

**CITY OF ONTARIO
CITY COUNCIL AND HOUSING AUTHORITY
AGENDA
FEBRUARY 5, 2019**

Paul S. Leon
Mayor

Ruben Valencia
Mayor pro Tem

Alan D. Wapner
Council Member

Jim W. Bowman
Council Member

Debra Dorst-Porada
Council Member



Scott Ochoa
City Manager

John E. Brown
City Attorney

Sheila Mautz
City Clerk

James R. Milhiser
Treasurer

WELCOME to a meeting of the Ontario City Council.

- All documents for public review are on file with the Records Management/City Clerk's Department located at 303 East B Street, Ontario, CA 91764.
- Anyone wishing to speak during public comment or on a particular item will be required to fill out a blue slip. Blue slips must be turned in prior to public comment beginning or before an agenda item is taken up. The Clerk will not accept blue slips after that time.
- Comments will be limited to 3 minutes. Speakers will be alerted when they have 1 minute remaining and when their time is up. Speakers are then to return to their seats and no further comments will be permitted.
- In accordance with State Law, remarks during public comment are to be limited to subjects within Council's jurisdiction. Remarks on other agenda items will be limited to those items.
- Remarks from those seated or standing in the back of chambers will not be permitted. All those wishing to speak including Council and Staff need to be recognized by the Chair before speaking.

ORDER OF BUSINESS The regular City Council and Housing Authority meeting begins with Closed Session and Closed Session Comment at 6:00 p.m., Public Comment at 6:30 p.m. immediately followed by the Regular Meeting and Public Hearings. No agenda item will be introduced for consideration after 10:00 p.m. except by majority vote of the City Council.

(EQUIPMENT FOR THE HEARING IMPAIRED AVAILABLE IN THE RECORDS MANAGEMENT OFFICE)

CALL TO ORDER (*OPEN SESSION*)

6:00 p.m.

ROLL CALL

Valencia, Wapner, Bowman, Dorst-Porada, Mayor/Chairman Leon

CLOSED SESSION PUBLIC COMMENT The Closed Session Public Comment portion of the Council/Housing Authority meeting is limited to a maximum of 3 minutes for each speaker and comments will be limited to matters appearing on the Closed Session. Additional opportunities for further Public Comment will be given during and at the end of the meeting.

CLOSED SESSION

- GC 54956.9 (d)(4), CONFERENCE WITH LEGAL COUNSEL, ANTICIPATED LITIGATION – INITIATION OF LITIGATION: Circle City Substation and Mira Loma-Jefferson Subtransmission Line Project.

In attendance: Valencia, Wapner, Bowman, Dorst-Porada, Mayor/Chairman Leon

PLEDGE OF ALLEGIANCE

Council Member Bowman

INVOCATION

Pastor Adam Kaloostian, Ontario United Reformed Church

REPORT ON CLOSED SESSION

City Attorney

PUBLIC COMMENTS

6:30 p.m.

The Public Comment portion of the Council/Housing Authority meeting is limited to 30 minutes with each speaker given a maximum of 3 minutes. An opportunity for further Public Comment may be given at the end of the meeting. Under provisions of the Brown Act, Council is prohibited from taking action on oral requests.

As previously noted -- if you wish to address the Council, fill out one of the blue slips at the rear of the chambers and give it to the City Clerk.

AGENDA REVIEW/ANNOUNCEMENTS The City Manager will go over all updated materials and correspondence received after the Agenda was distributed to ensure Council Members have received them. He will also make any necessary recommendations regarding Agenda modifications or announcements regarding Agenda items to be considered.

SPECIAL CEREMONIES

RECOGNITION OF THE SPIRIT OF THE ENTREPRENEUR AWARD WINNER

CONSENT CALENDAR

All matters listed under CONSENT CALENDAR will be enacted by one motion in the form listed below – there will be no separate discussion on these items prior to the time Council votes on them, unless a member of the Council requests a specific item be removed from the Consent Calendar for a separate vote.

Each member of the public wishing to address the City Council on items listed on the Consent Calendar will be given a total of 3 minutes.

1. APPROVAL OF MINUTES

Minutes for the regular meeting of the City Council and Housing Authority of December 18, 2018, approving same as on file in the Records Management Department.

2. BILLS/PAYROLL

Bills December 2, 2018 through December 15, 2018 and **Payroll** December 2, 2018 through December 15, 2018, when audited by the Finance Committee.

3. A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NO. 18067 LOCATED ON THE SOUTHEAST CORNER OF EUCALYPTUS AVENUE AND CELEBRATION AVENUE

That the City Council adopt a resolution approving an improvement agreement, improvement security and Final Tract Map No. 18067 located on the southeast corner of Eucalyptus Avenue and Celebration Avenue within the Subarea 29 Specific Plan area.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NO. 18067 LOCATED AT THE SOUTHEAST CORNER OF EUCALYPTUS AVENUE AND CELEBRATION AVENUE.

4. A RESOLUTION ORDERING THE SUMMARY VACATION OF AN ALLEY AND PUBLIC UTILITY EASEMENT GENERALLY LOCATED NEAR THE SOUTHWEST CORNER OF EUCLID AVENUE AND MAPLE STREET

That the City Council adopt a resolution ordering the summary vacation of a 25-foot wide alley and public utility easement generally located near the southwest corner of Euclid Avenue and Maple Street in the City of Ontario.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ORDERING THE SUMMARY VACATION OF AN ALLEY AND PUBLIC UTILITY EASEMENT GENERALLY LOCATED NEAR THE SOUTHWEST CORNER OF EUCLID AVENUE AND MAPLE STREET.

5. A PROFESSIONAL SERVICES AGREEMENT FOR ENGINEERING DESIGN SERVICES FOR VARIOUS TCC ACTIVE TRANSPORTATION PROJECTS/PARSONS TRANSPORTATION GROUP INC.

That the City Council approve a Professional Services Agreement (on file in the Records Management Department) with Parsons Transportation Group Inc. (Parsons) of Ontario, California, to provide engineering design services for various Transformative Climate Communities (TCC) active transportation projects for \$582,382 plus a 5% contingency of \$29,119 for a total authorized expenditure of \$611,501; and authorize the City Manager to execute said agreement and future amendments within the authorization limits.

6. A WRITTEN PETITION TO CREATE A COMMUNITY FACILITIES DISTRICT; A RESOLUTION OF INTENTION TO ESTABLISH CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 48 (TEVELDE SERVICES); AND AUTHORIZATION OF THE ASSOCIATED LEVY OF SPECIAL TAXES

That the City Council:

- (A) Accept a written petition (on file with the Records Management Department) from ARROYO CAP VII, LLC, a Delaware limited liability company, to create a community facilities district (“CFD”) and to waive certain procedural matters under the Mello-Roos Community Facilities Act of 1982; and
- (B) Adopt a Resolution of Intention to establish City of Ontario Community Facilities District No. 48 (Tevelde Services), authorize the associated levy of special taxes therein, and set a public hearing for the formation of the CFD as part of the regularly scheduled City Council meeting on Tuesday, March 19, 2019.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, OF INTENTION TO ESTABLISH A COMMUNITY FACILITIES DISTRICT PROPOSED TO BE NAMED CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 48 (TEVELDE SERVICES) AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES.

7. AWARD OF BID FOR PROCUREMENT OF TIRES AND TIRE CASINGS/BORDER TIRE/PARKHOUSE TIRE INC./DANIELS TIRE SERVICE INC.

That the City Council authorize the City Manager to approve the procurement of tires and tire casings at set pricing levels per Bid No. 1062 for a period of three years, with two one-year extension options, with: Border Tire of Fontana, California; Parkhouse Tire Inc. of Fontana, California; and Daniels Tire Service Inc. of Santa Fe Springs, California, in quantities and costs that are consistent with City Council approved budgets.

8. AUTHORIZE THE PURCHASE OF FLEET VEHICLES/LOS ANGELES FREIGHTLINER/NATIONAL AUTO FLEET GROUP

That the City Council take the following actions:

- (A) Award Bid No. 1063 and authorize the purchase and delivery of one CNG Utilities Service Truck in the amount of \$319,774 for the Utilities Department from Los Angeles Freightliner of Whittier, California;
- (B) Authorize the cooperative purchase and delivery of five Ford F350 trucks with Scelzi utility bodies in the amount of \$265,227 (four for the Utilities Department and one for the Parks and Maintenance Department) from National Auto Fleet Group of Watsonville, California, consistent with the terms and conditions of the Sourcewell (formerly known as NJPA) Cooperative Contract 120716-NAF; and

- (C) Authorize the cooperative purchase and delivery of one Ford F250 truck in the amount of \$34,929 for the Information Technologies Department from National Auto Fleet Group of Watsonville, California, consistent with the terms and conditions of the Sourcewell (formerly known as NJPA) Cooperative Contract 120716-NAF.

9. A PROFESSIONAL SERVICE AGREEMENT FOR THE PREPARATION OF AN ENVIRONMENTAL IMPACT REPORT FOR THE MERRILL COMMERCE CENTER SPECIFIC PLAN FOR PROPERTY LOCATED NORTH OF MERRILL AVENUE, SOUTH OF EUCALYPTUS AVENUE, EAST OF GROVE AVENUE AND WEST OF CARPENTER AVENUE/APPLIED PLANNING, INC.

That the City Council approve and authorize the City Manager to execute an agreement (on file with the Records Management Department) with Applied Planning, Inc., of Corona, California, to prepare an Environmental Impact Report (EIR) for the Merrill Commerce Center Specific Plan, in the amount of \$448,746, plus a 15% contingency of \$67,312, for a total authorized expenditure of \$516,058; and authorize the City Manager to approve any future budget adjustments necessary to complete the EIR.

10. STATE OF CALIFORNIA DEPARTMENT OF JUSTICE TOBACCO ENFORCEMENT GRANT

That the City Council authorize the City Manager or designee to accept and execute grant documents to accept a 32-month grant for \$41,400 from the California Department of Justice to fund overtime enforcement operations to address tobacco-related problems in the community.

ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

11. A RESOLUTION AUTHORIZING THE ISSUANCE OF SPECIAL TAX BONDS FOR COMMUNITY FACILITIES DISTRICT NO. 39 (NEW HAVEN FACILITIES – AREA C)

That the City Council adopt a resolution authorizing the issuance of special tax bonds for Community Facilities District No. 39 (New Haven Facilities - Area C).

The resolution:

- (A) Authorizes the issuance of special tax bonds for public improvements required to facilitate the development of the New Haven Facilities - Area C project;
- (B) Approves the forms of the Indenture of Trust, the Bond Purchase Agreement, the Continuing Disclosure Agreement, and the Preliminary Official Statement;
- (C) Authorizes a negotiated sale of the special tax bonds to Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) in accordance with the terms of the Bond Purchase Agreement; and
- (D) Authorizes the execution of the Indenture of Trust, the Bond Purchase Agreement, the Continuing Disclosure Agreement, and the Preliminary Official Statement by the City Manager, or his designee.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE ISSUANCE OF CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 39 (NEW HAVEN FACILITIES - AREA C) SPECIAL TAX BONDS, SERIES 2019, IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$6,000,000, AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE, A BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE AGREEMENT, AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT IN CONNECTION THEREWITH AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS.

STAFF MATTERS

City Manager Ochoa

COUNCIL MATTERS

COUNCIL ASSIGNMENTS

Mayor Leon
Mayor pro Tem Valencia
Council Member Wapner
Council Member Bowman
Council Member Dorst-Porada

ADJOURNMENT

**CITY OF ONTARIO
CLOSED SESSION REPORT**
City Council // Housing Authority // Other // (GC 54957.1)
February 5, 2019

ROLL CALL: Valencia __, Wapner __, Bowman __, Dorst-Porada__, , Mayor / Chairman Leon __.

STAFF: City Manager / Executive Director __, City Attorney __

In attendance: Valencia __, Wapner __, Bowman __, Dorst-Porada__, , Mayor / Chairman Leon __.

- GC 54956.9 (d)(4), CONFERENCE WITH LEGAL COUNSEL, ANTICIPATED LITIGATION – INITIATION OF LITIGATION: Circle City Substation and Mira Loma-Jefferson Subtransmission Line Project.

No Reportable Action	Continue	Approved
/ /	/ /	/ /

Disposition: _____

Reported by:

City Attorney / City Manager / Executive Director

CITY OF ONTARIO

Agenda Report
February 5, 2019

SECTION:
CONSENT CALENDAR

SUBJECT: A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NO. 18067 LOCATED ON THE SOUTHEAST CORNER OF EUCALYPTUS AVENUE AND CELEBRATION AVENUE

RECOMMENDATION: That the City Council adopt a resolution approving an improvement agreement, improvement security and Final Tract Map No. 18067 located on the southeast corner of Eucalyptus Avenue and Celebration Avenue within the Subarea 29 Specific Plan area.

COUNCIL GOALS: Invest in the Growth and Evolution of the City's Economy
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)
Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch

FISCAL IMPACT: None. All public infrastructure improvements required for this subdivision will be constructed by the developer at its sole cost.

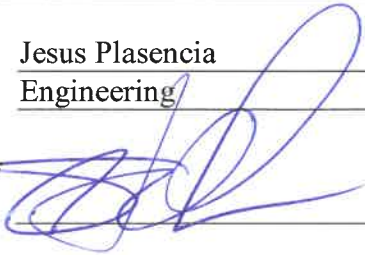
BACKGROUND: Final Tract Map No. 18067, consisting of seventy nine (79) residential lots and ten (10) lettered lots on 19.03 acres as shown on Exhibit A, has been submitted by Richmond American Homes of Maryland, Inc., a Maryland Corporation (Ms. Sondra Harris, Vice President).

Tentative Tract Map No. 18067 was approved by the Planning Commission (6 to 0) on January 23, 2007, and is consistent with the adopted Subarea 29 Specific Plan.

Improvements include AC pavement, curb, gutter, sidewalk, landscaped parkways, fiber optic conduits, fire hydrants, sewer, water, recycled water mains, storm drain, and street lights. The improvements in parkway landscaping will be consistent with current City approved drought measures.

The developer has entered into an improvement agreement with the City for Final Tract Map No. 18067 and has posted adequate security to ensure construction of the required public improvements.

STAFF MEMBER PRESENTING: Scott Murphy, AICP, Executive Director, Development Agency

Prepared by: Jesus Plasencia
Department: Engineering
City Manager Approval: 

Submitted to Council/O.H.A. 02/05/2019
Approved: _____
Continued to: _____
Denied: _____

3

The map meets all conditions of the Subdivision Map Act and the Ontario Municipal Code and has been reviewed and approved by the City Engineer.

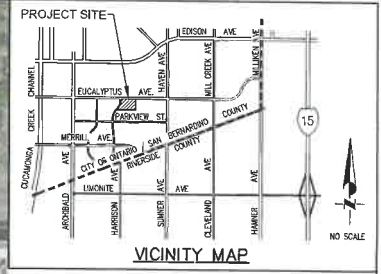
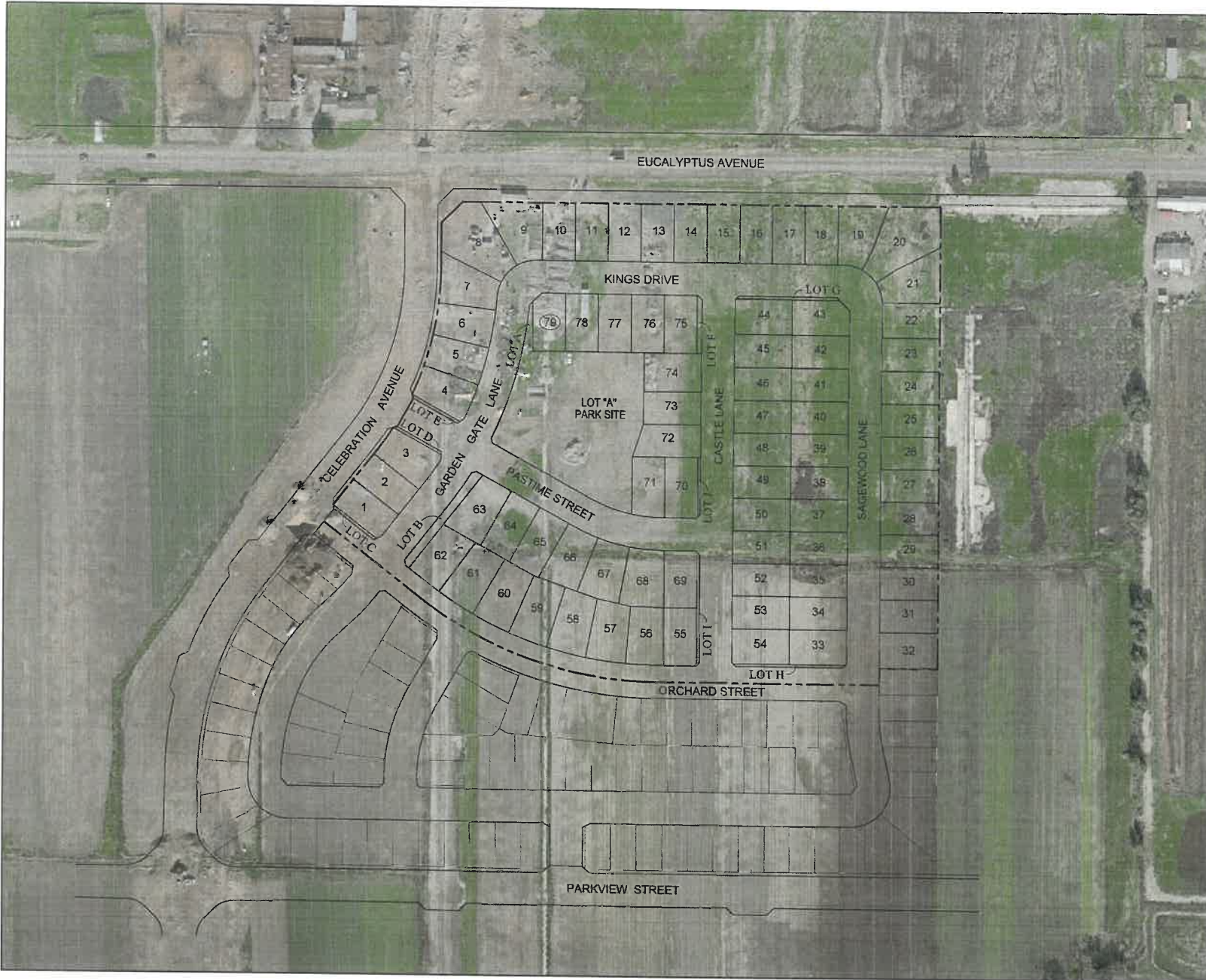


EXHIBIT A
79 LOT SUBDIVISION
TRACT NO. 18067
 MAP NOT TO SCALE

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NO. 18067 LOCATED AT THE SOUTHEAST CORNER OF EUCALYPTUS AVENUE AND CELEBRATION AVENUE.

WHEREAS, Tentative Tract Map No. 18067, submitted for approval by SL Ontario Development Corporation (Mr. Sage McCleve, Project Manager) ("Subdivider") was approved by the Planning Commission of the City of Ontario on January 23, 2007; and

WHEREAS, Tentative Tract Map No. 18067 consists of 79 numbered lots and 10 lettered lots within the Subarea 29 Specific Plan being a subdivision of Lot 1, Tract No. 18913-5, as shown on a map filed in Book 349, Pages 59 through 61, inclusive, of maps, in the Office of the Recorder of San Bernardino County; and

WHEREAS, to meet the requirements established as prerequisite to final approval of Final Tract Map No. 18067, Richmond American Homes of Maryland, Inc., a Maryland Corporation (Ms. Sondra Harris, Vice President) ("Builder") has offered the improvement agreement together with good and sufficient improvement security, in conformance with the City Attorney's approved format, for approval and execution by the City; and

WHEREAS, the subdivider of the underlying Tract No. 18067, has previously prepared and recorded Covenants, Conditions and Restrictions (CC&Rs), and they have been reviewed and approved by the City Attorney's office, to ensure the right to mutual ingress and egress and continued maintenance of common facilities by the commonly affected property owners

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

1. That said Improvement Agreement be, and the same is, approved and the City Manager is authorized to execute same on behalf of said City, and the City Clerk is authorized to attest thereto; and
2. That said Improvement Security is accepted as good and sufficient, subject to approval as to form and content thereof by the City Attorney; and
3. That Final Tract Map No. 18067 be approved and that the City Clerk be authorized to execute the statement thereon on behalf of said City.

The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 5th day of February 2019.

PAUL S. LEON, MAYOR

ATTEST:

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO LEGAL FORM:

BEST BEST & KRIEGER LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2019- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held February 5, 2019 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2019- duly passed and adopted by the Ontario City Council at their regular meeting held February 5, 2019.

SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO

Agenda Report
February 5, 2019

**SECTION:
CONSENT CALENDAR**

SUBJECT: A RESOLUTION ORDERING THE SUMMARY VACATION OF AN ALLEY AND PUBLIC UTILITY EASEMENT GENERALLY LOCATED NEAR THE SOUTHWEST CORNER OF EUCLID AVENUE AND MAPLE STREET

RECOMMENDATION: That the City Council adopt a resolution ordering the summary vacation of a 25-foot wide alley and public utility easement generally located near the southwest corner of Euclid Avenue and Maple Street in the City of Ontario.

COUNCIL GOALS: Invest in the Growth and Evolution of the City's Economy
Operate in a Businesslike Manner

FISCAL IMPACT: None. The City did not pay to acquire this easement and will not incur any cost for vacating this easement. The applicant has paid the applicable processing fees to defray the City's cost to process this request.

BACKGROUND: The applicant, Clarkson Properties, L.P., of Los Angeles, California, has requested that the City vacate a 25-foot wide alley and public utility easement generally located near the southwest corner of Euclid Avenue and Maple Street in the City of Ontario, as shown on Exhibit A, to facilitate the development of the area. The subject alley, neither now nor in the future will be needed for traffic circulation or public necessity and there will be no impact on the Master Plan of Streets and Highways when vacated. The subject easement has no public utilities and is determined to be excess.

Sections 8330-8334.6 of the California Streets and Highway Code authorize the City to summarily vacate (by resolution with no public hearing) a public service easement and right-of-way of an alley not required for street or highway purposes.

This summary vacation meets the California Government Code, Streets and Highways Code and Ontario Municipal Code and has been reviewed and approved by the City Attorney.

STAFF MEMBER PRESENTING: Scott Murphy, AICP, Executive Director, Development Agency

Prepared by: Antonio Alejos
Department: Engineering

City Manager
Approval: 

Submitted to Council/O.H.A. 02/05/2019

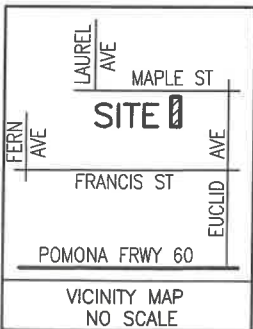
Approved: _____

Continued to: _____

Denied: _____

4

EXHIBIT A



SCALE: 1"=50'

 EASEMENT FOR ALLEY AND PUBLIC UTILITY PURPOSES TO BE VACATED. 3,138 S.F.

SHEET 1 OF 1
JOB NO. 15-001-VAC-EXHIBIT
BY: V.F.L.
DATE: 10-5-18
SCALE: 1" = 50'

CITY OF ONTARIO
ENGINEERING DEPARTMENT

APPLICANT: RELIABLE PROPERTIES
PROJECT: V-279

PLANS PREPARED BY:
ANACAL ENGINEERING CO.
CIVIL ENGINEERING & LAND SURVEYING
1211 NORTH TUSTIN AVENUE
ANAHEIM, CALIFORNIA 92807
PHONE: 714-774-1763 FAX: 714-774-4690
E-MAIL ADDRESS: anacal@anacalengineering.com



RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ORDERING THE SUMMARY VACATION OF AN ALLEY AND PUBLIC UTILITY EASEMENT GENERALLY LOCATED NEAR THE SOUTHWEST CORNER OF EUCLID AVENUE AND MAPLE STREET.

WHEREAS, the City Council of the City of Ontario, California, pursuant to Division 9, Part 3, Chapter 4, of the California Streets and Highways Code, may summarily vacate an easement under certain conditions specified therein; and

WHEREAS, the alley and public utility easement dedicated by Document 496 in Book 5746, Page 351, generally located near the southwest corner of Euclid Avenue and Maple Street in the City of Ontario, over a portion of Lot 33, Section 31, Township 1 South, Range 7 West, according to Map of Subdivision Part of Rancho Santa Ana Del Chino, filed in Book 6 of Maps, Page 15 of official records, County of San Bernardino, State of California, is not needed for any present or future alley and public utility purposes and is determined to be excess; and

WHEREAS, Sections 8330-8334.6 of the California Streets and Highway Code authorize the City to summarily vacate (by resolution with no public hearing) a public service easement and right-of-way of an alley not required for street or highway purposes; and

WHEREAS, the property owner, Clarkson Properties, L.P. of Los Angeles, has requested a vacation of said easement.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Ontario, California:

1. That the above recitals are true and correct.
2. That title to the above-described said easement, more specifically described in Exhibit "A" and depicted on Exhibit "B" attached hereto, shall be vacated.
3. That the City Clerk of the City of Ontario, California, shall cause a copy of this Resolution to be recorded in the office of the County Recorder of San Bernardino County, California.

The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 5th day of February 2019.

PAUL S. LEON, MAYOR

ATTEST:

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

BEST BEST & KRIEGER LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2019- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held February 5, 2019 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2019- duly passed and adopted by the Ontario City Council at their regular meeting held February 5, 2019.

SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT "A"
V-279
EASEMENT VACATION
LEGAL DESCRIPTION

THE WESTERLY 25.00 FEET OF THE EASTERLY 145.00 FEET OF THE SOUTH 125.52 FEET, OF THE NORTH 145.52 FEET OF LOT 33, SECTION 31, TOWNSHIP 1 SOUTH, RANGE 7 WEST, ACCORDING TO MAP OF SUBDIVISION PART OF RANCHO SANTA ANA DEL CHINO, AS RECORDED IN MAPBOOK 6, PAGE 15, RECORDS OF SAN BERNARDINO COUNTY, STATE OF CALIFORNIA, (MEASURED FROM THE WEST LINE OF EUCLID AVENUE, 200 FEET WIDE).

ALSO BEING AN EASEMENT FOR ALLEY AND PUBLIC UTILITY PURPOSES, DOCUMENT 496 IN BOOK 5746 PAGE 352. RECORDED AUGUST 6, 1962, RECORDS OF SAID SAN BERNARDINO COUNTY.

CONTAINING 3,138 S.F., 0.072 AC.




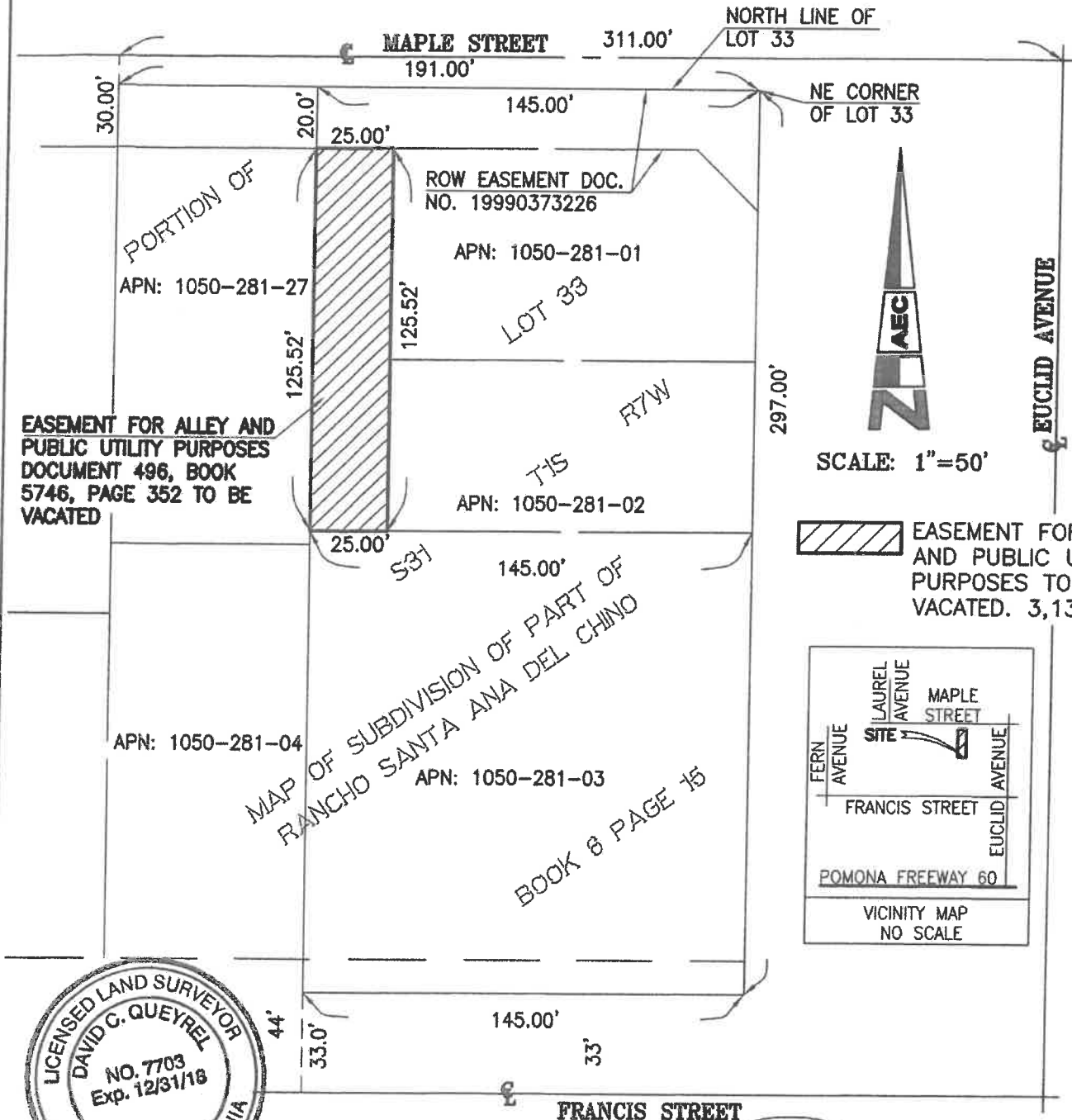

DAVID C. QUEYREL LS 7703 DATE 12-15-18

EXHIBIT "B"

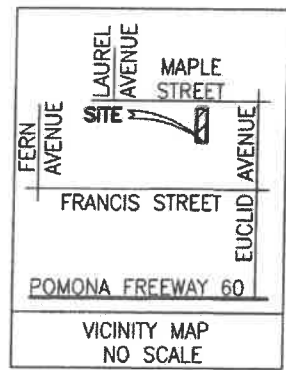
V-279

EASEMENT VACATION



SCALE: 1"=50'

EASEMENT FOR ALLEY AND PUBLIC UTILITY PURPOSES TO BE VACATED. 3,138 S.F.



David C. Queyrel 12-15-18
DAVID C. QUEYREL LS 7703 DATE

ANACAL ENGINEERING CO.
CIVIL ENGINEERING & LAND SURVEYING
1211 NORTH TUSTIN AVENUE
ANAHEIM, CALIFORNIA 92807
PHONE: 714-774-1763 FAX: 714-774-4690
E-MAIL: anacal@anacalengineering.com

BY:	CWS
DATE:	9-13-18
SCALE:	1"=50'
JOB NO.	15-001

SHEET NO.	1 OF 1
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CITY OF ONTARIO

Agenda Report
February 5, 2019

SECTION:
CONSENT CALENDAR

SUBJECT: A PROFESSIONAL SERVICES AGREEMENT FOR ENGINEERING DESIGN SERVICES FOR VARIOUS TCC ACTIVE TRANSPORTATION PROJECTS

RECOMMENDATION: That the City Council approve a Professional Services Agreement (on file in the Records Management Department) with Parsons Transportation Group Inc. (Parsons) of Ontario, California, to provide engineering design services for various Transformative Climate Communities (TCC) active transportation projects for \$582,382 plus a 5% contingency of \$29,119 for a total authorized expenditure of \$611,501; and authorize the City Manager to execute said agreement and future amendments within the authorization limits.

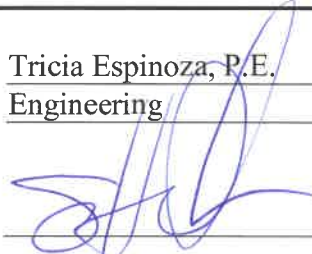
COUNCIL GOALS: Maintain the Current High Level of Public Safety
Pursue City's Goals and Objectives by Working with Other Governmental Agencies
Focus Resources in Ontario's Commercial and Residential Neighborhoods
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT: The Fiscal Year 2018-19 Adopted Operating Budget includes appropriations of \$700,000 from the Road Repair and Accountability Act – Senate Bill SB1 – for this project. The 5% contingency is considered adequate for this effort. The remaining \$88,499 will be reserved for Union Pacific Railroad final design costs for the Mission Boulevard Bike and Pedestrian Improvements Project, which is not included in the scope of this agreement.

BACKGROUND: The agreement will provide for engineering design services including preparation of plans, specifications, estimates (PS&E), permit and utility coordination, and design support during construction for four active transportation projects under the TCC Program. The projects include:

- (A) Mission Boulevard Bike and Pedestrian Improvements
- (B) Enhanced Pedestrian Crossings
- (C) Pedestrian Pathway Improvements and Network Connectivity
- (D) Omnitrans Premium Bus Shelters/Improvements

STAFF MEMBER PRESENTING: Scott Murphy, AICP, Executive Director, Development Agency

Prepared by: Tricia Espinoza, P.E.
Department: Engineering
City Manager Approval: 

Submitted to Council/O.H.A. 02/05/2019
Approved: _____
Continued to: _____
Denied: _____

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In December 2018, the City solicited proposals and received three responses. A selection team of four City staff reviewed the proposals and recommends Parsons based upon the quality of their proposal, past performance on similar projects, and favorable references. Parsons has agreed to a base fee of \$582,382, which is deemed a fair and reasonable fee for the specified scope of work.

CITY OF ONTARIO

Agenda Report
February 5, 2019

SECTION:
CONSENT CALENDAR

SUBJECT: A WRITTEN PETITION TO CREATE A COMMUNITY FACILITIES DISTRICT; A RESOLUTION OF INTENTION TO ESTABLISH CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 48 (TEVELDE SERVICES); AND AUTHORIZATION OF THE ASSOCIATED LEVY OF SPECIAL TAXES

RECOMMENDATION: That the City Council:

- (A) Accept a written petition (on file with the Records Management Department) from ARROYO CAP VII, LLC, a Delaware limited liability company, to create a community facilities district (“CFD”) and to waive certain procedural matters under the Mello-Roos Community Facilities Act of 1982; and
- (B) Adopt a Resolution of Intention to establish City of Ontario Community Facilities District No. 48 (Tevelde Services), authorize the associated levy of special taxes therein, and set a public hearing for the formation of the CFD as part of the regularly scheduled City Council meeting on Tuesday, March 19, 2019.

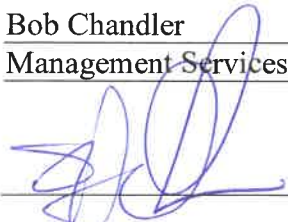
COUNCIL GOALS: Operate in a Businesslike Manner

Focus Resources in Ontario’s Commercial and Residential Neighborhoods

Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch

FISCAL IMPACT: To address the City Council’s long standing direction that development of Ontario Ranch generate sufficient revenues to fund its required City services without reliance on the financial resources of the existing City, the use of Mello-Roos financing in the Tevelde project is projected to generate approximately \$728,000 per year, at build out, to fund City services. As proposed, the maximum annual tax rate on each of the project’s 432 single-family detached units is \$1,687. The use of Mello-Roos financing is critical in achieving the City Council’s goal to “Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch.” As proposed, the use of

STAFF MEMBER PRESENTING: Armen Harkalyan, Executive Director of Finance

Prepared by: Bob Chandler
Department: Management Services
City Manager Approval: 

Submitted to Council/O.H.A. 02/05/2019
Approved: _____
Continued to: _____
Denied: _____

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Mello-Roos financing for the Tevelde Services district will not generate funds for facilities, and bonds will not be issued as part of this formation.

BACKGROUND: The Mello-Roos Community Facilities Act of 1982 provides local government, with the consent from a majority of the property owners, the authority to establish community facilities districts for the purpose of levying special taxes to finance various kinds of public infrastructure facilities and government services. Government services that may be included in a community facilities district include police protection services, fire protection and suppression services, ambulance and paramedic services, maintenance and lighting of parks, parkways, streets, roads, open space and flood and storm drain protection services, and maintenance and operation of any real property or tangible property with an estimated useful life of five or more years that is owned by the governmental entity.

ARROYO CAP VII, LLC, has provided a written petition to the City requesting formation of a CFD to fund City services for the project, along with a deposit pursuant to a deposit agreement, dated February 1, 2019. The CFD is being formed pursuant to the provisions of the landowners' development agreements and the First Amended and Restated Construction Agreement between the City and NMC Builders. The Tevelde project addresses the development of approximately 87 gross acres located north of Merrill Avenue, south of Eucalyptus Avenue, east of Cucamonga Channel, and west of Archibald Avenue. At build-out, the development is projected to include 432 single-family detached units.

Under the Mello-Roos Act, the initial steps in the formation of a CFD normally involve a resolution declaring the City's intention to establish a community facilities district and to authorize the levy of special taxes. As noted, the issuance of bonds is not being contemplated for this project at this time, so there is no resolution to issue bonds associated with this action. As proposed, the resolution of intention to establish the district and to levy special taxes will set the public hearing date on the formation of the CFD for the regularly scheduled City Council meeting on Tuesday, March 19, 2019 to consider formation matters.

Included, as part of the resolution of intention, is the proposed Rate and Method of Apportionment of Special Tax for City of Ontario Community Facilities District No. 48 (Tevelde Services). The terms of the Rate and Method of Apportionment of Special Tax are consistent with the City Council's adopted Mello-Roos Local Goals and Policies, and City staff have presented and discussed the proposed Rate and Method of Apportionment of Special Tax with the landowner.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, OF INTENTION TO ESTABLISH A COMMUNITY FACILITIES DISTRICT PROPOSED TO BE NAMED CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 48 (TEVELDE SERVICES) AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES.

WHEREAS, Section 53318 of the Mello-Roos Community Facilities Act of 1982 (the "Act") provides that proceedings for the establishment of a Community Facilities District shall be instituted by a legislative body of a local agency when a petition requesting the institution of the proceedings signed by the owners of not less than 10% of the area of land proposed to be included in the community facilities district and not proposed to be exempt from the special tax, describing the boundaries of the territory that is proposed for inclusion in the community facilities district and specifying the types of services to be financed by the community facilities district is filed with the clerk of the legislative body; and

WHEREAS, Section 53318 of the Act further provides that such a petition is not required to be acted upon until the payment of a fee in an amount that the legislative body determines, within 45 days of receiving such petition, is sufficient to compensate the legislative body for all costs incurred in conducting proceedings to create a community facilities district pursuant to the Act; and

WHEREAS, the City Council (the "City Council") of the City of Ontario (the "City") has received a written petition (the "Petition") from ARROYO CAP VII, LLC, a Delaware limited liability company (the "Landowner"), requesting the institution of proceedings for the establishment of a community facilities district (the "Community Facilities District"), describing the boundaries of the territory that is proposed for inclusion in the Community Facilities District and specifying the types of services to be financed by the Community Facilities District; and

WHEREAS, the Landowner has represented and warranted to the City Council that the Landowner is the owner of 100% of the area of land proposed to be included within the Community Facilities District and not proposed to be exempt from the special tax; and

WHEREAS, the Landowner has previously submitted to the City the fee required by the City to be used to compensate the City Council and the City for all costs incurred in conducting proceedings to create the Community Facilities District, which the City Council has determined to be sufficient for such purpose;

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

SECTION 1. The foregoing recitals are true and correct and the City Council so finds and determines.

SECTION 2. The City Council hereby finds that the Petition is signed by the owner of the requisite amount of land proposed to be included in the Community Facilities District.

SECTION 3. The City Council proposes to establish a community facilities district under the terms of the Act. The boundaries of the territory proposed for inclusion in the Community Facilities District are described in the map showing the proposed Community Facilities District (the "Boundary Map") on file with the City Clerk of the City (the "City Clerk"), which boundaries are hereby preliminarily approved and to which map reference is hereby made for further particulars. The City Clerk is hereby directed to sign the original Boundary Map and record, or cause to be recorded, the Boundary Map with all proper endorsements thereon in the office of the San Bernardino County Recorder within 15 days of the date of adoption of this Resolution, all as required by Section 3111 of the California Streets and Highways Code.

SECTION 4. The name proposed for the Community Facilities District is "City of Ontario Community Facilities District No. 48 (Tevelde Services)."

SECTION 5. The services (the "Services") proposed to be financed by the Community Facilities District pursuant to the Act are described under the caption "Services" on Exhibit A hereto. The incidental expenses proposed to be incurred are identified under the caption "Incidental Expenses" on Exhibit A hereto. No facilities are proposed to be financed by the Community Facilities District.

SECTION 6. Except where funds are otherwise available, a special tax sufficient to pay for all Services, secured by recordation of a continuing lien against all nonexempt real property in the Community Facilities District, will be annually levied within the Community Facilities District. The rate and method of apportionment of the special tax (the "Rate and Method"), in sufficient detail to allow each landowner within the proposed Community Facilities District to estimate the maximum amount that he or she will have to pay, is described in Exhibit B attached hereto, which is by this reference incorporated herein. The obligation to pay the special tax may not be prepaid and permanently satisfied. The special tax will be collected in the same manner as ordinary *ad valorem* property taxes or in such other manner as the City Council shall determine, including direct billing of the affected property owners.

The special tax may only finance the Services to the extent that they are in addition to those provided in the territory of the Community Facilities District before the Community Facilities District is created. The Services may not supplant services already available within that territory when the Community Facilities District is created.

SECTION 7. The City Council hereby fixes Tuesday, March 19, 2019, at 6:30 p.m., or as soon thereafter as the City Council may reach the matter, at 303 East B Street, Ontario, California, as the time and place when and where the City Council will conduct a public hearing on the establishment of the Community Facilities District.

SECTION 8. The City Clerk is hereby directed to publish, or cause to be published, a notice of said public hearing one time in a newspaper of general circulation published in the area of the proposed Community Facilities District. The publication of said notice shall be completed at least seven days prior to the date herein fixed for said hearing. Said notice shall contain the information prescribed by Section 53322 of the Act.

SECTION 9. The levy of said proposed special tax shall be subject to the approval of the qualified electors of the Community Facilities District at a special election. The proposed voting procedure shall be by mailed or hand-delivered ballot among the landowners in the Community Facilities District, with each owner having one vote for each acre or portion of an acre such owner owns in the Community Facilities District.

SECTION 10. Each officer of the City who is or will be responsible for providing one or more of the proposed types of Services is hereby directed to study, or cause to be studied, the proposed Community Facilities District and, at or before said public hearing, file a report with the City Council containing a brief description of the Services by type which will in his or her opinion be required to adequately meet the needs of the Community Facilities District, and his or her estimate of the cost of providing the Services. Such officers are hereby also directed to estimate the fair and reasonable cost of the incidental expenses proposed to be paid. Such report shall be made a part of the record of said public hearing.

SECTION 11. The officers, employees and agents of the City are hereby authorized and directed to take all actions and do all things which they, or any of them, may deem necessary or desirable to accomplish the purposes of this Resolution and not inconsistent with the provisions hereof.

SECTION 12. This Resolution shall take effect immediately upon its adoption.

The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 5th day of February 2019.

PAUL S. LEON, MAYOR

ATTEST:

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

BEST BEST & KRIEGER LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2019- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held February 5, 2019 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2019- duly passed and adopted by the Ontario City Council at their regular meeting held February 5, 2019.

SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A

SERVICES AND INCIDENTAL EXPENSES

Services

The types of services within the territory of the Community Facilities District to be financed by the Community Facilities District are police protection services, fire protection and suppression services, ambulance and paramedic services, maintenance and lighting of parks, parkways, streets, roads and open space, flood and storm protection services and maintenance and operation of any real property or other tangible property with an estimated useful life of five or more years that is owned by the City.

Incidental Expenses

The incidental expenses proposed to be incurred include the costs associated with the creation of the Community Facilities District, determination of the amount of taxes, collection of taxes, payment of taxes, or costs otherwise incurred in order to carry out the authorized purposes of the Community Facilities District.

EXHIBIT B
CITY OF ONTARIO
COMMUNITY FACILITIES DISTRICT NO. 48
(TEVELDE SERVICES)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax shall be levied on all Assessor's Parcels in the City of Ontario Community Facilities District No. 48 (Tevelde Services) ("CFD No. 48") and collected each Fiscal Year commencing in Fiscal Year 2019-20, in an amount determined by the City Council of the City of Ontario through the application of the Rate and Method of Apportionment, as described below. All of the real property in CFD No. 48, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms as may hereinafter be set forth have the following meanings:

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Division 2 of Title 5 of the California Government Code.

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of CFD No. 48: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or CFD No. 48 or both); the costs of collecting the Special Taxes (whether by the County or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the City or CFD No. 48 related to an appeal of the Special Tax; the City's administration fees and third party expenses; the costs of City staff time and reasonable overhead related to CFD No. 48; and amounts estimated or advanced by the City or CFD No. 48 for any other administrative purposes of CFD No. 48, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

"Assessor's Parcel" means a lot or parcel shown on an Assessor's Parcel Map with an assigned Assessor's Parcel Number.

"Assessor's Parcel Map" means an official map of the Assessor of the County designating parcels by Assessor's Parcel Number.

"Assessor's Parcel Number" means, with respect to an Assessor's Parcel, that number assigned to such Assessor's Parcel by the County for purposes of identification.

"CFD Administrator" means an official of the City responsible for determining the Special Tax Requirement, providing for the levy and collection of the Special Tax, and performing the other duties provided for herein.

“**CFD No. 48**” means City of Ontario Community Facilities District No. 48 (Tevelde Services).

“**City**” means the City of Ontario, California.

“**City Council**” means the City Council of the City, acting as the legislative body of CFD No. 48.

“**County**” means the County of San Bernardino.

“**Fiscal Year**” means the period starting July 1 and ending on the following June 30.

“**Gated Apartment Community Dwelling Unit**” means a Multiple Family Dwelling Unit within a gated community that, within such community, is primarily served by private interior streets.

“**Land Use Class**” means any of the classes listed in Table 1 below.

“**Maximum Special Tax**” means, with respect to an Assessor’s Parcel of Taxable Property, the maximum Special Tax determined in accordance with Section C below that can be levied in any Fiscal Year on such Assessor’s Parcel of Taxable Property.

“**Multiple Family Dwelling Unit**” means a Unit within any residential building containing two or more dwelling units, including attached condominiums, townhomes, duplexes, triplexes, and apartments, but excluding Gated Apartment Community Dwelling Units.

“**Non-Residential**” means any buildings that are for commercial lodging use, commercial retail use, institutional use (e.g., churches, private schools), commercial restaurant use, office use, or industrial use.

“**Non-Residential Property**” means, for each Fiscal Year, an Assessor’s Parcel for which a building permit for new construction was issued after January 1, 2019, and before May 1 of the prior Fiscal Year, for a Non-Residential use.

“**Property Owner Association Property**” means, for each Fiscal Year, property within the boundaries of CFD No. 48 that was owned by a property owner association, including any master or sub-association, as of January 1 of the prior Fiscal Year.

“**Proportionately**” means that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Taxable Property.

“**Public Property**” means, for each Fiscal Year, property within the boundaries of CFD No. 48 that is (a) owned by, irrevocably offered to, or dedicated to the federal government, the State, the County, the City, or any local government or other public agency or (b) encumbered by an easement for purposes of public or utility right-of-way that makes impractical its use for any purpose other than that set forth in such easement, provided that

any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified according to its use.

“Rate and Method of Apportionment” means this Rate and Method of Apportionment of Special Tax.

“Residential Property” means, for each Fiscal Year, an Assessor’s Parcel for which a building permit for new construction of one or more Units was issued after January 1, 2019, and before May 1 of the prior Fiscal Year.

“Services” means the services authorized to be financed, in whole or in part, by CFD No. 48, including: police protection services; fire protection and suppression services; ambulance and paramedic services; maintenance and lighting of parks, parkways, streets, roads, and open space; flood and storm protection services; and maintenance and operation of any real property or other tangible property with an estimated useful life of five or more years that is owned by the City.

“Special Tax” means the special tax authorized by the qualified electors of CFD No. 48 to be levied within the boundaries of CFD No. 48.

“Special Tax Requirement” means the amount necessary in any Fiscal Year to pay the cost of the Services, Administrative Expenses, and an amount equal to Special Tax delinquencies based on the historical delinquency rate for Special Taxes, as determined by the CFD Administrator.

“Single Family Dwelling Unit” means any residential building containing only one Unit on one legal lot, including single family residences and single family detached residential condominium units.

“Square Footage” or **“Sq. Ft.”** means, with respect to a building of Non-Residential Property, the gross floor area square footage reflected on the original construction building permit, or as set forth in other official records maintained by the City’s Building Department or other appropriate means selected by CFD No. 48, for such building, plus any square footage subsequently added to a building of Non-Residential Property after issuance of a building permit for expansion or renovation of such building.

“State” means the State of California.

“Taxable Property” means, for each Fiscal Year, all Assessor’s Parcels of Residential Property and Non-Residential Property within the boundaries of CFD No. 48 which are not exempt from the Special Tax pursuant to law or Section E below.

“Unit” means an individual single-family detached or attached home, townhome, condominium, apartment unit, or other residential dwelling unit, including each separate living area within a half-plex, duplex, triplex, fourplex, or other residential structure.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, beginning with Fiscal Year 2019-20, all Taxable Property within CFD No. 48 shall be classified as Residential Property (Single Family Dwelling Unit, Multiple Family Dwelling Unit, or Gated Apartment Community Dwelling Unit) or Non-Residential Property and shall be subject to Special Taxes in accordance with the Rate and Method of Apportionment as determined pursuant to Sections C and D below.

C. MAXIMUM SPECIAL TAX

The Maximum Special Tax for each Assessor's Parcel classified as Taxable Property shall be determined by reference to Table 1 below.

**TABLE 1
MAXIMUM SPECIAL TAX**

Land Use Class	Maximum Special Tax Fiscal Year 2019-20
Residential Property:	
Single Family Dwelling Unit	\$1,687 per Unit
Multiple Family Dwelling Unit	\$1,462 per Unit
Gated Apartment Community Dwelling Unit	\$1,226 per Unit
Non-Residential Property	\$0.31 per Sq. Ft.

On January 1 of each Fiscal Year, commencing January 1, 2020, the Maximum Special Tax to be applied in the next Fiscal Year shall be subject to an automatic increase at a rate equal to 4.0% of the amount in effect for the prior Fiscal Year.

In some instances an Assessor's Parcel of Taxable Property may contain more than one Land Use Class. The Maximum Special Tax levied on such Assessor's Parcel shall be the sum of the Maximum Special Tax for all Units of Residential Property and Square Footage of Non-Residential Property (based on the applicable building permits, final subdivision map, parcel map, condominium plan, or other recorded County map) located on that Assessor's Parcel.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Each Fiscal Year, beginning with Fiscal Year 2019-20, the CFD Administrator shall determine the Special Tax Requirement. The Special Tax shall then be levied Proportionately on each Assessor's Parcel of Taxable Property up to 100% of the applicable Maximum Special Tax for such Assessor's Parcel, until the Special Tax Requirement is satisfied. However, the Special Tax levied in any Fiscal Year shall not increase by more than 4.0% of the amount of the Special Tax levied in the prior Fiscal Year.

E. EXEMPTIONS

Notwithstanding anything in this Rate and Method of Apportionment to the contrary, no Special Tax shall be levied on Public Property or Property Owner Association Property.

F. APPEALS

Any property owner may file a written appeal of the Special Tax with CFD No. 48 claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Tax that is disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made.

The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD Administrator's decision relative to the appeal, the owner may then file a written appeal with the City Council, whose subsequent decision shall be final and binding on all interested parties. If the decision of the CFD Administrator or subsequent decision by the City Council requires the Special Tax to be modified or changed in favor of the property owner, then the CFD Administrator shall determine if sufficient Special Tax revenue is available to make cash refund. If a cash refund cannot be made, then an adjustment shall be made to credit future Special Tax levy(ies).

This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

G. MANNER OF COLLECTION

The Special Taxes shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that the Special Taxes may be collected in such other manner as the City Council shall determine, including direct billing of affected property owners.

H. TERM OF SPECIAL TAX

The Special Tax shall continue to be levied indefinitely on an annual basis on all Taxable Property in CFD No. 48.

CITY OF ONTARIO

Agenda Report
February 5, 2019

SECTION:
CONSENT CALENDAR

SUBJECT: AWARD OF BID FOR PROCUREMENT OF TIRES AND TIRE CASINGS

RECOMMENDATION: That the City Council authorize the City Manager to approve the procurement of tires and tire casings at set pricing levels per Bid No. 1062 for a period of three years, with two one-year extension options, with: Border Tire of Fontana, California; Parkhouse Tire Inc. of Fontana, California; and Daniels Tire Service Inc. of Santa Fe Springs, California, in quantities and costs that are consistent with City Council approved budgets.

COUNCIL GOALS: Maintain the Current High Level of Public Safety
Operate in a Businesslike Manner

FISCAL IMPACT: The Fiscal Year 2018-19 Adopted Operating Budget includes appropriations of \$400,000 from the Equipment Services Fund related to the purchase of tires and tire casings for the maintenance and operations of the City's fleet. The three suppliers will be compensated for materials ordered for the City's vehicles, on an as-needed basis, based upon the fee structures and material billing rates set forth in the respective purchasing agreements and consistent with Bid No. 1062.

BACKGROUND: The City routinely purchases tires and tire casings for the on-going maintenance of City vehicles and equipment.

In December 2018, the City solicited bids for tires and tire casings, and three (3) responses were received which met all the required specifications. Based on the bid responses, credentials, pricing, favorable product availability and responsive service, staff recommends the award of purchase agreements to each of the three suppliers. Purchase agreements with multiple suppliers are recommended in order to give the City flexibility in ensuring that quality and timeliness of items delivered meet with the specific vehicle and equipment needs at the time of order. The selected suppliers possess the knowledge, qualifications and experience needed to meet the needs of the City.

STAFF MEMBER PRESENTING: Tito Haes, Executive Director, Public Works

Prepared by: Victor J. Moraga
Department: Municipal Services

City Manager
Approval: 

Submitted to Council/O.H.A. 02/05/2019
Approved: _____
Continued to: _____
Denied: _____

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CITY OF ONTARIO

Agenda Report
February 5, 2019

SECTION:
CONSENT CALENDAR

SUBJECT: AUTHORIZE THE PURCHASE OF FLEET VEHICLES

RECOMMENDATION: That the City Council take the following actions:

- (A) Award Bid No. 1063 and authorize the purchase and delivery of one CNG Utilities Service Truck in the amount of \$319,774 for the Utilities Department from Los Angeles Freightliner of Whittier, California;
- (B) Authorize the cooperative purchase and delivery of five Ford F350 trucks with Scelzi utility bodies in the amount of \$265,227 (four for the Utilities Department and one for the Parks and Maintenance Department) from National Auto Fleet Group of Watsonville, California, consistent with the terms and conditions of the Sourcewell (formerly known as NJPA) Cooperative Contract 120716-NAF; and
- (C) Authorize the cooperative purchase and delivery of one Ford F250 truck in the amount of \$34,929 for the Information Technologies Department from National Auto Fleet Group of Watsonville, California, consistent with the terms and conditions of the Sourcewell (formerly known as NJPA) Cooperative Contract 120716-NAF.

COUNCIL GOALS: Maintain the Current High Level of Public Safety
Operate in a Businesslike Manner

FISCAL IMPACT: The Fiscal Year 2018-19 Adopted Operating Budget includes appropriations from the Equipment Services Fund in the amount of \$487,000 for four replacement vehicles and \$100,000 from Enterprise Funds and \$35,000 from IT Airport Operation Funds for the purchase of the three additional vehicles. Total appropriations of \$622,000 are available to cover the cost of the vehicles recommended for purchase, which is \$619,930.

BACKGROUND: In coordination with the development of Ontario Ranch and the growth at Ontario International Airport, two Ford F350 trucks with Scelzi utility bodies for Utilities and one Ford F250 truck

STAFF MEMBER PRESENTING: Tito Haes, Executive Director, Public Works

Prepared by: Manuel Rebolledo
Department: Fleet Services
City Manager Approval: 

Submitted to Council/O.H.A. 02/05/2019
Approved: _____
Continued to: _____
Denied: _____

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for IT Airport Operations are being purchased, along with the replacement of four vehicles for the Utilities and Parks and Maintenance Departments. The vehicles recommended for replacement have outlived their useful life, and it is no longer cost effective to maintain them. They are scheduled for replacement pursuant to ongoing efforts to reduce expenses, maximize useful life expectancy and extend replacement cycles of fleet equipment, while ensuring safe and reliable operation. This procurement action will result in the replaced vehicles being available to surplus, with any auction sale proceeds returning to the Equipment Services Fund.

In general conformance with the provisions of Government Code Section 54201 through 54204, Ontario Municipal Code Section 2-6.29 allows for the purchase of supplies and equipment through cooperative purchasing programs, pursuant to California Government Code Section 6502 and the City of Ontario Resolution No. 91-141. Cooperative purchasing allows the City to pool its procurement power with other public agencies to obtain pricing lower than otherwise might be possible.

(A) Bid No. 1063: One CNG Utilities Service Truck

In December 2018, the City solicited bids for one CNG Utilities Service Truck. Los Angeles Freightliner of Whittier, California, was the only responsive bidder.

One CNG Utilities Service Truck		
<u>Supplier</u>	<u>Location</u>	<u>Bid Amount</u>
Los Angeles Freightliner	Whittier, California	\$319,774

Staff recommends award Bid No. 1063 to Los Angeles Freightliner of Whittier, California, in the amount of \$319,774.

- (B) Staff recommends the cooperative purchase and delivery of five Ford F350 trucks with Scelzi utility bodies in the total amount of \$265,227 (four for the Utilities Department and one for the Parks and Maintenance Department) from National Auto Fleet Group of Watsonville, California, consistent with the terms and conditions of the Sourcewell (formerly known as NJPA) Cooperative Contract 120716-NAF.
- (C) Staff recommends the cooperative purchase and delivery of one Ford F250 truck in the amount of \$34,929 for the Information Technologies Department from National Auto Fleet Group of Watsonville, California, consistent with the terms and conditions of the Sourcewell (formerly known as NJPA) Cooperative Contract 120716-NAF.

CITY OF ONTARIO

Agenda Report
February 5, 2019

SECTION:
CONSENT CALENDAR

SUBJECT: A PROFESSIONAL SERVICE AGREEMENT FOR THE PREPARATION OF AN ENVIRONMENTAL IMPACT REPORT FOR THE MERRILL COMMERCE CENTER SPECIFIC PLAN FOR PROPERTY LOCATED NORTH OF MERRILL AVENUE, SOUTH OF EUCALYPTUS AVENUE, EAST OF GROVE AVENUE AND WEST OF CARPENTER AVENUE

RECOMMENDATION: That the City Council approve and authorize the City Manager to execute an agreement (on file with the Records Management Department) with Applied Planning, Inc., of Corona, California, to prepare an Environmental Impact Report (EIR) for the Merrill Commerce Center Specific Plan, in the amount of \$448,746, plus a 15% contingency of \$67,312, for a total authorized expenditure of \$516,058; and authorize the City Manager to approve any future budget adjustments necessary to complete the EIR.

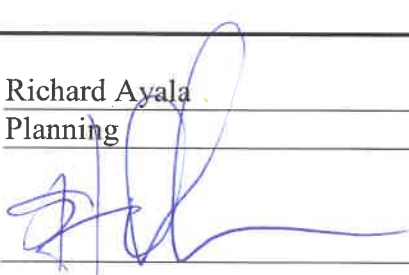
COUNCIL GOALS: Invest in the Growth and Evolution of the City's Economy
Operate in a Businesslike Manner
Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch

FISCAL IMPACT: None. The EIR contract is a "pass-thru" to be paid by the project applicant. A budget adjustment for the \$516,058 in Development revenue and corresponding expenditure appropriations will be included in the next quarterly budget update report to the City Council.

BACKGROUND: On January 27, 2010, the City adopted The Ontario Plan (TOP) and certified the accompanying EIR. TOP serves as the City's new General Plan for the entire City, including Ontario Ranch. The project site is zoned SP/AG (Specific Plan/Agriculture Preserve). The zoning of "SP" requires the project area to be developed with a specific plan to carry out the Goals and Policies of TOP.

Merrill Commerce Center East LLC, Merrill Commerce Center West LLC and Liberty Property Limited Partnership (Applicant), is proposing the Merrill Commerce Center Specific Plan to govern the

STAFF MEMBER PRESENTING: Scott Murphy, AICP, Executive Director, Development Agency

Prepared by: Richard Ayala
Department: Planning
City Manager Approval: 

Submitted to Council/O.H.A. 02/05/2019
Approved: _____
Continued to: _____
Denied: _____

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development of approximately 377 acres of land for industrial purposes. The Specific Plan site is generally located north of Merrill Avenue, south of Eucalyptus Avenue, east of Grove Avenue, and west of Carpenter Avenue.

The Specific Plan proposes the development of up to 8,455,000 square feet of industrial and business park uses. Approximately 292.8 acres would be developed with industrial uses. Business park uses would comprise 55.1 acres, and the remaining 28.4 acres would be used for right-of-way dedications. Business park uses are proposed along the site's northerly frontage, along Eucalyptus Avenue, with the industrial uses located to the south. The Specific Plan will address land use, circulation, infrastructure, grading, maintenance, and phasing, as well as design guidelines, development regulations, and implementation measures to guide future development. Applications associated with the Specific Plan will include a development agreement, development plan, and tentative parcel map.

In order to thoroughly address the environmental impacts associated with the proposed specific plan, a project Environmental Impact Report (EIR) is required.

The City of Ontario Planning Department is responsible for selecting the consultant to prepare the EIR. A Request for Proposal (RFP) to prepare an EIR for the Merrill Commerce Center Specific Plan was sent to four qualified environmental consulting firms. The selection committee unanimously recommended Applied Planning, Inc. to prepare the EIR for the Merrill Commerce Center Specific Plan. The experience and qualifications of the Applied Planning, Inc. team seemed to best address and fully respond to the work scope.

The total estimated cost for completing the EIR is \$516,058, which includes a fifteen percent (15%) contingency required by the City, to be paid by the applicant. The applicant is aware of and has agreed to the required total amount. Staff will oversee the project from start to finish.

CITY OF ONTARIO

Agenda Report
February 5, 2019

SECTION:
CONSENT CALENDAR

SUBJECT: STATE OF CALIFORNIA DEPARTMENT OF JUSTICE TOBACCO ENFORCEMENT GRANT

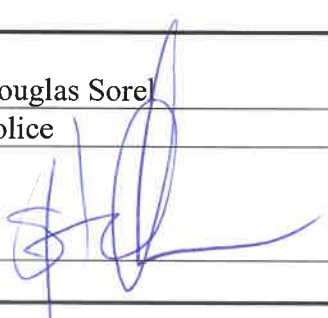
RECOMMENDATION: That the City Council authorize the City Manager or designee to accept and execute grant documents to accept a 32-month grant for \$41,400 from the California Department of Justice to fund overtime enforcement operations to address tobacco-related problems in the community.

COUNCIL GOALS: Maintain the Current High Level of Public Safety
Pursue City's Goals and Objectives by Working with Other Governmental Agencies
Focus Resources in Ontario's Commercial and Residential Neighborhoods
Encourage, Provide or Support Enhanced Recreational, Educational, Cultural and Healthy City Programs, Policies and Activities

FISCAL IMPACT: The Ontario Police Department has been awarded \$41,400 from the California Department of Justice in response to a Request for Proposals for activities of Local Law Enforcement Agencies to be funded under the California Healthcare, Research and Prevention Tobacco Tax Act of 2016. The grant will reimburse the City for training and overtime costs incurred while conducting field enforcement operations. The grant period is November 1, 2018 – June 30, 2021. The associated grant revenue and expenditure appropriations adjustments will be presented in the next Quarterly Budget Report to the City Council. The City is not required to provide matching funds for the grant award.

BACKGROUND: Funding for the Tobacco Enforcement Grant program is awarded to local law enforcement agencies in response to the DOJ's Request for Proposals for activities of Local Law Enforcement Agencies funded under the California Healthcare, Research and Prevention Tobacco Tax Act of 2016, approved by the voters as Proposition 56. The grant runs concurrently with a separate Proposition 56 Tobacco Enforcement grant approved by the City Council on July 3, 2018. These grant funds are distributed to help agencies expand their efforts in addressing tobacco-related problems at the point of sale using enforcement and training strategies. The grant requires a sworn officer to be appointed to the program to coordinate enforcement action and training. This is the first year of the

STAFF MEMBER PRESENTING: Derek Williams, Chief of Police

Prepared by: Douglas Sorel
Department: Police
City Manager Approval: 

Submitted to Council/O.H.A. 02/05/2019
Approved: _____
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Denied: _____

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program and it is expected the program will result in higher rates of compliance with tobacco-retailing laws and local ordinances.

The proposed spending plan for the tobacco enforcement grant is as follows:

• Personnel Overtime	
(FY 2018-19)	\$13,700
(FY 2019-20)	\$13,700
(FY 2020-21)	\$13,700
• Operating Expenses	
Buy money	
(FY 2018-19)	\$100
(FY 2019-20)	\$100
(FY 2020-21)	<u>\$100</u>
TOTAL	<u>\$41,400</u>

CITY OF ONTARIO

Agenda Report
February 5, 2019

**SECTION:
ADMINISTRATIVE REPORTS/
DISCUSSION/ACTION**

SUBJECT: A RESOLUTION AUTHORIZING THE ISSUANCE OF SPECIAL TAX BONDS FOR COMMUNITY FACILITIES DISTRICT NO. 39 (NEW HAVEN FACILITIES – AREA C)

RECOMMENDATION: That the City Council adopt a resolution authorizing the issuance of special tax bonds for Community Facilities District No. 39 (New Haven Facilities - Area C). The resolution:

- (A) Authorizes the issuance of special tax bonds for public improvements required to facilitate the development of the New Haven Facilities - Area C project;
- (B) Approves the forms of the Indenture of Trust, the Bond Purchase Agreement, the Continuing Disclosure Agreement, and the Preliminary Official Statement;
- (C) Authorizes a negotiated sale of the special tax bonds to Stifel, Nicolaus & Company, Incorporated (the "Underwriter") in accordance with the terms of the Bond Purchase Agreement; and
- (D) Authorizes the execution of the Indenture of Trust, the Bond Purchase Agreement, the Continuing Disclosure Agreement, and the Preliminary Official Statement by the City Manager, or his designee.

COUNCIL GOALS: Operate in a Businesslike Manner
Focus Resources in Ontario's Commercial and Residential Neighborhoods
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)
Ensure the Development of a Well Planned, Balanced and Self-Sustaining Community in Ontario Ranch

FISCAL IMPACT: The use of Mello-Roos financing for public facilities in the residential development of the New Haven Facilities - Area C project is estimated to generate approximately

STAFF MEMBER PRESENTING: Armen Harkalyan, Executive Director of Finance

Prepared by: Bob Chandler
Department: Management Services
City Manager Approval: 

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\$4.8 million, based on current market interest rates, which will be used to help fund a portion of the public infrastructure improvements that will serve the project. The resolution authorizing the issuance of special tax bonds for Community Facilities District No. 39 (“District”) limits the principal amount of the bonds to \$6 million. The City expects the bonds to be sold no later than February of 2019. Since Mello-Roos bonds are not a direct obligation of the City, and are paid from special taxes levied on each taxable parcel in the district, there is no General Fund impact from the issuance of Mello-Roos bonds.

BACKGROUND: The Mello-Roos Community Facilities Act of 1982 provides local government, with the consent from a majority of the property owners, the authority to establish community facilities districts for the purpose of levying special taxes to fund governmental services and to finance various kinds of public infrastructure facilities. Under the Mello-Roos Act, the initial steps in the formation of a community facilities district to finance public improvements are adopting a resolution declaring the City’s intention to establish a community facilities district and levy special taxes, and a resolution to issue bonds.

On July 18, 2017, the City Council, in accordance with the Mello-Roos Act, took the initial steps in the formation of the District with the adoption of Resolution No. 2017-081, declaring the City’s intention to establish the District and to authorize the levy of special taxes. On September 19, 2017, the City Council adopted Resolution No. 2017-113 establishing the formation of the District and Resolution No. 2017-114 deeming it necessary to incur bonded indebtedness. Upon a successful property owner election, the City Council adopted Ordinance No. 3079 on October 3, 2017, authorizing the levy of special taxes within the District to finance public improvements related to the New Haven Facilities - Area C project. The New Haven Facilities - Area C project addresses the residential development of approximately 24 gross acres located generally East of Archibald Avenue, west of Haven Avenue, south of Ontario Ranch Road and north of Edison Avenue. At build out, the development is projected to include 225 units – 62 detached units and 163 attached units.

The proposed resolution references several bond documents and other matters related to the proposed issuance of bonds for the District. These documents are listed below and are on file with the Records Management Department.

- Indenture of Trust
- Bond Purchase Agreement
- Continuing Disclosure Agreement
- Preliminary Official Statement

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE ISSUANCE OF CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 39 (NEW HAVEN FACILITIES - AREA C) SPECIAL TAX BONDS, SERIES 2019, IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$6,000,000, AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE, A BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE AGREEMENT, AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT IN CONNECTION THEREWITH AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS.

WHEREAS, the City Council (the "City Council") of the City of Ontario (the "City") has formed the City of Ontario Community Facilities District No. 39 (New Haven Facilities - Area C) (the "Community Facilities District") under the provisions of the Mello-Roos Community Facilities Act of 1982 (the "Act"); and

WHEREAS, the Community Facilities District is authorized under the Act to levy special taxes (the "Special Taxes") to pay for the costs of certain public facilities (the "Facilities") and to issue bonds payable from the Special Taxes; and

WHEREAS, in order to provide funds to finance certain of the Facilities, the Community Facilities District proposes to issue its City of Ontario Community Facilities District No. 39 (New Haven Facilities - Area C) Special Tax Bonds, Series 2019 (the "Series 2019 Bonds"), in the aggregate principal amount of not to exceed \$6,000,000; and

WHEREAS, in order to provide for the authentication and delivery of the Series 2019 Bonds, to establish and declare the terms and conditions upon which the Series 2019 Bonds are to be issued and secured and to secure the payment of the principal thereof, premium, if any, and interest thereon, the Community Facilities District proposes to enter into an Indenture with Zions Bancorporation, National Association, as trustee (the "Trustee") (such Indenture, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Indenture"); and

WHEREAS, Stifel, Nicolaus & Company, Incorporated (the "Underwriter"), has presented the Community Facilities District with a proposal, in the form of a Bond Purchase Agreement, to purchase the Series 2019 Bonds from the Community Facilities District (such Bond Purchase Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Purchase Agreement"); and

WHEREAS, Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (“Rule 15c2-12”) requires that, in order to be able to purchase or sell the Series 2019 Bonds, the underwriter thereof must have reasonably determined that the Community Facilities District has, or one or more appropriate obligated persons have, undertaken in a written agreement or contract for the benefit of the holders of the Series 2019 Bonds to provide disclosure of certain financial information and certain listed events on an ongoing basis; and

WHEREAS, in order to cause such requirement to be satisfied, the Community Facilities District desires to enter into a Continuing Disclosure Agreement with the Trustee (such Continuing Disclosure Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Continuing Disclosure Agreement”); and

WHEREAS, a form of the Preliminary Official Statement to be distributed in connection with the public offering of the Series 2019 Bonds has been prepared (such Preliminary Official Statement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Preliminary Official Statement”); and

WHEREAS, there have been prepared and submitted to this meeting forms of:

- (a) the Indenture;
- (b) the Purchase Agreement;
- (c) the Continuing Disclosure Agreement; and
- (d) the Preliminary Official Statement; and

WHEREAS, Harris Realty Appraisal has prepared and provided to the Community Facilities District an appraisal report, dated November 30, 2018 (the “Appraisal”), providing an opinion of value of the property in the Community Facilities District, which has been submitted to this meeting; and

WHEREAS, Section 5852.1 of the California Government Code requires that the City Council obtain from an underwriter, financial advisor or private lender and disclose, in a meeting open to the public, prior to authorization of the issuance of the Series 2019 Bonds, good faith estimates of (a) the true interest cost of the Series 2019 Bonds, (b) the sum of all fees and charges paid to third parties with respect to the Series 2019 Bonds, (c) the amount of proceeds of the Series 2019 Bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the Series 2019 Bonds, and (d) the sum total of all debt service payments on the Series 2019 Bonds calculated to the final maturity of the Series 2019 Bonds plus the fees and charges paid to third parties not paid with the proceeds of the Series 2019 Bonds; and

WHEREAS, in compliance with Section 5852.1 of the California Government Code, the City Council has obtained from CSG Advisors Incorporated, as the Community Facilities District's municipal advisor, in consultation with the Underwriter, the required good faith estimates and such estimates are disclosed and set forth in Exhibit A attached hereto; and

WHEREAS, the Community Facilities District desires to proceed to issue and sell the Series 2019 Bonds and to authorize the execution of such documents and the performance of such acts as may be necessary or desirable to effect the offering, sale and issuance of the Series 2019 Bonds; and

WHEREAS, the City Council is the legislative body of the Community Facilities District; and

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

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. Subject to the provisions of Section 3 hereof, the issuance of the Series 2019 Bonds, in an aggregate principal amount of not to exceed \$6,000,000, on the terms and conditions set forth in, and subject to the limitations specified in, the Indenture, be and the same is hereby authorized and approved. The Series 2019 Bonds shall be dated, shall bear interest at the rates, shall mature on the dates, shall be subject to call and redemption, shall be issued in the form and shall be as otherwise provided in the Indenture, as the same shall be completed as provided in this Resolution.

SECTION 3. The Indenture, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, be and the same is hereby approved. Each of the Mayor of the City, and such other member of the City Council as the Mayor may designate, the City Manager of the City, the Assistant City Manager of the City, the Executive Director of Finance of the City, the Management Services Director of the City, and such other officer or employee of the City as the City Manager may designate (the "Authorized Officers") is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the Community Facilities District, to execute and deliver the Indenture in the form submitted to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Indenture by such Authorized Officer; provided, however, that such changes, insertions and omissions shall not authorize an aggregate principal amount of Series 2019 Bonds in excess of \$6,000,000, shall not result in a final maturity date of the Series 2019 Bonds later than September 1, 2050, and shall not result in a true interest cost for the Series 2019 Bonds in excess of 6.00%.

SECTION 4. The Purchase Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, be and the same is hereby approved. Each of the Authorized Officers is hereby authorized, and any one

of the Authorized Officers is hereby directed, for and in the name of the Community Facilities District, to execute and deliver the Purchase Agreement in the form presented to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Purchase Agreement by such Authorized Officer; provided, however, that such changes, insertions and omissions shall not result in an aggregate underwriter's discount (not including any original issue discount) from the principal amount of the Series 2019 Bonds in excess of 2.00% of the aggregate principal amount of the Series 2019 Bonds. The City Council hereby finds and determines that the sale of the Series 2019 Bonds at negotiated sale as contemplated by the Purchase Agreement will result in a lower overall cost.

SECTION 5. The Continuing Disclosure Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, be and the same is hereby approved. Each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the Community Facilities District, to execute and deliver the Continuing Disclosure Agreement in the form presented to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Continuing Disclosure Agreement by such Authorized Officer.

SECTION 6. The Preliminary Official Statement, in substantially the form presented to this meeting and made a part hereof as though set forth in full herein, with such changes, insertions and omissions therein as may be approved by an Authorized Officer, be and the same is hereby approved, and the use of the Preliminary Official Statement in connection with the offering and sale of the Series 2019 Bonds is hereby authorized and approved. The Authorized Officers are each hereby authorized to certify on behalf of the Community Facilities District that the Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 (except for the omission of certain final pricing, rating and related information as permitted by Rule 15c2-12).

SECTION 7. The preparation and delivery of a final Official Statement (the "Official Statement"), and its use in connection with the offering and sale of the Series 2019 Bonds, be and the same is hereby authorized and approved. The Official Statement shall be in substantially the form of the Preliminary Official Statement, with such changes, insertions and omissions as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. Each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the Community Facilities District, to execute the final Official Statement and any amendment or supplement thereto.

SECTION 8. Based upon the property values within the Community Facilities District reported in the Appraisal and the value-to-lien information set forth in the Preliminary Official Statement, the City Council, for purposes of Section 53345.8 of the Act, hereby finds and determines that the value of the real property that would be subject to the Special Tax to pay debt service on the Series 2019 Bonds will be at least

three times the principal amount of the Series 2019 Bonds to be sold and the principal amount of all other bonds outstanding that are secured by a special tax levied pursuant to the Act on property within the Community Facilities District or a special assessment levied on property within the Community Facilities District.

SECTION 9. The officers, employees and agents of the City are hereby authorized and directed to take all actions and do all things which they, or any of them, may deem necessary or desirable to accomplish the purposes of this Resolution and not inconsistent with the provisions hereof.

SECTION 10. This Resolution shall take effect immediately upon its adoption.

The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 5th day of February 2019.

PAUL S. LEON, MAYOR

ATTEST:

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

BEST BEST & KRIEGER LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2019- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held February 5, 2019 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2019- duly passed and adopted by the Ontario City Council at their regular meeting held February 5, 2019.

SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A

GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Series 2019 Bonds in accordance with Section 5852.1 of the California Government Code. Such good faith estimates have been provided to the Community Facilities District by CSG Advisors Incorporated, the Community Facilities District's municipal advisor (the "Municipal Advisor"), in consultation with Stifel, Nicolaus & Company, Incorporated, the underwriter.

Principal Amount. The Municipal Advisor has informed the Community Facilities District that, based on the Community Facilities District's financing plan and current market conditions, its good faith estimate of the aggregate principal amount of the Series 2019 Bonds to be sold is \$4,850,000 (the "Estimated Principal Amount"), which excludes approximately \$104,000 of net premium estimated to be generated based on current market conditions. Net premium is generated when, on a net aggregate basis for a single issuance of bonds, the price paid for such bonds is higher than the face value of such bonds.

True Interest Cost of the Series 2019 Bonds. The Municipal Advisor has informed the Community Facilities District that, assuming that the Estimated Principal Amount of the Series 2019 Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the true interest cost of the Series 2019 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 2019 Bonds, is 4.29%.

Finance Charge of the Series 2019 Bonds. The Municipal Advisor has informed the Community Facilities District that, assuming that the Estimated Principal Amount of the Series 2019 Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the finance charge for the Series 2019 Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Series 2019 Bonds), is \$289,000.

Amount of Proceeds to be Received. The Municipal Advisor has informed the Community Facilities District that, assuming that the Estimated Principal Amount of the Series 2019 Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the amount of proceeds expected to be received by the Community Facilities District for sale of the Series 2019 Bonds, less the finance charge of the Series 2019 Bonds, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Series 2019 Bonds, is \$4,330,000.

Total Payment Amount. The Municipal Advisor has informed the Community Facilities District that, assuming that the Estimated Principal Amount of the Series 2019 Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the total payment amount, which means the sum total of all payments the Community Facilities District will make to pay debt service

on the Series 2019 Bonds, plus the finance charge for the Series 2019 Bonds, as described above, not paid with the proceeds of the Series 2019 Bonds, calculated to the final maturity of the Series 2019 Bonds, is \$8,899,000, which excludes any reserves or capitalized interest funded or paid with proceeds of the Series 2019 Bonds (which may offset such total payment amount).

The foregoing estimates constitute good faith estimates only and are based on market conditions prevailing at the time of preparation of such estimates. The actual principal amount of the Series 2019 Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Series 2019 Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Series 2019 Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the Series 2019 Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Series 2019 Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the Community Facilities District's financing plan, or a combination of such factors. The actual date of sale of the Series 2019 Bonds and the actual principal amount of Series 2019 Bonds sold will be determined by the Community Facilities District based on the timing of the need for proceeds of the Series 2019 Bonds and other factors. The actual interest rates borne by the Series 2019 Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Series 2019 Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the Community Facilities District.