a cost of approximately \$200,296.

(e) Infrastructure associated with electrical distribution additions and improvements to interconnect the Substation with existing City-owned 12kV distribution infrastructure at a cost of \$4,690,818.

(f) Additional infrastructure associated with expansion of the current City-owned electrical distribution infrastructure to support planned growth of the City-owned electrical distribution, to provide electric distribution service to newly developed portions of the City at a cost of approximately \$1,658,746.

\$ _____
MORENO VALLEY PUBLIC FINANCING AUTHORITY
LEASE REVENUE REFUNDING BONDS, SERIES 2021 (TAXABLE)

BOND PURCHASE AGREEMENT

_____, 2021

Moreno Valley Public Financing Authority
 14177 Frederick Street
 P.O. Box 88005
 Moreno Valley, CA 92552-0805

City of Moreno Valley
 14177 Frederick Street
 P.O. Box 88005
 Moreno Valley, CA 92552-0805

Ladies and Gentlemen:

Stifel, Nicolaus & Company, Incorporated (the “**Underwriter**”), hereby offers to enter into this Bond Purchase Agreement with you, the City of Moreno Valley (the “**City**”) and the Moreno Valley Public Financing Authority (the “**Authority**”), for the purchase by the Underwriter and the delivery by you of the Bonds specified below. The Bonds (defined below) are being issued to provide funds: (i) to refund all of the outstanding Moreno Valley Public Financing Authority Lease Revenue Bonds, Series 2015 (Taxable) (the “**2015 Bonds**”) and Moreno Valley Public Financing Authority Lease Revenue Refunding Bonds, Series 2016 (Taxable) (the “**2016 Bonds**”); (ii) to purchase a municipal bond insurance policy (the “**Policy**”) from _____ (the “**Insurer**”) to guarantee the payment of principal of and interest on the Bonds; (iii) to purchase a municipal bond debt service reserve insurance policy (the “**Reserve Policy**”) from the Insurer for deposit in the Reserve Fund for the Bonds; and (iv) to pay costs incurred in connection with the issuance of the Bonds. This offer is made subject to acceptance by you prior to 11:59 p.m., Los Angeles time, on the date hereof. Upon such acceptance, this Bond Purchase Agreement shall be in full force and effect in accordance with its terms and shall be binding upon you and the Underwriter.

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties and agreements hereinafter set forth, the Underwriter agrees to purchase from the Authority all (but not less than all) of the \$_____ aggregate principal amount of the Authority’s Lease Revenue Refunding Bonds, Series 2021 (Taxable) (the “**Bonds**”).

The purchase price for the Bonds shall be \$_____ (being the principal amount of the Bonds, and less an Underwriter’s discount in the amount of \$_____).

The Bonds will be dated the date of delivery thereof and will have the maturities and bear interest at the rates set forth on Exhibit A hereto. The Bonds will be subject to redemption as set forth

in the Trust Agreement (defined below) and Official Statement (defined below). The Bonds will be issued in book-entry form only. It is anticipated that CUSIP identification numbers will be inserted on the Bonds, but neither the failure to provide such numbers nor any error with respect thereto shall constitute a cause for failure or refusal by the Underwriter to accept delivery of the Bonds in accordance with the terms of this Bond Purchase Agreement.

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under the Policy to be issued concurrently with the delivery of the Bonds by the Insurer. The Insurer will also issue the Reserve Policy concurrently with the delivery of the Bonds.

2. Authorizing Instruments and Law. The Bonds shall be issued pursuant to the provisions of a resolution (the “**Resolution**”) adopted by the Authority on _____, 2021 authorizing the issuance of the Bonds, Articles 9 through 11 of Chapter 3 of Part 1 of Division 2 of Title 5 (commencing with Section 53550) of the California Government Code and the Marks-Roos Local Bond Pooling Act of 1985, constituting Section 6584 *et seq.* of the California Government Code (the “**JPA Act**”). The Bonds are being issued pursuant to a Master Trust Agreement, dated as of December 1, 2015, as amended and supplemented by a First Supplement to Master Trust Agreement, dated as of December 1, 2016, a Second Supplement to Master Trust Agreement, dated as of April 1, 2019, and a Third Supplement to Master Trust Agreement, dated as of October 1, 2021 (collectively, the “**Trust Agreement**”) each by and between the Authority and Wells Fargo Bank, National Association, as trustee (the “**Trustee**”).

The Bonds are limited obligations of the Authority equally and ratably payable primarily from and secured by certain base rental payments (the “**Base Rental Payments**”) to be paid by the City pursuant to a Master Facilities Sublease, dated as of December 1, 2015, as amended and supplemented by a First Amendment to Master Facilities Sublease, dated as of December 1, 2016, a Second Amendment to Master Facilities Sublease, dated as of April 1, 2019, and a Third Amendment to Master Facilities Sublease, dated as of October 1, 2021 (collectively, the “**Facilities Sublease**”), each by and between the City, as sublessee, and the Authority, as lessor, for certain real property and the improvements thereon (the “**Leased Property**”).

The Bonds are secured on a parity with the Moreno Valley Public Financing Authority Lease Revenue Bonds, Series 2019 (Taxable), issued in the aggregate principal amount of \$15,830,000 pursuant to the Trust Agreement and currently outstanding in the aggregate principal amount of \$15,830,000 (the “**2019 Bonds**”).

Under an Escrow Agreement (2015 Bonds), dated as of October 1, 2021 (the “**2015 Escrow Agreement**”), by and among the City, the Authority and the Trustee, as escrow agent (the “**Escrow Agent**”), the Authority will deliver a portion of the proceeds of the Bonds to the Trustee for deposit in the escrow fund established under the 2015 Escrow Agreement (the “**2015 Escrow Fund**”). From the moneys on deposit in the 2015 Escrow Fund, the Trustee will pay on October __, 2021 (the “**Redemption Date**”) the principal of the 2015 Bonds maturing after the Redemption Date, plus interest accrued to the Redemption Date, without premium.

Under an Escrow Agreement (2016 Bonds), dated as of October 1, 2021 (the “**2016 Escrow Agreement**,” and together with the 2015 Escrow Agreement, the “**Escrow Agreements**”), by and among the City, the Authority and the Escrow Agent, the Authority will deliver a portion of the proceeds of the Bonds to the Trustee for deposit in the escrow fund established under the 2016 Escrow Agreement (the “**2016 Escrow Fund**”). From the moneys on deposit in the 2016 Escrow

Fund, the Trustee will pay on the Redemption Date the principal of the 2016 Bonds maturing after the Redemption Date, plus interest accrued to the Redemption Date, without premium.

3. Offering the Bonds. The Underwriter agrees to offer all the Bonds to the public initially at the prices (or yields) set forth on the cover pages of the Official Statement of the Authority pertaining to the Bonds, dated _____, 2021 (the Official Statement, together with all appendices thereto, and with such changes therein and supplements thereto as are consented to in writing by the Authority, the City, the Underwriter or its legal counsel in accordance with the provisions of Sections 6(j) and 7(j) hereof or otherwise consented to by the Underwriter pursuant to Section 10(b)(v), are herein called the “**Official Statement**”). Subsequent to the initial public offering of the Bonds, the Underwriter reserves the right to change the public offering prices (or yields) as they deem necessary in connection with the marketing of the Bonds. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices. “Public Offering” shall include an offering to a number of institutional investors or registered investment companies, regardless of the number of such investors to which the Bonds are sold.

The City and the Authority acknowledge and agree that (i) the purchase and sale of the Bonds pursuant to this Bond Purchase Agreement is an arm’s-length commercial transaction between the City, the Authority and the Underwriter, and that the Underwriter has financial and other interests that differ from those of the City and the Authority, (ii) in connection with such transaction the Underwriter is not acting as a municipal advisor, financial advisor or fiduciary to the City or the Authority or any other person or entity and has not assumed a fiduciary responsibility in favor of the City or the Authority with respect to the offering of the Bonds or the process leading thereto (whether or not the Underwriter has advised or is currently advising the City or the Authority on other matters), (iii) the only contractual obligations the Underwriter has to the City and the Authority with respect to the transaction contemplated hereby expressly are set forth in this Bond Purchase Agreement, except as otherwise provided by applicable rules and regulations of the SEC or the rules of the Municipal Securities Rulemaking Board (the “**MSRB**”) and (iv) the City and the Authority have consulted with their own legal and other professional advisors to the extent they deemed appropriate in connection with the offering of the Bonds. The City and the Authority acknowledge that they have previously provided the Underwriter with an acknowledgement of receipt of the required Underwriter disclosure under Rule G-17 of the MSRB relating to disclosures concerning the Underwriter’s role in the transaction, disclosures concerning the Underwriter’s compensation, conflict disclosures, if any, and disclosures concerning complex municipal securities financing, if any.

4. Delivery of Official Statement. If requested by the Underwriter, the Authority shall deliver to the Underwriter two (2) copies of the Official Statement manually executed on behalf of the Authority and the City. The Authority shall also deliver copies of the Official Statement in such quantities as the Underwriter may reasonably request in order to enable the Underwriter to distribute a single copy of each Official Statement to any potential customer of the Underwriter requesting an Official Statement during the time period beginning when the Official Statement becomes available and ending on the End Date (defined below). The Authority shall deliver these copies to the Underwriter within seven (7) business days after the execution of this Bond Purchase Agreement and in sufficient time to accompany or precede any sales confirmation that requests payment from any customer of the Underwriter. The Authority and the Underwriter hereby agree that the end of the underwriting period shall be the date of Closing (as defined below) unless the Underwriter informs the Authority in writing of a different end of the underwriting period.

“End Date” as used herein is that date which is the earlier of:

- (a) twenty-five (25) days after the end of the underwriting period, as defined in SEC Rule 15c2-12 originally adopted by the Securities and Exchange Commission on June 28, 1989, as amended (“**Rule 15c2-12**”); or
- (b) the time when the Official Statement becomes available from the MSRB, but in no event less than twenty-five (25) days after the underwriting period (as defined in Rule 15c2-12) ends.

The Underwriter acknowledges that the “End Date” will be the date of Closing unless the Underwriter otherwise notifies the Authority and the City in writing that the Underwriter still owns some or all of the Bonds.

The Authority and the City have authorized the use of the Official Statement in connection with the public offering of the Bonds. The Authority and the City also have consented to the use by the Underwriter prior to the date hereof of the Preliminary Official Statement dated _____, 2021, relating to the Bonds in connection with the public offering of the Bonds, (which, together with all appendices thereto, is herein called the “**Preliminary Official Statement**”). Authorized officers of the City and the Authority have certified to the Underwriter that such Preliminary Official Statement was deemed to be final as of its date for purposes of Rule 15c2-12, with the exception of certain final pricing and related information referred to in Rule 15c2-12. The Underwriter has distributed a copy of the Preliminary Official Statement to potential customers on request.

5. The Closing. At 9:00 A.M., California time, on _____, 2021, or at such other time or on such earlier or later business day as shall have been mutually agreed upon by the Authority, the City and the Underwriter, the Authority, upon receipt of the purchase price thereof, will deliver (i) the Bonds in book-entry form through the facilities of The Depository Trust Company (“**DTC**”), and (ii) the closing documents hereinafter mentioned at the offices of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California (“**Bond Counsel**”), or another place to be mutually agreed upon by the Authority, the City and the Underwriter. The Underwriter will accept such delivery from the Authority. The Underwriter will pay the purchase price of the Bonds as set forth in Section 1 hereof by wire transfer of immediately available funds. This payment and delivery, together with the delivery of the aforementioned documents, is herein called the “**Closing**.”

6. City Representations, Warranties and Covenants. The City represents, warrants and covenants to the Underwriter that:

- (a) The City is a general law city of the State of California (the “**State**”) organized and operating pursuant to the law of the State with power and authority to enter into and perform its duties under the Facilities Sublease, the Continuing Disclosure Certificate (the “**Continuing Disclosure Certificate**”) in connection with the issuance of the Bonds, a Master Facilities Lease, dated as of December 1, 2015 (the “**2015 Master Facilities Lease**”), as amended by a First Amendment to Master Facilities Lease, dated as of December 1, 2016 (the “**First Amendment to the 2015 Master Facilities Lease**”), a Second Amendment to Master Facilities Lease, dated as of April 1, 2019 (the “**Second Amendment to the 2015 Master Facilities Lease**”), and a Third Amendment to Master Facilities Lease, dated as of October 1, 2021 (the “**Third Amendment to the 2015 Master Facilities Lease**,” and together with the 2015 Master Facilities Lease, the First Amendment to the 2015 Master Facilities Lease and the Second Amendment to the

2015 Master Facilities Lease, the “**Facilities Lease**”), each by and between the City, as lessor, and the Authority, as lessee, the Official Statement, the Escrow Agreements and this Bond Purchase Agreement (collectively, the “**City Documents**”).

(b) To the best knowledge of the City, neither the approval, execution and delivery of the City Documents, and compliance with the provisions on the City’s part contained therein, nor the consummation of any other of the transactions herein and therein contemplated, nor the fulfillment of the terms hereof and thereof, materially conflicts with or constitutes a material breach of or default under nor materially contravenes any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party or is otherwise subject, nor does any such execution, delivery, adoption or compliance result in a security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the City under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the City Documents.

(c) The City Documents have been duly authorized, executed and delivered by the City, and, assuming due authorization, execution and delivery by the other parties thereto, constitute legal, valid and binding agreements of the City enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance or other laws affecting the enforcement of creditors’ rights generally, and by the application of equitable principles if sought, by the exercise of judicial discretion, and by the limitations on legal remedies imposed on actions against cities in the State.

(d) Except as may be required under blue sky or other securities laws of any state, there is no material consent, approval, authorization or other order of, or filing with, or certification by, any regulatory agency having jurisdiction over the City required for the execution and delivery of the Bonds or the consummation by the City of the other transactions contemplated by the Official Statement and this Bond Purchase Agreement.

(e) To the best of the knowledge of the City, there is, and on the Closing there will be, no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending (notice of which has been received by the City) or threatened against the City to restrain or enjoin the delivery of any of the Bonds, or the payments to be made pursuant to the Facilities Sublease, or in any way contesting or affecting the validity of the City Documents or the Bonds or the authority of the City to approve this Bond Purchase Agreement, or enter into the City Documents or contesting the powers of the City to enter into or perform its obligations under any of the foregoing or in any way contesting the powers of the City in connection with any action contemplated by this Bond Purchase Agreement or to restrain or enjoin the execution, sale and delivery of the Bonds, contesting the completeness or accuracy of the Preliminary Official Statement as of its date or the Official Statement or any supplement or amendment thereto wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the City Documents to be executed by it or asserting that the Preliminary Official Statement as of its date 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 light of all the circumstances under which they were made, not misleading, or, except as described in the Preliminary Official Statement and the Official Statement, nor is there any basis for any such action, suit, proceeding or investigation.

(f) The Preliminary Official Statement provided to the Underwriter has been deemed final by the City, as required by Rule 15c2-12. As of the date thereof and at all times subsequent thereto up to and including the Closing, the information relating to the City, the Bonds, the Leased Property and the City Documents contained in the Official Statement was and will be materially complete for its intended purposes. The information relating to the City, the Bonds, the Leased Property and the City Documents contained in the Official Statement as of the date hereof is true and correct in all material respects and such information does not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect.

(g) The City agrees to cooperate with the Underwriter in endeavoring to qualify the Bonds for offering and sale under the securities or blue sky laws of such jurisdictions of the United States as the Underwriter may request; provided, however, that the City will not be required to execute a special or general consent to service of process in any jurisdiction in which it is not now so subject or to qualify to do business as a foreign corporation in any jurisdiction where it is not so qualified. The Underwriter shall be responsible for all costs relating to such qualification of the Bonds under blue sky or similar laws.

(h) By official action of the City prior to or concurrently with the execution hereof, the City has duly approved the distribution of the Official Statement, and has duly authorized and approved the execution and delivery of, and the performance by the City of the obligations on its part contained in the City Documents and the consummation by it of all other transactions contemplated by the Official Statement and this Bond Purchase Agreement.

(i) To the best knowledge of the City, it is not in any material respect in breach of or default under any material applicable law or administrative regulation of the State or the United States or any material applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party or is otherwise subject and in connection with which the City is obligated to make payments from its own funds, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument the consequence of which could materially and adversely affect the performance of the City under the City Documents.

(j) If between the date of this Bond Purchase Agreement and the End Date an event occurs, of which the City has knowledge, which might or would cause the information relating to the City, the City's finances, the Leased Property, or the City's functions, duties and responsibilities contained in the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was presented, not misleading in any material respect, the City will notify the Underwriter, and if, in the opinion of the Underwriter, the City or their respective legal counsel, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the City will cooperate with the Underwriter in the preparation of an amendment or supplement to the Official Statement in a form and in a manner approved by the Underwriter, provided all expenses thereby incurred will be paid for by the City.

(k) If the information relating to the Leased Property, the City, its functions, duties and responsibilities contained in the Official Statement is amended or supplemented pursuant

to the immediately preceding subparagraph, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subparagraph) at all times subsequent thereto up to and including the date of the Closing, the portions of the Official Statement so supplemented or amended (including any financial and statistical data contained therein) will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was presented, not misleading in any material respect.

(l) Substantially all the proceeds from the sale of the Bonds (after deducting the expenses of issuance and sale of the Bonds paid for from such proceeds) will be used as set forth in the Trust Agreement and as described in the Official Statement, and the City will not take or omit to take any action which action or omission will in any way cause the proceeds from the sale of the Bonds to be applied in a manner contrary to that provided in the Trust Agreement and the Facilities Sublease, as amended from time to time.

(m) Any certificate signed by a duly authorized official of the City and delivered to the Underwriter shall be deemed a representation and warranty by the City to the Underwriter as to the statements made therein.

(n) As of the time of acceptance hereof and as of the Closing, the City does not and will not have outstanding any indebtedness which is payable from the City's general fund except as disclosed in the Official Statement.

(o) Between the date of this Bond Purchase Agreement and the date of Closing, the City will not, except as disclosed in the Official Statement, offer or issue any certificates, notes or other obligations for borrowed money, or, other than in the normal course of its operations, incur any material liabilities, direct or contingent, secured by or payable from the City's general fund.

(p) The City will undertake, pursuant to the Continuing Disclosure Certificate, to provide or cause to be provided annual financial reports and notices of certain events; a description of this undertaking is set forth in the Official Statement. Except as disclosed in the Preliminary Official Statement and Official Statement, the City and its related entities have not failed to comply in any material respect with a continuing disclosure undertaking under Rule 15c2-12 during the previous five years.

(q) The financial statements of, and other financial information regarding the City in the Official Statement fairly present the financial position and results of the operations of the City as of the dates and for the periods therein set forth and the audited financial statements have been prepared in accordance with generally accepted accounting principles applicable to cities.

7. Authority Representations, Warranties and Covenants. The Authority represents, warrants and covenants to the City and the Underwriter that:

(a) The Authority is a joint powers authority, duly organized and existing under the Constitution (the "**Constitution**") and laws of the State, including Government Code 6500 *et seq.*, with full right, power and authority to enter into, execute and deliver the Authority Documents (defined below) and to perform its obligations hereunder.

(b) By all necessary official action, the Authority has duly authorized and approved the execution and delivery of, and the performance by the Authority of the obligations on its part contained in the Bond Purchase Agreement, the Bonds, the Trust Agreement, the Facilities Lease, the Escrow Agreements and the Facilities Sublease (collectively, the “**Authority Documents**”), and has approved the use by the Underwriter of the Preliminary Official Statement, and the Official Statement and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded. When executed and delivered by the parties hereto, the Authority Documents will constitute the legally valid and binding obligations of the Authority enforceable upon the Authority in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors rights generally, to the exercise of judicial discretion and to the limitations on legal remedies against joint powers authorities in California. The Authority has complied and will at the Closing be in compliance in all respects, with the terms of the Authority Documents.

(c) The Bonds, when issued in accordance with the Trust Agreement, will be valid and binding limited obligations of the Authority, entitled to the benefits of the Trust Agreement and enforceable in accordance with their terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors’ rights generally, to the exercise of judicial discretion and to the limitations on legal remedies against joint powers authorities in California.

(d) As of the time of acceptance hereof and as of the time of the Closing, except as otherwise disclosed in the Official Statement, to the best knowledge of the Authority, the Authority is not and will not be in any material respect in breach of or in default under any law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Authority 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 event of default under any such instrument which breach, default or event could have an adverse effect on the Authority’s ability to perform its obligations under the Authority Documents; and, as of such times, except as disclosed in the Official Statement, the authorization, execution and delivery of the Authority Documents and compliance by the Authority with the provisions thereof do not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Authority is subject, or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties under the terms of any such law, regulation or instrument except as provided in the Authority Documents.

(e) As of the time of acceptance hereof and the Closing, except as disclosed in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending (notice of which has been received by the Authority), or to the best knowledge of the Authority threatened against the Authority in any material respect:

(i) affecting the existence of the Authority or the titles of the officers of the Authority to their respective offices;

(ii) affecting, contesting or seeking to prohibit, restrain or enjoin the issuance or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity of the Authority Documents or the consummation of the transactions on the part of the Authority contemplated thereby, or contesting the exclusion of the interest on the Bonds from Federal or State taxation, as applicable, or contesting the powers of the Authority or its authority to enter into the Facilities Lease or the Facilities Sublease and to pledge the Base Rental Payments for repayment of the Bonds;

(iii) which may result in any material adverse change relating to the financial condition of the Authority;

(iv) contesting the completeness or accuracy of the Preliminary Official Statement as of its date or the Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement as of its date 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 light of all the circumstances under which they were made, not misleading; or

(v) challenging the ability of the Authority to sell the Bonds to the Underwriter.

(f) The Authority will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order to qualify the Bonds for offer and sale under the blue sky laws or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and will use its best efforts to continue such qualification in effect so long as required for distribution of the Bonds; *provided however*, that in no event shall the Authority be required to take any action which would subject it to general or unlimited service of process in any jurisdiction in which it is not now so subject.

(g) Any certificate signed by a duly authorized officer of the Authority and delivered to the Underwriter shall be deemed to be a representation and warranty by the Authority to the Underwriter as to the statements made therein.

(h) As of the time of acceptance hereof and as of the date of Closing, except as otherwise disclosed in the Official Statement, the Authority has complied with the filing requirements of Government Code 6500 *et seq.*

(i) The Authority will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement from the delivery of the Official Statement to the End Date and will not effect or consent to any such amendment or supplement without prior consultation with the Underwriter. The Authority will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

(j) For a period beginning on the date hereof and continuing until the End Date, (a) the Authority will not adopt any amendment of, or supplement to, the Official Statement without prior consultation with the Underwriter and Kutak Rock LLP, counsel to the Underwriter (“**Underwriter’s Counsel**”) and (b) if any event relating to or affecting the Authority shall occur as a result of which it is necessary, in the opinion of the Underwriter and Underwriter’s Counsel, to amend or supplement the Official Statement in order to make the Official Statement not misleading in the light of the circumstances existing at the time it is delivered to a purchaser of the Bonds, the Authority will forthwith cause the City to prepare and furnish to the Underwriter a reasonable number of copies of an amendment of, or supplement to, the Official Statement (in form and substance satisfactory to Underwriter’s Counsel) which 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 a purchaser of the Bonds, not misleading.

8. [Reserved].

9. Closing Conditions. The Underwriter has entered into this Bond Purchase Agreement in reliance upon the representations, warranties and covenants herein and the performance by the Authority and the City of their respective obligations hereunder, both as of the date hereof and as of the date of the Closing. The Underwriter’s obligations hereunder are and shall be subject to the following additional conditions:

(a) Bring-Down Representation. The representations, warranties and covenants of the Authority and the City contained herein shall be true and correct at the date hereof and at the time of the Closing, as if made on the date of the Closing.

(b) Executed Agreements and Performance Thereunder. At the time of the Closing:

(i) the City Documents and the Authority Documents shall be in full force and effect, and shall not have been amended, modified or supplemented except with the prior written consent of the Underwriter;

(ii) there shall be in full force and effect such resolutions (the “**Authorizing Resolutions**”) as, in the opinion of Bond Counsel, shall be necessary in connection with the transactions on the part of the Authority and the City contemplated by the City Documents and the Authority Documents;

(iii) the Authority shall perform or have performed its obligations required or specified in the Authority Documents to be performed at or prior to Closing;

(iv) the City shall perform or have performed its obligations required as specified in the City Documents to be performed at or prior to Closing; and

(v) the Official Statement shall not have been supplemented or amended, except pursuant to Paragraph 6(j) or 7(j), or as otherwise may have been agreed to in writing by the Underwriter.

(c) No Default. At the time of the Closing, no default shall have occurred or be existing under the Authority Documents or the City Documents and neither the Authority nor the City shall be in default in the payment of principal or interest on any of its bonded indebtedness or other obligations payable from the City's general fund which default shall adversely impact the ability of the Authority to make payments on the Bonds or the City to make payments pursuant to the Facilities Sublease.

(d) Termination Events. The Underwriter shall have the right to terminate this Bond Purchase Agreement, without liability therefor, by written notification to the Authority and the City if at any time at or prior to the Closing the market price or marketability of the Bonds, or the ability of the Underwriter to enforce contracts for the sale of the Bonds, shall have been materially adversely affected in the reasonable judgment of the Underwriter (evidenced by a written notice to the City and the Authority terminating the obligation of the Underwriter to accept delivery of and pay for the Bonds) by reason of any of the following:

(i) an amendment to the Constitution of the United States or by any legislation in or by the Congress of the United States or by the State, or the amendment of legislation pending as of the date of the Authority Documents or the City Documents in the Congress of the United States, 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, the Treasury Department of the United States, 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 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, or the favorable reporting for passage of legislation to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or any decision of any Federal or State court or any ruling or regulation (final, temporary or proposed) or official statement on behalf of the United States Treasury Department, the Internal Revenue Service or other Federal or State authority materially adversely affecting the Federal or State tax status of the Authority or the City, or the interest on bonds or notes or obligations of the general character of the Bonds; or

(ii) any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or agency of the States or a decision by any court of competent jurisdiction within the State or any court of the United States shall be rendered which, in the reasonable opinion of the Underwriter, materially adversely affects the market price of the Bonds; or

(iii) legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of, or that obligations of the general character of the Bonds, or the Bonds, are not exempt from registration under, any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect,

or that the Trust Agreement needs to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect; or

(iv) the New York Stock Exchange or other national securities exchange, or any governmental or regulatory authority, shall impose, as to the Bonds or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of the Underwriter; or

(v) a general banking moratorium shall have been established by federal or State authorities; or

(vi) there shall have occurred (1) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or (2) any other calamity or crisis in the financial markets of the United States or elsewhere or the escalation of such calamity or crisis; or

(vii) the commencement of any action, suit or proceeding described in Paragraphs 6(e) or 7(e) hereof; or

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

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

(x) any rating of the Bonds or other obligations of the City shall have been downgraded, suspended or withdrawn or placed on negative outlook or negative watch by a national rating service, which, in the Underwriter's reasonable opinion, materially adversely affects the marketability or market price of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds; or

(xi) any rating of the Insurer shall have been downgraded, suspended or withdrawn or placed on negative outlook or negative watch by a national rating service, which, in the Underwriter's reasonable opinion, materially adversely affects the marketability or market price of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds; or

(xii) any proceeding shall be pending or threatened by the Securities and Exchange Commission against the Authority or the City; or

(xiii) any fact or event shall exist or have existed that requires or has required an amendment of or supplement to the Official Statement in which the market price or marketability of the Bonds, or the ability of the Underwriter to enforce contracts for the sale of the Bonds, shall have been materially adversely affected in the reasonable judgment of the Underwriter; or

(xiv) there shall have occurred any materially adverse change in the affairs or financial condition of the Authority or the City; or

(xv) a material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred; or

(xvi) the marketability of the Bonds or the market price thereof, in the reasonable opinion of the Underwriter, has been materially and adversely affected by disruptive events, occurrences or conditions in the securities or debt markets; or

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

(e) Closing Documents. At or prior to the Closing, the Underwriter shall receive with respect to the Bonds (unless the context otherwise indicates) the following documents:

(1) Bond Opinion. The approving opinion of Bond Counsel dated the date of Closing and substantially in the form included as APPENDIX C to the Official Statement and a reliance letter(s) thereon dated the date of Closing addressed to the Underwriter, the Insurer and the Trustee.

(2) Supplemental Opinion. A supplemental opinion of Bond Counsel dated the date of Closing, addressed to the Underwriter and Insurer, to the effect that:

(A) the statements on the cover of the Official Statement and in the Official Statement under the captions “INTRODUCTION,” “THE SERIES 2021 BONDS,” “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2021 BONDS,” and “TAX MATTERS,” and in “APPENDIX A – SUMMARY OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS” and “APPENDIX C – PROPOSED FORM OF BOND COUNSEL OPINION,” 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 Facilities Sublease, the Facilities Lease, 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; provided, that Bond Counsel need not express any opinion with respect to any financial or statistical data contained therein or with respect to the Insurer, the Policy, DTC or the book-entry system in which the Bonds are initially delivered;

(B) The Facilities Sublease, the Facilities Lease, the Continuing Disclosure Certificate and this Bond Purchase Agreement have been duly authorized, executed and delivered by the City and the Authority, as applicable, and (assuming due execution and delivery by parties other than the City and the Authority) are valid, legal and binding agreements of the City and the Authority enforceable in accordance with their terms, except that the rights and obligations under the Facilities Sublease, the Facilities Lease, the Continuing Disclosure Certificate and this Bond 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.

(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.

(3) Negative Assurance Letter of Disclosure Counsel. A letter of Stradling Yocca Carlson & Rauth, a Professional Corporation, Disclosure Counsel to the Authority and the City dated the date of Closing and addressed to the Authority, the City, and the Underwriter to the effect that based upon their participation in the preparation of the Official Statement as Disclosure Counsel to the Authority and without having undertaken to determine independently the accuracy or completeness of the contents in the Official Statement, such counsel has no reason to believe that the Preliminary Official Statement (except for the completion of pricing information and any other matters or terms of the Bonds relating thereto) as of its date or as of the date of this Bond Purchase Agreement or the Official Statement as of its date or as of the date of the Closing (except that no opinion is expressed as to any financial, statistical, economic, engineering or demographic data or forecasts, numbers, charts, tables, graphs, maps, estimates, projections, assumptions or expressions of opinion, any information about feasibility, valuation, appraisals, assessed values, market absorption, real estate, ownership, environmental or archaeological matters, appendices thereto, or any information about the Insurer, the Policy, the Reserve Policy, book entry, The Depository Trust Company, debt service requirements, CUSIPs, or tax exemption included or referred to therein, which we expressly exclude from the scope of this paragraph and as to which we express no opinion or view) contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(4) Defeasance Opinions. Opinions, dated the Closing Date and addressed to the Authority, the Underwriter, the Insurer and the Escrow Agent, of Bond Counsel, as to the effective defeasance of the 2015 Bonds and 2016 Bonds in form and substance acceptable to the Underwriter.

(5) Opinion of City Attorney. An opinion of the City Attorney, dated the date of the Closing and addressed to the Authority, the Insurer, the Trustee and the Underwriter, to the effect that:

(A) the City is a general law city duly organized and validly existing under the Constitution and laws of the State of California;

(B) the resolution of the City approving and authorizing the execution and delivery of the City 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) the City Documents have been duly authorized, executed and delivered by the City, and (assuming due execution and delivery by parties other than the City) are valid, legal and binding agreements of the City enforceable in accordance with their terms, except that the rights and obligations under the City Documents 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;

(D) there is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court or public body pending with respect to which the City has been served or, to such counsel's knowledge, threatened against or affecting the City, except as may be disclosed in the Official Statement, which would materially adversely impact the City's ability to complete the transactions contemplated by the City Documents, the Official Statement or any other document or certificate related to such transactions, restrain or enjoin the collection of the respective Base Rental Payments with respect to the Facilities Lease or Facilities Sublease, or in any way contesting or affecting the validity of the Bonds, the Official Statement or the City Documents; and

(E) to the knowledge of such counsel, the execution and delivery of the City Documents and the issuance of the Bonds 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 City Documents;

(6) Authority Counsel Opinion. An opinion of counsel to the Authority, dated the date of the Closing and addressed to the City, the Trustee, the Insurer and the Underwriter, to the effect that:

(A) the Authority is a joint exercise of powers authority organized and existing under the laws of the State of California;

(B) the resolution of the Authority approving and authorizing the execution and delivery of the Authority Documents, the Bonds and the Official Statement and other actions of the Authority was duly adopted at a meeting of the governing body of the Authority which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and the resolution is now in full force and effect and has not been amended or superseded in any way;

(C) the Authority Documents have been duly authorized, executed and delivered by the Authority, and (assuming due execution and delivery by parties other than the

Authority) are valid, legal and binding agreements of the Authority enforceable in accordance with their terms, except that the rights and obligations under the Authority Documents 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

(D) to the knowledge of such counsel, there is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court or public body pending with respect to which the Authority has been served or, to the such counsel's knowledge, threatened against or affecting the Authority, except as may be disclosed in the Official Statement, which would materially adversely impact the Authority's ability to complete the transactions contemplated by the Authority Documents, the Official Statement or any other document or certificate related to such transactions, restrain or enjoin the collection of the respective Base Rental Payments with respect to the Facilities Lease or the Facilities Sublease, or in any way contesting or affecting the validity of the Bonds, the Official Statement, the Authority Documents or the transactions described in and contemplated thereby wherein an unfavorable decision, ruling or finding would materially adversely affect the validity and enforceability of the Bonds or the Authority Documents or in which a final adverse decision could materially adversely affect the operations of the Authority;

(E) to the knowledge of such counsel, the execution and delivery of the Authority Documents and the issuance of the Bonds and compliance with the provisions thereof, do not and will not in any material respect conflict with or constitute on the part of the Authority a breach of or default under any agreement or other instrument to which the Authority is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the Authority is subject, which breach or default has or may have a material adverse effect on the ability of the Authority to perform its obligations under the Authority Documents;

(7) Underwriter's Counsel Opinion. An opinion of Underwriter's Counsel, dated the date of the Closing addressed to the Underwriter, in such form as may be acceptable to the Underwriter.

(8) City Certificate. A certificate, dated the date of Closing, signed by a duly authorized official of the City satisfactory in form and substance to the Underwriter to the effect that: (a) the representations, warranties and covenants of the City contained in this Bond Purchase Agreement are true and correct in all material respects on and as of the date of the Closing as if made on the date of the Closing; (b) the City has complied with all agreements, covenants and conditions to be complied with by the City at or prior to the Closing under the City Documents; (c) to the best of such official's knowledge, no event affecting the City has occurred since the date of the Official Statement which either makes untrue or incorrect in any material respect as of the Closing the statements or information contained in the Official Statement or is not reflected in the Official Statement but should be reflected therein in order to make the statements and information therein, in the light of the circumstances under which they were made, not misleading in any material respect; and (d) the matters set forth in Sections 3.04 and 3.05 of the Trust Agreement have been met.

(9) Authority Certificate. A certificate of the Authority, dated the date of the Closing, signed on behalf of the Authority by the President or other duly authorized officer of the Authority to the effect that: (a) the representations, warranties and covenants of the Authority contained herein and in the Authority Documents are true and correct in all material respects on and

as of the date of the Closing as if made on the date of the Closing; (b) the Authority has complied with all agreements, covenants and conditions to be complied with by the Authority at or prior to the Closing under the Authority Documents; (c) to the best of such official's knowledge, no event affecting the Authority has occurred since the date of the Official Statement which has not been disclosed therein or in any supplement or amendment thereto which event should be disclosed in the Official Statement in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and (d) the matters set forth in Sections 3.04 and 3.05 of the Trust Agreement have been met.

(10) Trustee's Certificate. A certificate of the Trustee, dated the Closing Date, in form and substance acceptable to the Authority, Bond Counsel, the Underwriter and Underwriter's Counsel.

(11) Trustee Incumbency Certificate. A certified copy of a certificate of an officer of the Trustee certifying as to the incumbency, signature and signing authority of the officers who have executed and delivered the Trust Agreement and agreed to accept the duties of Trustee under the Trust Agreement.

(12) Trustee Counsel's Opinion. An opinion, dated the date of the Closing addressed to the Authority, the City and the Underwriter, of Trustee's Counsel, in form and content satisfactory to the Authority, Bond Counsel, the Underwriter and Underwriter's Counsel.

(13) Escrow Agent's Certificate. A certificate of the Escrow Agent, dated the Closing Date, in form and substance acceptable to the Authority, Bond Counsel, the Underwriter and Underwriter's Counsel, including a certification that the 2015 Bonds and 2016 Bonds have been discharged under the Trust Agreement.

(14) Escrow Agent Counsel's Opinion. An opinion, dated the date of the Closing addressed to the Authority, the City and the Underwriter, of the Escrow Agent's Counsel, in form and content satisfactory to the Authority, Bond Counsel, the Underwriter and Underwriter's Counsel.

(15) Title Policies. A copy of a CLTA or ALTA title insurance policy in an amount equal to the principal amount of the Bonds, insuring the City's leasehold interest in the Leased Property, subject only to Permitted Encumbrances (as defined in the Facilities Sublease) or such other acceptable encumbrances or such other acceptable encumbrances.

(16) Transcripts. Two CD transcripts of the proceedings prepared by Bond Counsel relating to the authorization and issuance of the Bonds will be delivered in due course after the Closing.

(17) Official Statement. The Official Statement and each supplement or amendment, if any, thereto, executed on behalf of the Authority by a duly authorized officer of each.

(18) Documents. An original executed or certified copy of each of the Authority Documents, the City Documents and the Joint Exercise of Powers Agreement, dated as of October 28, 1997, by and between the City and the Community Redevelopment Agency of the City of Moreno Valley.

(19) City Resolution. Certified copy by the City Clerk, of each resolution of the City relating to the City Documents, the actions contemplated thereby, provided that such resolutions may be contained in the transcripts.

(20) Authority Resolution. Certified copy by the Secretary or Assistant Secretary of the Authority, of each resolution of the Authority relating to the Authority Documents, the Bonds and the transactions contemplated thereby, provided that such resolutions may be contained in the transcripts.

(21) Ratings. Evidence as of the Closing satisfactory to the Underwriter that the Bonds have received the ratings set forth in the Official Statement and that such ratings have not been reduced or withdrawn.

(22) Policy. The Policy duly executed by the Insurer.

(23) Reserve Policy. The Reserve Policy duly executed by the Insurer.

(24) Insurer Counsel Opinion. An opinion of counsel to the Insurer, dated the Closing Date, addressed to the Authority, the City and the Underwriter, in form and substance satisfactory to the Underwriter and Bond Counsel.

(25) Insurer Certificate. A certificate or certificates of the Insurer dated the Closing Date, as to the accuracy of the information relating to the Insurer, the Policy and the Reserve Policy included in the Official Statement and such other matters reasonably requested by the Underwriter and Bond Counsel.

(26) Certificate of Verification Agent. A report or reports addressed to the Underwriter, the Authority and Bond Counsel, dated the date of the Closing, from Causey Demgen & Moore P.C. (the “**Verification Agent**”), verifying the mathematical accuracy of certain computations based upon certain information and assertions provided to the Verification Agent by the Underwriter relating to the adequacy of the moneys deposited in the 2015 Escrow Fund to pay the redemption price of the 2015 Bonds and verifying the mathematical accuracy of certain computations based upon certain information and assertions provided to the Verification Agent by the Underwriter relating to the adequacy of the moneys deposited in the 2016 Escrow Fund to pay the redemption price of the 2016 Bonds.

(27) CDIAC Statement. A copy of the Notices of Final Sale required to be delivered to the California Debt and Investment Advisory Commission pursuant to Section 53583 of the Government Code and Section 8855(g) of the Government Code.

(28) DTC BLOR. A Blanket Letter of Representations of the Authority filed with DTC.

(29) Additional Bonds Opinion. An opinion of Bond Counsel as required by Section 3.05 of the Trust Agreement.

(30) Additional Documents. Such additional certificates, instruments and other documents as the Underwriter and Bond Counsel may reasonably deem necessary.

If the Authority or the City shall be unable to satisfy the conditions contained in this Bond Purchase Agreement, or if the obligations of the Underwriter shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement may be terminated by the Underwriter, and none of the Underwriter, the Authority or the City shall be under further obligation hereunder.

10. Expenses. Except as otherwise provided in this Section, the Underwriter shall be under no obligation to pay, and the Authority or the City shall pay or cause to be paid, the expenses incident to the performance of the obligations of the Authority and the City hereunder including but not limited to:

(a) the costs of the preparation and printing, or other reproduction (for distribution on or prior to the date hereof) of the City Documents and the Authority Documents and the cost of preparing, printing, issuing and delivering the Bonds;

(b) the fees and disbursements of any counsel, municipal advisors, accountants, verification agent or other experts or consultants retained by the Authority or the City;

(c) the fees and disbursements of Bond Counsel and Disclosure Counsel;

(d) the cost of preparation and printing of the Preliminary Official Statement and any supplements and amendments thereto and the cost of preparation and printing of the Official Statement, including a reasonable number of copies thereof for distribution by the Underwriter; and

(e) charges of rating agencies for the rating of the Bonds.

The Underwriter shall pay all expenses incurred by the Underwriter in connection with the public offering and distribution of the Bonds including, but not limited to: (i) the fees and disbursements of Underwriter's Counsel; and (ii) all out-of-pocket disbursements and expenses incurred by the Underwriter in connection with the offering and distribution of the Bonds (including other expenses, fees of the California Debt and Investment Advisory Commission, CUSIP Service Bureau fees, and any other fees and expenses), except as otherwise provided in the preceding paragraph or otherwise agreed to by the Underwriter, the Authority and the City in writing. Any meals in connection with or adjacent to meetings, rating agency presentations, pricing activities or other transaction-related activities shall be considered an expense of the transaction and included in the expense component of the Underwriter's discount.

11. Notice. Any notice or other communication to be given to the Underwriter may be given by delivering the same to Stifel, Nicolaus & Company, Incorporated, 515 South Figueroa St, Suite 1800, Los Angeles, California 90071, Attention: Public Finance. Any notice or other communication to be given to the Authority or the City pursuant to this Bond Purchase Agreement may be given by delivering the same in writing to such entity, at the addresses set forth on the cover page hereof.

12. Entire Agreement. This Bond Purchase Agreement, when accepted by the Authority and the City, shall constitute the entire agreement among the Authority, the City and the Underwriter and is made solely for the benefit of the Authority, the City and the Underwriter (including the successors or assigns of any Underwriter). Except as provided in Section 16 below, no other person shall acquire or have any right hereunder by virtue hereof, except as provided herein.

All the Authority's and the City's representations, warranties and agreements in this Bond Purchase Agreement shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Underwriter, until the earlier of (a) delivery of and payment for the Bonds hereunder, and (b) any termination of this Bond Purchase Agreement.

13. Definitions. Terms not otherwise defined herein shall have the same meaning as when used in the Trust Agreement or the Facilities Sublease.

14. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof.

15. State of California Law Governs. The validity, interpretation and performance of the Authority Documents shall be governed by the laws of the State.

16. No Assignment. The rights and obligations created by this Bond Purchase Agreement shall not be subject to assignment by the Underwriter, the Authority or the City without the prior written consent of the other parties hereto.

17. **Counterparts.** This Bond 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.

**STIFEL, NICOLAUS & COMPANY,
INCORPORATED**

By: _____
Authorized Representative

The foregoing is hereby agreed to and accepted as of the date first above written:

**MORENO VALLEY PUBLIC FINANCING
AUTHORITY**

By: _____
Title: _____

Time of Execution: _____ p.m. California time

CITY OF MORENO VALLEY

By: _____
Title: _____

Time of Execution: _____ p.m. California time

[EXECUTION PAGE OF BOND PURCHASE AGREEMENT]

Attachment: DRAFT BPA - Moreno Valley PFA Lease Revenue Refunding Bonds 2021 (Taxable) (5495 : AUTHORIZATION TO REFINANCE THE

EXHIBIT A
MATURITY SCHEDULE
 \$ _____
MORENO VALLEY PUBLIC FINANCING AUTHORITY
LEASE REVENUE REFUNDING BONDS, SERIES 2021 (TAXABLE)

MATURITY SCHEDULE

Maturity (May 1)	Principal Amount	Interest Rate	Yield	Price
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
20__				

⁽¹⁾ Term Bond.
^(c) Priced to optional call at [par] on May 1, 20__.

Attachment: DRAFT BPA - Moreno Valley PFA Lease Revenue Refunding Bonds 2021 (Taxable) (5495 : AUTHORIZATION TO REFINANCE THE

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the City of Moreno Valley (the “City”) in connection with the issuance by the Moreno Valley Public Financing Authority (the “Authority”) of its \$_____ Lease Revenue Refunding Bonds, Series 2021 (Taxable) (the “Bonds”). The Bonds are being issued pursuant to a Master Trust Agreement, dated as of December 1, 2015 (the “2015 Master Trust Agreement”), as amended and supplemented by the First Supplement to Master Trust Agreement, dated as of December 1, 2016 (the “First Supplement to the 2015 Master Trust Agreement”), the Second Supplement to Master Trust Agreement, dated as of April 1, 2019 (the “Second Supplement to the 2015 Master Trust Agreement”), and the Third Supplement to Master Trust Agreement, dated as of October 1, 2021 (the “Third Supplement to the 2015 Master Trust Agreement,” and together with the 2015 Master Trust Agreement, the First Supplement to the 2015 Master Trust Agreement and the Second Supplement to the 2015 Master Trust Agreement, the “Trust Agreement”), each by and between the Authority and the Wells Fargo Bank, National Association, as trustee (the “Trustee”). The City covenants and agrees as follows:

1. Purpose of this Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the Bond Insurer, the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule.

2. Definitions. In addition to the definitions set forth in the Trust Agreement, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

Annual Report. The term “Annual Report” means any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

Beneficial Owner. The term “Beneficial Owner” means any person which: (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries); or (b) is treated as the owner of any Bonds for federal income tax purposes.

EMMA. The term “EMMA” means the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access System for municipal securities disclosures, maintained on the Internet at <http://emma.msrb.org/>.

Financial Obligation. The term “Financial Obligation” means a: (A) debt obligation; (B) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (C) guarantee of (A) or (B). The term “Financial Obligation” does not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.¹

Fiscal Year. The term “Fiscal Year” means the one-year period ending on the last day of June of each year.

¹ The City shall interpret the events identified in Sections (5)(a)(10) and 5(b)(8) hereof in accordance with Release No. 34-83885 adopted by the Securities and Exchange Commission on August 20, 2018, or any future guidance or releases provided by the Securities and Exchange Commission.

Holder. The term “Holder” means a registered owner of the Bonds.

Listed Events. The term “Listed Events” means any of the events listed in Sections 5(a) and (b) of this Disclosure Certificate.

Official Statement. The term “Official Statement” means the Official Statement dated October __, 2021 relating to the Bonds.

Participating Underwriter. The term “Participating Underwriter” means any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

Rule. The term “Rule” means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

3. Provision of Annual Reports.

(a) The City shall provide not later than each March 31 following the end of its Fiscal Year (commencing March 31, 2022 with the Fiscal Year ended June 30, 2021) to EMMA an Annual Report relating to the immediately preceding Fiscal Year which is consistent with the requirements of Section 4 of this Disclosure Certificate, which Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate.

(b) If the City is unable to provide to EMMA an Annual Report by the date required in subsection (a), the City shall send in a timely manner to EMMA a notice in the manner prescribed by the Municipal Securities Rulemaking Board.

4. Content of Annual Reports. The Annual Report shall contain or incorporate by reference the following:

(a) audited financial statements of the City for the prior Fiscal Year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the City’s audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they come available.

(b) To the extent not included in the audited financial statements provided pursuant to the foregoing Section 4(a), the Annual Report shall contain the following information:

(i) revenues, expenditures, and beginning and ending fund balances relating to the General Fund of the City for the most recent completed Fiscal Year;

(ii) assessed valuations of property in the City;

(iii) property tax levies and collections for the most recently completed Fiscal Year;

- (iv) top ten property taxpayers in the City;
- (v) State of California motor vehicle in-lieu payments received; and
- (vi) outstanding debt of the City for the most recently completed Fiscal Year, including revenue and lease indebtedness.

The items described above may be included by specific reference to other documents, including official statements of debt issues of the City or related public entities, which have been submitted to EMMA; provided, that if any document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board; and provided further, that the City shall clearly identify each such document so included by reference.

5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the City shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not more than ten (10) Business Days after the event:

1. principal and interest payment delinquencies;
2. unscheduled draws on debt service reserves reflecting financial difficulties;
3. unscheduled draws on credit enhancements reflecting financial difficulties;
4. substitution of credit or liquidity providers, or their failure to perform;
5. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability or Notices of Proposed Issue (IRS Form 5701 TEB);
6. tender offers;
7. defeasances;
8. ratings changes;
9. bankruptcy, insolvency, receivership or similar proceedings; Note: For the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person; and

10. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

(b) Pursuant to the provisions of this Section 5, the City shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

1. unless described in Section 5(a)(5), other notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other events affecting the tax status of the Bonds;
2. modifications to the rights of security holders;
3. optional, unscheduled or contingent Bond redemptions;
4. release, substitution or sale of property securing repayment of the securities;
5. non-payment related defaults;
6. the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
7. appointment of a successor or additional trustee or the change of the name of a trustee; and
8. incurrence of a Financial Obligation of the City, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation, any of which affect security holders.

(c) If the City determines that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, the City shall file a notice of such occurrence with EMMA in a timely manner not more than ten (10) Business Days after the event.

6. Termination of Obligation. The City's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the City shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

7. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that, in the opinion of nationally recognized bond counsel, such amendment or waiver is permitted by the Rule.

8. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other

information in any notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the City shall not thereby have any obligation under this Disclosure Certificate to update such information or include it in any future notice of occurrence of a Listed Event.

9. Default. In the event of a failure of the City to comply with any provision of this Disclosure Certificate, the Bond Insurer or any Holders or Beneficial Owners of at least 50% aggregate principal amount of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Trust Agreement, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

No Holder or Beneficial Owner of the Bonds may institute such action, suit or proceeding to compel performance unless they shall have first delivered to the City satisfactory written evidence of their status as such, and a written notice of and request to cure such failure, and the City shall have refused to comply therewith within a reasonable time.

10. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Bond Insurer, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Dated: October __, 2021

CITY OF MORENO VALLEY

By: _____
Its: City Manager

DRAFT

Attachment: DRAFT Continuing Disclosure Certificate Moreno Valley 2021 Lease Revenue Bonds (2015 & 2016 Refunding), 4845-9397-6823_1

ESCROW AGREEMENT (2015 BONDS)

THIS ESCROW AGREEMENT (2015 BONDS), dated as of October 1, 2021 (the “**Agreement**”), by and among the City of Moreno Valley (the “**City**”), Moreno Valley Public Financing Authority (the “**Authority**”) and Wells Fargo Bank, National Association, as escrow agent (the “**Escrow Agent**”) and as 2015 Trustee (as such term is defined herein), is entered into in accordance with resolutions of the City and the Authority adopted on [September 7], 2021 and a Master Trust Agreement, dated as of December 1, 2015 (the “**2015 Trust Agreement**”), by and between the Authority and Wells Fargo Bank, National Association, as trustee (the “**2015 Trustee**”). This Agreement is entered into to refund all of the outstanding Moreno Valley Public Financing Authority Lease Revenue Bonds, Series 2015 (Taxable) (the “**2015 Bonds**”) in the aggregate principal amount of \$9,425,000.

RECITALS

A. Pursuant to the 2015 Trust Agreement, the Authority issued the 2015 Bonds in the initial aggregate principal amount of \$10,430,000, of which \$9,425,000 is currently outstanding.

B. The 2015 Bonds are payable from Revenues (as such term is defined in the 2015 Trust Agreement, and consisting primarily of Base Rental Payments payable by the City under the Master Facilities Sublease, dated as of December 1, 2015 (the “**2015 Sublease**”), by and between the City and the Authority).

C. The Authority has determined to issue its Moreno Valley Public Financing Authority Lease Revenue Refunding Bonds, Series 2021 (Taxable) (the “**2021 Bonds**”), a portion of the proceeds of which, together with other moneys as described in Section 1, will be applied to pay on October [___], 2021 (the “**Redemption Date**”) the principal of the 2015 Bonds maturing after the Redemption Date, plus interest thereon accrued through the Redemption Date, without premium (collectively, the “**Redemption Price**”).

D. The City will irrevocably deposit moneys with the Escrow Agent, which moneys will be fully sufficient to pay the Redemption Price of the 2015 Bonds on the Redemption Date.

AGREEMENT

SECTION 1. Deposit of Moneys. The City and the Authority will cause Wells Fargo Bank, National Association, as trustee for the 2021 Bonds, to transfer a portion of the proceeds of the 2021 Bonds in the amount of \$_____ on the date of issuance of the 2021 Bonds to the Escrow Agent for deposit in the Escrow Fund established hereunder. The City and the Authority will also cause the 2015 Trustee to transfer \$_____ from the _____ Fund established under the 2015 Trust Agreement to the Escrow Agent for deposit in the Escrow Fund established hereunder.

The Escrow Agent will hold such amounts in an irrevocable escrow separate and apart from other moneys of the City, the Authority and the Escrow Agent in a fund hereby created and established to be known as the “**Escrow Fund**” and to be applied solely as provided in this Agreement.

SECTION 2. No Investment of Moneys. The Escrow Agent acknowledges receipt of the moneys described in Section 1 and agrees to hold such moneys uninvested as cash. The Escrow

Agent shall be entitled to rely upon the conclusion of Causey Demgen & Moore P.C., Denver, Colorado (the “**Verification Agent**”) that the cash on deposit in the Escrow Fund will be sufficient to pay the Redemption Price of the 2015 Bonds on the Redemption Date.

SECTION 3. Investment of Any Moneys. At the written direction of the City, together with an unqualified opinion of Stradling Yocca Carlson & Rauth, A Professional Corporation, to the effect that investment is permitted under the legal documents in effect with respect to the 2015 Bonds and will not have an adverse effect on the tax status of the 2015 Bonds, the Escrow Agent shall invest any amount held in the Escrow Fund prior to the date on which such payment is required for the purposes set forth herein, in noncallable federal securities maturing not later than the date on which such payment or portion thereof is required for the purposes set forth in Section 5, at the written direction of the City, as verified in a report prepared by an independent certified public accountant or firm of certified public accountants of favorable national reputation experienced in the refunding of obligations of political subdivisions to the effect that the reinvestment described in said report will not adversely affect the sufficiency of the amounts of securities, investments and money in the Escrow Fund to pay the Redemption Price of the 2015 Bonds on the Redemption Date. Any interest income resulting from investment or reinvestment of moneys pursuant to this Section which is not required for the purposes set forth in Section 5, as verified in the letter of the Verification Agent originally obtained by the City with respect to the refunding of the 2015 Bonds or in any other report prepared by an independent certified public accountant or firm of certified public accountants of favorable national reputation experienced in the refunding of obligations of political subdivisions, shall be paid to the City promptly upon the receipt of such interest income by the Escrow Agent. The determination of the City as to whether an accountant qualifies under this Agreement shall be conclusive.

SECTION 4. Substitution of Securities. Upon the written request of the City, and subject to the conditions and limitations that are set forth herein and applicable governmental rules and regulations, the Escrow Agent shall sell, redeem or otherwise dispose of any investments pursuant to Section 3, provided that there are substituted therefor from the proceeds of the federal securities other federal securities, but only after the Authority or the City has obtained and delivered to the Escrow Agent: (i) an unqualified opinion of Stradling Yocca Carlson & Rauth, A Professional Corporation, to the effect that the substitution of securities is permitted under the legal documents in effect with respect to the 2015 Bonds and will not have an adverse effect on the tax status of the 2015 Bonds; and (ii) a report by a firm of independent certified public accountants to the effect that the reinvestment described in said report will not adversely affect the sufficiency of the amounts of securities, investments and money in the Escrow Fund to pay the Redemption Price of the 2015 Bonds on the Redemption Date. The Escrow Agent shall not be liable or responsible for any loss resulting from any reinvestment made pursuant to this Agreement and in full compliance with the provisions hereof.

SECTION 5. Payment of 2015 Bonds.

(a) Payment. From the moneys on deposit in the Escrow Fund, the Escrow Agent shall transfer funds to the 2015 Trustee in an amount sufficient to enable the 2015 Trustee to pay the Redemption Price of the 2015 Bonds on the Redemption Date, as indicated on Schedule A.

(b) Irrevocable Instructions to Provide Notice. The notices that are required to be mailed pursuant to Sections 4.05 and 10.01(b) of the 2015 Trust Agreement are substantially in the forms attached hereto as Exhibits A and B. The City and the Authority have previously instructed

the 2015 Trustee to disseminate a notice of redemption of the 2015 Bonds maturing after the Redemption Date substantially in the form attached hereto as Exhibit A. The City and the Authority hereby irrevocably instruct the 2015 Trustee to disseminate a notice of defeasance of the 2015 Bonds in the form attached hereto as Exhibit B on the date of issuance of the 2021 Bonds to the parties described in and otherwise in accordance with Section 10.01(b) of the 2015 Trust Agreement (including The Depository Trust Company, Assured Guaranty Municipal Corp. (“AGM”) and the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access System, maintained on the Internet at <http://emma.msrb.org/>), as required to provide for the defeasance of the 2015 Bonds in accordance with this Section.

(c) Unclaimed Moneys. Any moneys in the Escrow Fund which remain unclaimed after the Redemption Date shall be repaid by the Escrow Agent to the City.

(d) Priority of Payments. The owners of the 2015 Bonds shall have a first and exclusive lien on all moneys and securities in the Escrow Fund until such moneys and such securities are used and applied as provided in this Agreement.

(e) Termination of Obligation. As provided in the 2015 Trust Agreement and the 2015 Sublease, upon the deposit of moneys with the Escrow Agent in the Escrow Fund as set forth in Section 1: (i) the 2015 Bondholders shall cease to be entitled to the pledge of and charge and lien upon the Revenues as provided in the 2015 Trust Agreement, and all agreements, covenants and other obligations of the Authority to the 2015 Bondholders thereunder shall thereupon cease, terminate and become void and be discharged and satisfied; (ii) the 2015 Bonds will no longer be “Outstanding” under the 2015 Trust Agreement; and (iii) the right, title and interest of the Authority in the 2015 Sublease and the obligations of the City thereunder shall thereupon cease, terminate, become void and be completely discharged and satisfied (except as set forth in the 2015 Sublease).

SECTION 6. Application of Certain Terms of the 2015 Trust Agreement. All of the terms of the 2015 Trust Agreement relating to the making of payments of principal of and interest on the 2015 Bonds and relating to the exchange or transfer of the 2015 Bonds are incorporated in this Agreement as if set forth in full herein. The procedures set forth in Section 8.01 of the 2015 Trust Agreement relating to the resignation and removal and merger of the 2015 Trustee are also incorporated in this Agreement as if set forth in full herein and shall be the procedures to be followed with respect to any resignation or removal of the Escrow Agent hereunder.

SECTION 7. Performance of Duties. The Escrow Agent agrees to perform only the duties that are set forth herein and has no responsibility to take any action or omit to take any action that is not set forth herein.

SECTION 8. Escrow Agent’s Authority to Make Investments. Except as provided in Section 2 hereof, the Escrow Agent shall have no power or duty to invest any funds that are held hereunder or to sell, transfer or otherwise dispose of the moneys or federal securities that are held hereunder.

SECTION 9. Indemnity. The City and the Authority hereby assume liability for, and hereby agree (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and keep harmless the Escrow Agent and its respective successors, assigns, directors, officers, agents, employees and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements

(including reasonable legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by or asserted against the Escrow Agent at any time (whether or not also indemnified against the same by the City, the Authority or any other person under any other agreement or instrument, but without double indemnity) in any way relating to or arising out of the execution, delivery and performance of this Agreement, the establishment hereunder of the Escrow Fund, the acceptance of the funds and securities deposited therein, the retention of the proceeds thereof and any payment, transfer or other application of moneys or securities by the Escrow Agent in accordance with the provisions of this Agreement; provided, however, that the City and the Authority shall not be required to indemnify the Escrow Agent against the Escrow Agent's own negligence or willful misconduct or the negligence or willful misconduct of the Escrow Agent's respective employees. In no event shall the City, the Authority or the Escrow Agent be liable to any person by reason of the transactions that are contemplated hereby other than to each other as set forth in this Section. The indemnities that are contained in this Section shall survive the termination of this Agreement and the resignation or removal of the Escrow Agent.

SECTION 10. Responsibilities of Escrow Agent. The Escrow Agent and its agents and servants shall not be held to any personal liability whatsoever, in tort, contract or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance of the moneys or securities deposited therein, the retention of any federal securities or the proceeds thereof, the sufficiency of any federal securities to pay the 2015 Bonds or any payment, transfer or other application of moneys or obligations by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Agent that is made in good faith in the conduct of its duties. The recitals of fact that are contained herein shall be taken as the statements of the City and the Authority, and the Escrow Agent assumes no responsibility for the correctness thereof. The Escrow Agent makes no representation as to the sufficiency of the proceeds to accomplish the refunding of the 2015 Bonds or to the validity of this Agreement as to the City or the Authority and, except as otherwise provided herein, the Escrow Agent shall incur no liability in respect thereof. The Escrow Agent shall not be liable in connection with the performance of its duties under this Agreement except for its own negligence or willful misconduct, and the duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement. The Escrow Agent may consult with counsel, who may or may not be counsel to the City or the Authority, and in reliance upon the written opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an officer of the City or the Authority. The Escrow Agent shall incur no liability for losses arising from any investment made pursuant to this Agreement.

No provision of this Agreement shall require the Escrow Agent to expend or risk its own funds or otherwise incur any financial liability in the performance or exercise of any of its duties hereunder, or in the exercise of its rights or powers.

The Escrow Agent may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care, and shall not be responsible for any willful misconduct or negligence on the part of any agent, attorney, custodian or nominee so appointed.

The Escrow Agent shall have the right to accept and act upon instructions, including funds transfer instructions (“**Instructions**”) given pursuant to this Agreement and delivered using Electronic Means (“**Electronic Means**” shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Agent, or another method or system specified by the Escrow Agent as available for use in connection with its services hereunder); provided, however, that the City and the Authority shall provide to the Escrow Agent incumbency certificates listing officers with the authority to provide such Instructions (“**Authorized Officers**”) and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the City or the Authority whenever a person is to be added or deleted from the listing. If the City or the Authority elects to give the Escrow Agent Instructions using Electronic Means and the Escrow Agent in its discretion elects to act upon such Instructions, the Escrow Agent’s understanding of such Instructions shall be deemed controlling. The City and the Authority understand and agree that the Escrow Agent cannot determine the identity of the actual sender of such Instructions and that the Escrow Agent shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Agent have been sent by such Authorized Officer. The City and the Authority shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Escrow Agent and that the City, the Authority and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the City and the Authority. The Escrow Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Agent’s reliance upon and compliance with such Instructions notwithstanding the fact that such directions conflict or are inconsistent with a subsequent written instruction. The City and the Authority agree: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Escrow Agent, including without limitation the risk of the Escrow Agent acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that they are fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Escrow Agent and that there may be more secure methods of transmitting Instructions than the method(s) selected by the City or the Authority; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Escrow Agent immediately upon learning of any compromise or unauthorized use of the security procedures.

The Escrow Agent shall furnish the City with periodic cash transaction statements which include detail for all investment transactions effected by the Escrow Agent or brokers selected by the City or the Authority, provided that the Escrow Agent is not obligated to provide an accounting for any fund or account that: (a) has a balance of \$0.00; and (b) has not had any activity since the last reporting date. Upon the City’s election, such statements will be delivered via the Escrow Agent’s online service and upon electing such service, paper statements will be provided only upon request. The City waives the right to receive brokerage confirmations of security transactions effected by the Escrow Agent as they occur, to the extent permitted by law. The City and the Authority further understand that trade confirmations for securities transactions effected by the Escrow Agent will be available upon request and at no additional cost and other trade confirmations may be obtained from the applicable broker.

If the Escrow Agent learns that the Department of the Treasury or the Bureau of Public Debt will not, for any reason, accept a subscription of securities that is to be submitted pursuant to this Agreement, the Escrow Agent shall promptly request alternative written investment instructions from

the City with respect to escrowed funds which were to be invested in securities. The Escrow Agent shall follow such instructions and, upon the maturity of any such alternative investment, the Escrow Agent shall hold funds uninvested and without liability for interest until receipt of further written instructions from the City. In the absence of investment instructions from the City, the Escrow Agent shall not be responsible for the investment of such funds or interest thereon. The Escrow Agent may conclusively rely upon the City's selection of an alternative investment as a determination of the alternative investment's legality and suitability and shall not be liable for any losses related to the alternative investments or for compliance with any yield restriction applicable thereto.

SECTION 11. Amendments. This Agreement is made for the benefit of the City, the Authority and the owners from time to time of the 2015 Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such owners, the Escrow Agent, AGM, the Authority and the City; provided, however, that the City, the Authority and the Escrow Agent may, without the consent of, or notice to, such owners, but with the prior written consent of AGM, amend this Agreement or enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such owners and as shall not be inconsistent with the terms and provisions of this Agreement or the 2015 Trust Agreement, for any one or more of the following purposes: (i) to cure any ambiguity or formal defect or omission in this Agreement; (ii) to grant to, or confer upon, the Escrow Agent for the benefit of the owners of the 2015 Bonds any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such owners or the Escrow Agent; and (iii) to include under this Agreement additional funds. The Escrow Agent shall be entitled to rely conclusively upon an unqualified opinion of Stradling Yocca Carlson & Rauth, A Professional Corporation, with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the owners of the various 2015 Bonds or that any instrument that is executed hereunder complies with the conditions and provisions of this Section.

SECTION 12. Notice to Rating Agencies. In the event that this agreement or any provision thereof is severed, amended or revoked, the Escrow Agent, upon written instructions from the City, shall provide written notice in the form provided by the City of such severance, amendment or revocation to the rating agencies then rating the 2015 Bonds.

SECTION 13. Term. This Agreement shall commence upon its execution and delivery and shall terminate on the later to occur of either: (i) the date upon which the 2015 Bonds have been paid in accordance with this Agreement; or (ii) the date upon which no unclaimed moneys remain on deposit with the Escrow Agent pursuant to Section 5(c) of this Agreement. Funds remaining in the Escrow Fund after payment in full of the 2015 Bonds shall be transferred to the City.

SECTION 14. Compensation. The Escrow Agent shall receive its reasonable fees and expenses as previously agreed to by the Escrow Agent, the Authority and the City, and any other reasonable fees and expenses of the Escrow Agent; provided, however, that under no circumstances shall the Escrow Agent be entitled to any lien or assert any lien whatsoever on any moneys or obligations in the Escrow Fund for the payment of fees and expenses for services that are rendered or expenses incurred by the Escrow Agent under this Agreement.

SECTION 15. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the City, the Authority or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenants or agreements

shall be null and void, shall be deemed separate from the remaining covenants and agreements contained herein and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 16. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as an original but all of which shall constitute and be but one and the same instrument.

SECTION 17. Governing Law. THIS AGREEMENT SHALL BE CONSTRUED UNDER THE LAWS OF THE STATE OF CALIFORNIA.

SECTION 18. 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 Agreement, shall be a legal holiday or a day on which banking institutions in the City in which is located the office of the Escrow Agent are authorized by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day which is not a legal holiday or a day on which such banking institutions are authorized by law to remain closed, with the same force and effect as if done on the nominal date provided in this Agreement, and no interest shall accrue for the period from and after such nominal date.

SECTION 19. Assignment. This Agreement shall not be assigned by the Escrow Agent or any successor thereto without the prior written consent of the City and the Authority.

SECTION 20. Reorganization of Escrow Agent. Notwithstanding anything to the contrary contained in this Agreement, any company into which the Escrow Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which the Escrow Agent is a party, or any company to which the Escrow Agent may sell or transfer all or substantially all of its corporate trust business, shall be the successor to the Escrow Agent without execution or filing of any paper or any paper or further act, if such company is eligible to serve as Escrow Agent.

SECTION 21. Insufficient Funds. If at any time the Escrow Agent has actual knowledge that the moneys and investments in the Escrow Fund, including the anticipated proceeds thereof and earnings thereon, will not be sufficient to make all payments required by this Agreement, the Escrow Agent shall notify the City in writing of the amount thereof and the reason therefor to the extent known to it. The Escrow Agent shall have no responsibility regarding any such deficiency.

SECTION 22. Notices. Any notice to or demand upon the Escrow Agent may be served or presented, and such demand may be made, at the principal corporate trust office of the Escrow Agent at 600 South 4th Street, 7th Floor, MAC N9300-070, Minneapolis, Minnesota 55415, Attention: Corporate Trust, Reference: Moreno Valley Public Financing Authority Lease Revenue Bonds, Series 2015 (Taxable). Any notice to or demand upon the City or the Authority shall be deemed to have been sufficiently given or served for all purposes by being sent by facsimile or other electronic transmission, overnight mail or courier or mailed by registered or certified mail, and deposited, postage prepaid, in a post office letter box, addressed to the City at 14177 Frederick Street, Moreno Valley, California 92553, Attention: City Manager, and to the Authority at 14177 Frederick Street, Moreno Valley, California 92553, Attention: Executive Director (or such other address as may have been filed in writing by the City or the Authority with the Escrow Agent).

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DRAFT

Attachment: DRAFT Escrow Agreement (2015 Bonds) Moreno Valley 2021, 4834-1611-6721_4 (5495 : AUTHORIZATION TO REFINANCE THE

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers as of the date first above written.

CITY OF MORENO VALLEY

By: _____
City Manager

MORENO VALLEY PUBLIC FINANCING AUTHORITY

By: _____
Executive Director

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Escrow Agent and 2015 Trustee

By: _____
Authorized Officer

DRAFT

Attachment: DRAFT Escrow Agreement (2015 Bonds) Moreno Valley 2021, 4834-1611-6721_4 (5495 : AUTHORIZATION TO REFINANCE THE

**SCHEDULE A
ESCROW REQUIREMENTS**

The escrow requirements for the 2015 Bonds are as follows:

<i>Period Ending</i>	<i>Principal Paid</i>	<i>Principal Redeemed</i>	<i>Interest</i>	<i>Total</i>
[Redemption Date]	\$ -	\$ []	\$ []	\$ []

DRAFT

Attachment: DRAFT Escrow Agreement (2015 Bonds) Moreno Valley 2021, 4834-1611-6721_4 (5495 : AUTHORIZATION TO REFINANCE THE

EXHIBIT A

CONDITIONAL NOTICE OF FULL OPTIONAL REDEMPTION

MORENO VALLEY PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2015 (TAXABLE)

BASE CUSIP 61685P

NOTICE IS HEREBY GIVEN to the owners of the above-captioned obligations (the “2015 Bonds”), which were issued pursuant to the Master Trust Agreement, dated as of December 1, 2015 (the “2015 Trust Agreement”), by and between the Moreno Valley Public Financing Authority (the “Authority”) and Wells Fargo Bank, National Association, as trustee (the “2015 Trustee”), that the outstanding 2015 Bonds in the aggregate principal amount of \$9,425,000 have been called for redemption on October [], 2021 (the “Redemption Date”). The 2015 Bonds were originally issued on December 10, 2015 and are described in the following table.

<i>Principal Payment Date (November 1)</i>	<i>CUSIP®[†] (61685P)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Redemption Price</i>
2021	DC9	\$ 220,000	3.125%	100%
2022	DD7	225,000	3.375	100
2023	DE5	235,000	3.625	100
2024	DF2	240,000	3.750	100
2025	DG0	250,000	4.000	100
2026	DH8	260,000	4.000	100
2027	DJ4	270,000	4.125	100
2028	DK1	285,000	4.250	100
2029	DL9	295,000	4.250	100
2030	DM7	305,000	4.375	100
2035	DN5	1,760,000	4.750	100
2045	DP0	<u>5,080,000</u>	5.000	100
TOTAL		\$9,425,000		

The 2015 Bonds will be payable on the Redemption Date at a redemption price of 100% of the principal amount thereof plus accrued interest thereon to such date (the “Redemption Price”). The Redemption Price of the 2015 Bonds will become due and payable on the Redemption Date. Interest on the 2015 Bonds will cease to accrue and be payable from and after the Redemption Date, and such 2015 Bonds will be surrendered to the 2015 Trustee.

Redemption of the 2015 Bonds is conditional upon the receipt by the 2015 Trustee on or prior to the Redemption Date of moneys that are sufficient to pay the principal of and interest on the 2015 Bonds and, if such moneys have not been so received, this notice shall be of no force and effect and the 2015 Trustee shall not be required to redeem such 2015 Bonds. In such event, the 2015 Trustee has the right to rescind this notice.

[†] CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by S&P Global Market Intelligence. Copyright© CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. Neither the Authority nor its agents or counsel assume responsibility for the accuracy of such numbers.

To receive payment on the Redemption Date, owners of the 2015 Bonds should present and to surrender said 2015 Bonds on the Redemption Date at the address of the 2015 Trustee set forth below:

Registered/Certified Mail:	Air Courier:
Wells Fargo Bank, NA	Wells Fargo Bank, NA
Corporate Trust Operations	Corporate Trust Operations
MAC N9300-070	MAC N9300-070
P. O. Box 1517	600 Fourth Street South, Seventh Floor
Minneapolis, MN 55480-1517	Minneapolis, MN 55415

IMPORTANT NOTICE

IMPORTANT INFORMATION REGARDING TAX CERTIFICATION AND POTENTIAL WITHHOLDING

Pursuant to U.S. federal tax laws, you have a duty to provide the applicable type of tax certification form issued by the U.S. Internal Revenue Service (“IRS”) to Wells Fargo Bank, N.A. Corporate Trust Services to ensure payments are reported accurately to you and to the IRS. In order to permit accurate withholding (or to prevent withholding), a complete and valid tax certification form must be received by Wells Fargo Bank, N.A. Corporate Trust Services before payment of the redemption proceeds is made to you. Failure to timely provide a valid tax certification form as required will result in the maximum amount of U.S. withholding tax being deducted from any redemption payment that is made to you.

If the owner of any 2015 Bond fails to deliver such 2015 Bond to the 2015 Trustee on the Redemption Date, such 2015 Bond shall nevertheless be deemed redeemed on the Redemption Date and the owner of such 2015 Bond shall have no rights in respect thereof except to receive payment of the Redemption Price from funds held by the 2015 Trustee for such payment.

Note: The City of Moreno Valley, the Authority and the 2015 Trustee shall not be responsible for the selection or use of the CUSIP numbers selected, nor is any representation made as to their correctness in the notice or as printed on any 2015 Bond. They are included solely for the convenience of the holders.

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as 2015 Trustee

September [], 2021

EXHIBIT B
NOTICE OF DEFEASANCE

MORENO VALLEY PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2015 (TAXABLE)

BASE CUSIP 61685P

NOTICE IS HEREBY GIVEN to the owners of the above-captioned obligations (the “2015 Bonds”), which were issued pursuant to the Master Trust Agreement, dated as of December 1, 2015 (the “2015 Trust Agreement”), by and between the Moreno Valley Public Financing Authority (the “Authority”) and Wells Fargo Bank, National Association, as trustee (the “2015 Trustee”), that the Authority has caused to be deposited with Wells Fargo Bank, National Association, as escrow agent (the “Escrow Agent”), cash in an amount sufficient to pay on October [], 2021 (the “Redemption Date”), the principal of the 2015 Bonds maturing after the Redemption Date, plus interest thereon accrued through the Redemption Date, without premium. The 2015 Bonds were originally issued on December 10, 2015 and are described in the following table.

<i>Principal Payment Date (November 1)</i>	<i>CUSIP®[†] (61685P)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>
2021	DC9	\$ 220,000	3.125%
2022	DD7	225,000	3.375
2023	DE5	235,000	3.625
2024	DF2	240,000	3.750
2025	DG0	250,000	4.000
2026	DH8	260,000	4.000
2027	DJ4	270,000	4.125
2028	DK1	285,000	4.250
2029	DL9	295,000	4.250
2030	DM7	305,000	4.375
2035	DN5	1,760,000	4.750
2045	DP0	<u>5,080,000</u>	5.000
TOTAL		\$9,425,000	

As provided in the 2015 Trust Agreement and the Master Facilities Sublease, dated as of December 1, 2015 (the “2015 Sublease”), by and between the City of Moreno Valley (the “City”) and the Authority: (i) the 2015 Bondholders have ceased to be entitled to the pledge of and charge and lien upon the Revenues as provided in the 2015 Trust Agreement, and all agreements, covenants and other obligations of the Authority to the 2015 Bondholders thereunder have ceased, terminated and become void and been discharged and satisfied; (ii) the 2015 Bonds are no longer “Outstanding” under the 2015 Trust Agreement; (iii) the right, title and interest of the Authority in the 2015 Sublease and the obligations of the City thereunder have ceased, terminated, become void and been completely discharged and satisfied (except as set forth in the 2015 Sublease); and (iv) all obligations

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of the City under the Continuing Disclosure Certificate, dated December 10, 2015, relating to the 2015 Bonds, have terminated.

No representation is made as to the correctness of the CUSIP number either as printed on any 2015 Bond or as contained herein and any error in the CUSIP number shall not affect the validity of the proceedings for defeasance or redemption of the 2015 Bonds.

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as 2015 Trustee

October [], 2021

DRAFT

Attachment: DRAFT Escrow Agreement (2015 Bonds) Moreno Valley 2021, 4834-1611-6721_4 (5495 : AUTHORIZATION TO REFINANCE THE

ESCROW AGREEMENT (2016 BONDS)

THIS ESCROW AGREEMENT (2016 BONDS), dated as of October 1, 2021 (the “**Agreement**”), by and among the City of Moreno Valley (the “**City**”), Moreno Valley Public Financing Authority (the “**Authority**”) and Wells Fargo Bank, National Association, as escrow agent (the “**Escrow Agent**”) and as 2016 Trustee (as such term is defined herein), is entered into in accordance with resolutions of the City and the Authority adopted on [September 7], 2021 and a Master Trust Agreement, dated as of December 1, 2015, as amended and supplemented by the First Supplement to Master Trust Agreement, dated as of December 1, 2016 (collectively, the “**2016 Trust Agreement**”), each by and between the Authority and Wells Fargo Bank, National Association, as trustee (the “**2016 Trustee**”). This Agreement is entered into to refund all of the outstanding Moreno Valley Public Financing Authority Lease Revenue Refunding Bonds, Series 2016 (Taxable) (the “**2016 Bonds**”) in the aggregate principal amount of \$20,410,000.

RECITALS

A. Pursuant to the 2016 Trust Agreement, the Authority issued the 2016 Bonds in the initial aggregate principal amount of \$24,655,000, of which \$20,410,000 is currently outstanding.

B. The 2016 Bonds are payable from Revenues (as such term is defined in the 2016 Trust Agreement, and consisting primarily of Base Rental Payments payable by the City under the Master Facilities Sublease, dated as of December 1, 2015, as amended and supplemented by the First Amendment to Master Facilities Sublease, dated as of December 1, 2016 (collectively, the “**2016 Sublease**”), each by and between the City and the Authority).

C. The Authority has determined to issue its Moreno Valley Public Financing Authority Lease Revenue Refunding Bonds, Series 2021 (Taxable) (the “**2021 Bonds**”), a portion of the proceeds of which, together with other moneys as described in Section 1, will be applied to pay on October [], 2021 (the “**Redemption Date**”) the principal of the 2016 Bonds maturing after the Redemption Date, plus interest thereon accrued through the Redemption Date, without premium (collectively, the “**Redemption Price**”).

D. The City will irrevocably deposit moneys with the Escrow Agent, which moneys will be fully sufficient to pay the Redemption Price of the 2016 Bonds on the Redemption Date.

AGREEMENT

SECTION 1. Deposit of Moneys. The City and the Authority will cause Wells Fargo Bank, National Association, as trustee for the 2021 Bonds, to transfer a portion of the proceeds of the 2021 Bonds in the amount of \$_____ on the date of issuance of the 2021 Bonds to the Escrow Agent for deposit in the Escrow Fund established hereunder. The City and the Authority will also cause the 2016 Trustee to transfer \$_____ from the _____ Fund established under the 2016 Trust Agreement to the Escrow Agent for deposit in the Escrow Fund established hereunder.

The Escrow Agent will hold such amounts in an irrevocable escrow separate and apart from other moneys of the City, the Authority and the Escrow Agent in a fund hereby created and established to be known as the “**Escrow Fund**” and to be applied solely as provided in this Agreement.

SECTION 2. No Investment of Moneys. The Escrow Agent acknowledges receipt of the moneys described in Section 1 and agrees to hold such moneys uninvested as cash. The Escrow Agent shall be entitled to rely upon the conclusion of Causey Demgen & Moore P.C., Denver, Colorado (the “**Verification Agent**”) that the cash on deposit in the Escrow Fund will be sufficient to pay the Redemption Price of the 2016 Bonds on the Redemption Date.

SECTION 3. Investment of Any Moneys. At the written direction of the City, together with an unqualified opinion of Stradling Yocca Carlson & Rauth, A Professional Corporation, to the effect that investment is permitted under the legal documents in effect with respect to the 2016 Bonds and will not have an adverse effect on the tax status of the 2016 Bonds, the Escrow Agent shall invest any amount held in the Escrow Fund prior to the date on which such payment is required for the purposes set forth herein, in noncallable federal securities maturing not later than the date on which such payment or portion thereof is required for the purposes set forth in Section 5, at the written direction of the City, as verified in a report prepared by an independent certified public accountant or firm of certified public accountants of favorable national reputation experienced in the refunding of obligations of political subdivisions to the effect that the reinvestment described in said report will not adversely affect the sufficiency of the amounts of securities, investments and money in the Escrow Fund to pay the Redemption Price of the 2016 Bonds on the Redemption Date. Any interest income resulting from investment or reinvestment of moneys pursuant to this Section which is not required for the purposes set forth in Section 5, as verified in the letter of the Verification Agent originally obtained by the City with respect to the refunding of the 2016 Bonds or in any other report prepared by an independent certified public accountant or firm of certified public accountants of favorable national reputation experienced in the refunding of obligations of political subdivisions, shall be paid to the City promptly upon the receipt of such interest income by the Escrow Agent. The determination of the City as to whether an accountant qualifies under this Agreement shall be conclusive.

SECTION 4. Substitution of Securities. Upon the written request of the City, and subject to the conditions and limitations that are set forth herein and applicable governmental rules and regulations, the Escrow Agent shall sell, redeem or otherwise dispose of any investments pursuant to Section 3, provided that there are substituted therefor from the proceeds of the federal securities other federal securities, but only after the Authority or the City has obtained and delivered to the Escrow Agent: (i) an unqualified opinion of Stradling Yocca Carlson & Rauth, A Professional Corporation, to the effect that the substitution of securities is permitted under the legal documents in effect with respect to the 2016 Bonds and will not have an adverse effect on the tax status of the 2016 Bonds; and (ii) a report by a firm of independent certified public accountants to the effect that the reinvestment described in said report will not adversely affect the sufficiency of the amounts of securities, investments and money in the Escrow Fund to pay the Redemption Price of the 2016 Bonds on the Redemption Date. The Escrow Agent shall not be liable or responsible for any loss resulting from any reinvestment made pursuant to this Agreement and in full compliance with the provisions hereof.

SECTION 5. Payment of 2016 Bonds.

(a) Payment. From the moneys on deposit in the Escrow Fund, the Escrow Agent shall transfer funds to the 2016 Trustee in an amount sufficient to enable the 2016 Trustee to pay the Redemption Price of the 2016 Bonds on the Redemption Date, as indicated on Schedule A.

(b) Irrevocable Instructions to Provide Notice. The notices that are required to be mailed pursuant to Sections 4.05 and 10.01(b) of the 2016 Trust Agreement are substantially in the forms attached hereto as Exhibits A and B. The City and the Authority have previously instructed the 2016 Trustee to disseminate a notice of redemption of the 2016 Bonds maturing after the Redemption Date substantially in the form attached hereto as Exhibit A. The City and the Authority hereby irrevocably instruct the 2016 Trustee to disseminate a notice of defeasance of the 2016 Bonds in the form attached hereto as Exhibit B on the date of issuance of the 2021 Bonds to the parties described in and otherwise in accordance with Section 10.01(b) of the 2016 Trust Agreement (including The Depository Trust Company, Assured Guaranty Municipal Corp. (“AGM”) and the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access System, maintained on the Internet at <http://emma.msrb.org/>), as required to provide for the defeasance of the 2016 Bonds in accordance with this Section.

(c) Unclaimed Moneys. Any moneys in the Escrow Fund which remain unclaimed after the Redemption Date shall be repaid by the Escrow Agent to the City.

(d) Priority of Payments. The owners of the 2016 Bonds shall have a first and exclusive lien on all moneys and securities in the Escrow Fund until such moneys and such securities are used and applied as provided in this Agreement.

(e) Termination of Obligation. As provided in the 2016 Trust Agreement and the 2016 Sublease, upon the deposit of moneys with the Escrow Agent in the Escrow Fund as set forth in Section 1: (i) the 2016 Bondholders shall cease to be entitled to the pledge of and charge and lien upon the Revenues as provided in the 2016 Trust Agreement, and all agreements, covenants and other obligations of the Authority to the 2016 Bondholders thereunder shall thereupon cease, terminate and become void and be discharged and satisfied; (ii) the 2016 Bonds will no longer be “Outstanding” under the 2016 Trust Agreement; and (iii) the right, title and interest of the Authority in the 2016 Sublease and the obligations of the City thereunder shall thereupon cease, terminate, become void and be completely discharged and satisfied (except as set forth in the 2016 Sublease).

SECTION 6. Application of Certain Terms of the 2016 Trust Agreement. All of the terms of the 2016 Trust Agreement relating to the making of payments of principal of and interest on the 2016 Bonds and relating to the exchange or transfer of the 2016 Bonds are incorporated in this Agreement as if set forth in full herein. The procedures set forth in Section 8.01 of the 2016 Trust Agreement relating to the resignation and removal and merger of the 2016 Trustee are also incorporated in this Agreement as if set forth in full herein and shall be the procedures to be followed with respect to any resignation or removal of the Escrow Agent hereunder.

SECTION 7. Performance of Duties. The Escrow Agent agrees to perform only the duties that are set forth herein and has no responsibility to take any action or omit to take any action that is not set forth herein.

SECTION 8. Escrow Agent’s Authority to Make Investments. Except as provided in Section 2 hereof, the Escrow Agent shall have no power or duty to invest any funds that are held hereunder or to sell, transfer or otherwise dispose of the moneys or federal securities that are held hereunder.

SECTION 9. Indemnity. The City and the Authority hereby assume liability for, and hereby agree (whether or not any of the transactions contemplated hereby are consummated) to

indemnify, protect, save and keep harmless the Escrow Agent and its respective successors, assigns, directors, officers, agents, employees and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by or asserted against the Escrow Agent at any time (whether or not also indemnified against the same by the City, the Authority or any other person under any other agreement or instrument, but without double indemnity) in any way relating to or arising out of the execution, delivery and performance of this Agreement, the establishment hereunder of the Escrow Fund, the acceptance of the funds and securities deposited therein, the retention of the proceeds thereof and any payment, transfer or other application of moneys or securities by the Escrow Agent in accordance with the provisions of this Agreement; provided, however, that the City and the Authority shall not be required to indemnify the Escrow Agent against the Escrow Agent's own negligence or willful misconduct or the negligence or willful misconduct of the Escrow Agent's respective employees. In no event shall the City, the Authority or the Escrow Agent be liable to any person by reason of the transactions that are contemplated hereby other than to each other as set forth in this Section. The indemnities that are contained in this Section shall survive the termination of this Agreement and the resignation or removal of the Escrow Agent.

SECTION 10. Responsibilities of Escrow Agent. The Escrow Agent and its agents and servants shall not be held to any personal liability whatsoever, in tort, contract or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance of the moneys or securities deposited therein, the retention of any federal securities or the proceeds thereof, the sufficiency of any federal securities to pay the 2016 Bonds or any payment, transfer or other application of moneys or obligations by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Agent that is made in good faith in the conduct of its duties. The recitals of fact that are contained herein shall be taken as the statements of the City and the Authority, and the Escrow Agent assumes no responsibility for the correctness thereof. The Escrow Agent makes no representation as to the sufficiency of the proceeds to accomplish the refunding of the 2016 Bonds or to the validity of this Agreement as to the City or the Authority and, except as otherwise provided herein, the Escrow Agent shall incur no liability in respect thereof. The Escrow Agent shall not be liable in connection with the performance of its duties under this Agreement except for its own negligence or willful misconduct, and the duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement. The Escrow Agent may consult with counsel, who may or may not be counsel to the City or the Authority, and in reliance upon the written opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an officer of the City or the Authority. The Escrow Agent shall incur no liability for losses arising from any investment made pursuant to this Agreement.

No provision of this Agreement shall require the Escrow Agent to expend or risk its own funds or otherwise incur any financial liability in the performance or exercise of any of its duties hereunder, or in the exercise of its rights or powers.

The Escrow Agent may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with

due care, and shall not be responsible for any willful misconduct or negligence on the part of any agent, attorney, custodian or nominee so appointed.

The Escrow Agent shall have the right to accept and act upon instructions, including funds transfer instructions (“**Instructions**”) given pursuant to this Agreement and delivered using Electronic Means (“**Electronic Means**” shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Agent, or another method or system specified by the Escrow Agent as available for use in connection with its services hereunder); provided, however, that the City and the Authority shall provide to the Escrow Agent incumbency certificates listing officers with the authority to provide such Instructions (“**Authorized Officers**”) and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the City or the Authority whenever a person is to be added or deleted from the listing. If the City or the Authority elects to give the Escrow Agent Instructions using Electronic Means and the Escrow Agent in its discretion elects to act upon such Instructions, the Escrow Agent’s understanding of such Instructions shall be deemed controlling. The City and the Authority understand and agree that the Escrow Agent cannot determine the identity of the actual sender of such Instructions and that the Escrow Agent shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Agent have been sent by such Authorized Officer. The City and the Authority shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Escrow Agent and that the City, the Authority and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the City and the Authority. The Escrow Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Agent’s reliance upon and compliance with such Instructions notwithstanding the fact that such directions conflict or are inconsistent with a subsequent written instruction. The City and the Authority agree: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Escrow Agent, including without limitation the risk of the Escrow Agent acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that they are fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Escrow Agent and that there may be more secure methods of transmitting Instructions than the method(s) selected by the City or the Authority; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Escrow Agent immediately upon learning of any compromise or unauthorized use of the security procedures.

The Escrow Agent shall furnish the City with periodic cash transaction statements which include detail for all investment transactions effected by the Escrow Agent or brokers selected by the City or the Authority, provided that the Escrow Agent is not obligated to provide an accounting for any fund or account that: (a) has a balance of \$0.00; and (b) has not had any activity since the last reporting date. Upon the City’s election, such statements will be delivered via the Escrow Agent’s online service and upon electing such service, paper statements will be provided only upon request. The City waives the right to receive brokerage confirmations of security transactions effected by the Escrow Agent as they occur, to the extent permitted by law. The City and the Authority further understand that trade confirmations for securities transactions effected by the Escrow Agent will be available upon request and at no additional cost and other trade confirmations may be obtained from the applicable broker.

If the Escrow Agent learns that the Department of the Treasury or the Bureau of Public Debt will not, for any reason, accept a subscription of securities that is to be submitted pursuant to this Agreement, the Escrow Agent shall promptly request alternative written investment instructions from the City with respect to escrowed funds which were to be invested in securities. The Escrow Agent shall follow such instructions and, upon the maturity of any such alternative investment, the Escrow Agent shall hold funds uninvested and without liability for interest until receipt of further written instructions from the City. In the absence of investment instructions from the City, the Escrow Agent shall not be responsible for the investment of such funds or interest thereon. The Escrow Agent may conclusively rely upon the City's selection of an alternative investment as a determination of the alternative investment's legality and suitability and shall not be liable for any losses related to the alternative investments or for compliance with any yield restriction applicable thereto.

SECTION 11. Amendments. This Agreement is made for the benefit of the City, the Authority and the owners from time to time of the 2016 Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such owners, the Escrow Agent, AGM, the Authority and the City; provided, however, that the City, the Authority and the Escrow Agent may, without the consent of, or notice to, such owners, but with the prior written consent of AGM, amend this Agreement or enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such owners and as shall not be inconsistent with the terms and provisions of this Agreement or the 2016 Trust Agreement, for any one or more of the following purposes: (i) to cure any ambiguity or formal defect or omission in this Agreement; (ii) to grant to, or confer upon, the Escrow Agent for the benefit of the owners of the 2016 Bonds any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such owners or the Escrow Agent; and (iii) to include under this Agreement additional funds. The Escrow Agent shall be entitled to rely conclusively upon an unqualified opinion of Stradling Yocca Carlson & Rauth, A Professional Corporation, with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the owners of the various 2016 Bonds or that any instrument that is executed hereunder complies with the conditions and provisions of this Section.

SECTION 12. Notice to Rating Agencies. In the event that this agreement or any provision thereof is severed, amended or revoked, the Escrow Agent, upon written instructions from the City, shall provide written notice in the form provided by the City of such severance, amendment or revocation to the rating agencies then rating the 2016 Bonds.

SECTION 13. Term. This Agreement shall commence upon its execution and delivery and shall terminate on the later to occur of either: (i) the date upon which the 2016 Bonds have been paid in accordance with this Agreement; or (ii) the date upon which no unclaimed moneys remain on deposit with the Escrow Agent pursuant to Section 5(c) of this Agreement. Funds remaining in the Escrow Fund after payment in full of the 2016 Bonds shall be transferred to the City.

SECTION 14. Compensation. The Escrow Agent shall receive its reasonable fees and expenses as previously agreed to by the Escrow Agent, the Authority and the City, and any other reasonable fees and expenses of the Escrow Agent; provided, however, that under no circumstances shall the Escrow Agent be entitled to any lien or assert any lien whatsoever on any moneys or obligations in the Escrow Fund for the payment of fees and expenses for services that are rendered or expenses incurred by the Escrow Agent under this Agreement.

SECTION 15. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the City, the Authority or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenants or agreements shall be null and void, shall be deemed separate from the remaining covenants and agreements contained herein and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 16. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as an original but all of which shall constitute and be but one and the same instrument.

SECTION 17. Governing Law. THIS AGREEMENT SHALL BE CONSTRUED UNDER THE LAWS OF THE STATE OF CALIFORNIA.

SECTION 18. 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 Agreement, shall be a legal holiday or a day on which banking institutions in the City in which is located the office of the Escrow Agent are authorized by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day which is not a legal holiday or a day on which such banking institutions are authorized by law to remain closed, with the same force and effect as if done on the nominal date provided in this Agreement, and no interest shall accrue for the period from and after such nominal date.

SECTION 19. Assignment. This Agreement shall not be assigned by the Escrow Agent or any successor thereto without the prior written consent of the City and the Authority.

SECTION 20. Reorganization of Escrow Agent. Notwithstanding anything to the contrary contained in this Agreement, any company into which the Escrow Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which the Escrow Agent is a party, or any company to which the Escrow Agent may sell or transfer all or substantially all of its corporate trust business, shall be the successor to the Escrow Agent without execution or filing of any paper or any paper or further act, if such company is eligible to serve as Escrow Agent.

SECTION 21. Insufficient Funds. If at any time the Escrow Agent has actual knowledge that the moneys and investments in the Escrow Fund, including the anticipated proceeds thereof and earnings thereon, will not be sufficient to make all payments required by this Agreement, the Escrow Agent shall notify the City in writing of the amount thereof and the reason therefor to the extent known to it. The Escrow Agent shall have no responsibility regarding any such deficiency.

SECTION 22. Notices. Any notice to or demand upon the Escrow Agent may be served or presented, and such demand may be made, at the principal corporate trust office of the Escrow Agent at 600 South 4th Street, 7th Floor, MAC N9300-070, Minneapolis, Minnesota 55415, Attention: Corporate Trust, Reference: Moreno Valley Public Financing Authority Lease Revenue Refunding Bonds, Series 2016 (Taxable). Any notice to or demand upon the City or the Authority shall be deemed to have been sufficiently given or served for all purposes by being sent by facsimile or other electronic transmission, overnight mail or courier or mailed by registered or certified mail, and deposited, postage prepaid, in a post office letter box, addressed to the City at 14177 Frederick Street, Moreno Valley, California 92553, Attention: City Manager, and to the Authority at 14177

Frederick Street, Moreno Valley, California 92553, Attention: Executive Director (or such other address as may have been filed in writing by the City or the Authority with the Escrow Agent).

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DRAFT

Attachment: DRAFT Escrow Agreement (2016 Bonds) Moreno Valley 2021, 4834-2621-3873_3 (5495 : AUTHORIZATION TO REFINANCE THE

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers as of the date first above written.

CITY OF MORENO VALLEY

By: _____
City Manager

MORENO VALLEY PUBLIC FINANCING AUTHORITY

By: _____
Executive Director

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Escrow Agent and 2016 Trustee

By: _____
Authorized Officer

DRAFT

Attachment: DRAFT Escrow Agreement (2016 Bonds) Moreno Valley 2021, 4834-2621-3873_3 (5495 : AUTHORIZATION TO REFINANCE THE

**SCHEDULE A
ESCROW REQUIREMENTS**

The escrow requirements for the 2016 Bonds are as follows:

<i>Period Ending</i>	<i>Principal Paid</i>	<i>Principal Redeemed</i>	<i>Interest</i>	<i>Total</i>
[Redemption Date]	\$ -	\$ []	\$ []	\$ []

DRAFT

Attachment: DRAFT Escrow Agreement (2016 Bonds) Moreno Valley 2021, 4834-2621-3873_3 (5495 : AUTHORIZATION TO REFINANCE THE

EXHIBIT A

CONDITIONAL NOTICE OF FULL OPTIONAL REDEMPTION

MORENO VALLEY PUBLIC FINANCING AUTHORITY
LEASE REVENUE REFUNDING BONDS, SERIES 2016 (TAXABLE)

BASE CUSIP 61685P

NOTICE IS HEREBY GIVEN to the owners of the above-captioned obligations (the “2016 Bonds”), which were issued pursuant to the Master Trust Agreement, dated as of December 1, 2015, as amended and supplemented by the First Supplement to Master Trust Agreement, dated as of December 1, 2016 (collectively, the “2016 Trust Agreement”), each by and between the Moreno Valley Public Financing Authority (the “Authority”) and Wells Fargo Bank, National Association, as trustee (the “2016 Trustee”), that the outstanding 2016 Bonds in the aggregate principal amount of \$20,410,000 have been called for redemption on October [], 2021 (the “Redemption Date”). The 2016 Bonds were originally issued on December 15, 2016 and are described in the following table.

<i>Principal Payment Date (May 1)</i>	<i>CUSIP®[†] (61685P)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Redemption Price</i>
2022	DV7	\$ 895,000	2.750%	100%
2023	DW5	920,000	3.000	100
2024	DX3	945,000	3.000	100
2025	DY1	975,000	3.125	100
2026	DZ8	1,005,000	3.250	100
2032	EA2	6,875,000	4.000	100
2038	EB0	8,795,000	4.375	100
TOTAL		\$20,410,000		

The 2016 Bonds will be payable on the Redemption Date at a redemption price of 100% of the principal amount thereof plus accrued interest thereon to such date (the “Redemption Price”). The Redemption Price of the 2016 Bonds will become due and payable on the Redemption Date. Interest on the 2016 Bonds will cease to accrue and be payable from and after the Redemption Date, and such 2016 Bonds will be surrendered to the 2016 Trustee.

Redemption of the 2016 Bonds is conditional upon the receipt by the 2016 Trustee on or prior to the Redemption Date of moneys that are sufficient to pay the principal of and interest on the 2016 Bonds and, if such moneys have not been so received, this notice shall be of no force and effect and the 2016 Trustee shall not be required to redeem such 2016 Bonds. In such event, the 2016 Trustee has the right to rescind this notice.

To receive payment on the Redemption Date, owners of the 2016 Bonds should present and to surrender said 2016 Bonds on the Redemption Date at the address of the 2016 Trustee set forth below:

[†] CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by S&P Global Market Intelligence. Copyright© CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. Neither the Authority nor its agents or counsel assume responsibility for the accuracy of such numbers.

Registered/Certified Mail:	Air Courier:
Wells Fargo Bank, NA	Wells Fargo Bank, NA
Corporate Trust Operations	Corporate Trust Operations
MAC N9300-070	MAC N9300-070
P. O. Box 1517	600 Fourth Street South, Seventh Floor
Minneapolis, MN 55480-1517	Minneapolis, MN 55415

IMPORTANT NOTICE

IMPORTANT INFORMATION REGARDING TAX CERTIFICATION AND POTENTIAL WITHHOLDING

Pursuant to U.S. federal tax laws, you have a duty to provide the applicable type of tax certification form issued by the U.S. Internal Revenue Service (“IRS”) to Wells Fargo Bank, N.A. Corporate Trust Services to ensure payments are reported accurately to you and to the IRS. In order to permit accurate withholding (or to prevent withholding), a complete and valid tax certification form must be received by Wells Fargo Bank, N.A. Corporate Trust Services before payment of the redemption proceeds is made to you. Failure to timely provide a valid tax certification form as required will result in the maximum amount of U.S. withholding tax being deducted from any redemption payment that is made to you.

If the owner of any 2016 Bond fails to deliver such 2016 Bond to the 2016 Trustee on the Redemption Date, such 2016 Bond shall nevertheless be deemed redeemed on the Redemption Date and the owner of such 2016 Bond shall have no rights in respect thereof except to receive payment of the Redemption Price from funds held by the 2016 Trustee for such payment.

Note: The City of Moreno Valley, the Authority and the 2016 Trustee shall not be responsible for the selection or use of the CUSIP numbers selected, nor is any representation made as to their correctness in the notice or as printed on any 2016 Bond. They are included solely for the convenience of the holders.

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as 2016 Trustee

September [], 2021

EXHIBIT B
NOTICE OF DEFEASANCE

MORENO VALLEY PUBLIC FINANCING AUTHORITY
LEASE REVENUE REFUNDING BONDS, SERIES 2016 (TAXABLE)

BASE CUSIP 61685P

NOTICE IS HEREBY GIVEN to the owners of the above-captioned obligations (the “2016 Bonds”), which were issued pursuant to the Master Trust Agreement, dated as of December 1, 2015, as amended and supplemented by the First Supplement to Master Trust Agreement, dated as of December 1, 2016 (collectively, the “2016 Trust Agreement”), each by and between the Moreno Valley Public Financing Authority (the “Authority”) and Wells Fargo Bank, National Association, as trustee (the “2016 Trustee”), that the Authority has caused to be deposited with Wells Fargo Bank, National Association, as escrow agent (the “Escrow Agent”), cash in an amount sufficient to pay on October [], 2021 (the “Redemption Date”), the principal of the 2016 Bonds maturing after the Redemption Date, plus interest thereon accrued through the Redemption Date, without premium. The 2016 Bonds were originally issued on December 15, 2016 and are described in the following table.

<i>Principal Payment Date (May 1)</i>	<i>CUSIP®[†] (61685P)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Redemption Price</i>
2022	DV7	\$ 895,000	2.750%	100%
2023	DW5	920,000	3.000	100
2024	DX3	945,000	3.000	100
2025	DY1	975,000	3.125	100
2026	DZ8	1,005,000	3.250	100
2032	EA2	6,875,000	4.000	100
2038	EBO	8,795,000	4.375	100
TOTAL		\$20,410,000		

As provided in the 2016 Trust Agreement and the Master Facilities Sublease, dated as of December 1, 2015, as amended and supplemented by the First Amendment to Master Facilities Sublease, dated as of December 1, 2016 (the “2016 Sublease”), each by and between the City of Moreno Valley (the “City”) and the Authority: (i) the 2016 Bondholders have ceased to be entitled to the pledge of and charge and lien upon the Revenues as provided in the 2016 Trust Agreement, and all agreements, covenants and other obligations of the Authority to the 2016 Bondholders thereunder have ceased, terminated and become void and been discharged and satisfied; (ii) the 2016 Bonds are no longer “Outstanding” under the 2016 Trust Agreement; (iii) the right, title and interest of the Authority in the 2016 Sublease and the obligations of the City thereunder have ceased, terminated, become void and been completely discharged and satisfied (except as set forth in the 2016 Sublease); and (iv) all obligations of the City under the Continuing Disclosure Certificate, dated December 15, 2016, relating to the 2016 Bonds, have terminated.

[†] CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by S&P Global Market Intelligence. Copyright© CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. Neither the Authority nor its agents or counsel assume responsibility for the accuracy of such numbers.

No representation is made as to the correctness of the CUSIP number either as printed on any 2016 Bond or as contained herein and any error in the CUSIP number shall not affect the validity of the proceedings for defeasance or redemption of the 2016 Bonds.

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as 2016 Trustee

October [], 2021

DRAFT

Attachment: DRAFT Escrow Agreement (2016 Bonds) Moreno Valley 2021, 4834-2621-3873_3 (5495 : AUTHORIZATION TO REFINANCE THE